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January 15, 2013

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**MONTGOMERY COUNTY MAN SENTENCED TO PRISON IN MORTGAGE FRAUD
CONSPIRACY**

Submitted Fraudulent Applications to Obtain Loans Totaling Over \$2.2 Million

Greenbelt, Maryland - U.S. District Judge Peter J. Messitte sentenced Dennis O. Edwards, age 49, of Silver Spring, Maryland, today to 21 months in prison, followed by three years of supervised release, for conspiracy to commit bank fraud in connection with a scheme in which he submitted fraudulent loan applications to obtain over \$2.241 million to purchase or refinance homes. Judge Messitte also ordered Edwards to pay restitution of \$625,000.

The sentence was announced by United States Attorney for the District of Maryland Rod J. Rosenstein; Special Agent in Charge Stephen E. Vogt of the Federal Bureau of Investigation; Inspector General Steve A. Linick of the Federal Housing Finance Agency; and Howard County Police Chief William McMahon.

According to Edwards' guilty plea, in early January 2006, Edwards fraudulently obtained mortgage loans totaling \$342,000, to purchase a home in Silver Spring, Maryland, by falsely claiming on the loan applications that he worked as a nurse and as a mover, earning a combined \$6,000 a month from both employers. In fact, Edwards was unemployed at the time and received social security disability payments of approximately \$1,000 a month.

A co-conspirator whom Edwards met while he was purchasing the Silver Spring property worked as a loan officer at a bank. The co-conspirator arranged for Edwards to purchase a property in Hyattsville, Maryland, obtaining a loan for \$384,750, and subsequently refinancing that loan, based upon fraudulent loan applications that falsely inflated Edwards' income. In January 2006, the co-conspirator purchased a residence in Columbia, Maryland, by obtaining loans totaling \$1.595 million in Edwards' name. Edwards knew that the loan applications falsely inflated his income and assets, and that by signing the settlement documents he was facilitating a fraud.

Eventually the loans on the Columbia property went into default. To forestall foreclosure, the co-conspirator sent a \$12,082.90 cashiers' check to the mortgage company in June 2008. In June 2010, to encourage the bank to accept a "short sale" that would have caused an immediate loss to the bank of \$625,000, Edwards signed a letter, drafted by another co-conspirator, which falsely represented that Edwards had fallen behind on the mortgage payments due to a medical disability that had occurred after

he obtained the loans. In fact, Edwards was unemployed and receiving disability payments when he obtained the loans.

The Maryland Mortgage Fraud Task Force was established to unify the agencies that regulate and investigate mortgage fraud and promote the early detection, identification, prevention and prosecution of mortgage fraud schemes. This case, as well as other cases brought by members of the Task Force, demonstrates the commitment of law enforcement agencies to protect consumers from fraud and promote the integrity of the credit markets. Information about mortgage fraud prosecutions is available www.justice.gov/usao/md/Mortgage-Fraud/index.html.

This law enforcement action is part of President Barack Obama's Financial Fraud Enforcement Task Force. President Obama established the interagency Financial Fraud Enforcement Task Force to wage an aggressive, coordinated and proactive effort to investigate and prosecute financial crimes. The task force includes representatives from a broad range of federal agencies, regulatory authorities, inspectors general, and state and local law enforcement who, working together, bring to bear a powerful array of criminal and civil enforcement resources. The task force is working to improve efforts across the federal executive branch, and with state and local partners, to investigate and prosecute significant financial crimes, ensure just and effective punishment for those who perpetrate financial crimes, combat discrimination in the lending and financial markets, and recover proceeds for victims of financial crimes.

United States Attorney Rod J. Rosenstein praised the special agents of the FBI, the Federal Housing Finance Agency Office of Inspector General and the Howard County Police Department, for their work in this investigation. Mr. Rosenstein thanked Assistant U.S. Attorneys Gregory R. Bockin and Sujit Raman, who are prosecuting the case.