



FOR IMMEDIATE RELEASE
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*Office of the United States Attorney
District of Arizona*

For Information Contact Public Affairs
WYN HORNBUCKLE
Telephone: (602) 514-7573
Cell: (602) 740-2422

MORTGAGE FRAUD LEADERS SENTENCED TO PRISON

PHOENIX – Marcus Dozzell, 34, of Henderson, Nevada was sentenced today to 45 months in prison for his conviction in April 2008 for leading a mortgage fraud scheme in Phoenix, Arizona, San Diego, California and Las Vegas, Nevada. Co-defendant Lutrell Sharpe was sentenced to 88 months in prison on January 29, 2009.

Sharpe pleaded guilty to twenty-five counts related to mortgage fraud, including Mail and Wire Fraud, False Loan Applications, Using a Social Security Number Belonging to Obtained by Fraud Money Laundering and Conspiracy as part of a 37-count indictment related to his leadership of a 5-year conspiracy involving the purchase of nineteen properties and ten vehicles using fraudulent loan documents. Ten other co-conspirators were also charged and have pleaded guilty for their involvement in the conspiracy and many will be sentenced in the next few months.

Diane J. Humetewa, U.S. Attorney for the District of Arizona, highlighted the significance of this sentence. “Mortgage fraud has destroyed property values, lending institutions, and entire neighborhoods in our community. It has resulted in the loss of tax revenues and job losses. To those who engage in mortgage fraud you can expect to be prosecuted to the full extent of the law and we will strongly urge prison sentences. I congratulate the Internal Revenue Service and Secret Service for their thorough investigation that led to this significant sentence.”

The case against Dozzell, Sharpe and ten others was based on an investigation by the Internal Revenue Service, Criminal Investigation Division and the U.S. Secret Service, which indicated that from May 2002 through May 2007 they conspired to commit mortgage fraud in Phoenix, San Diego and Las Vegas. Dozzell and Sharpe fraudulently submitted mortgage loan applications, on behalf of straw buyers, under false pretenses, obtaining and disbursing the proceeds of fraudulently obtained loans, including directing portions of the proceeds to bank accounts in Dozzell and Sharpe’s and other defendants’ control. Sharpe directed others to prepare fraudulent loan applications misrepresenting salary, assets and liabilities. He further submitted fraudulent W-2s, bank statements and employment verifications to purchase real estate and vehicles. Dozzell and Sharpe used the proceeds from the fraud to live a lavish lifestyle including purchasing several expensive homes, luxury vehicles and jewelry. The conspiracy resulted in a loss to lending institutions of \$2,500,000.

Federal agents and the United States Attorney’s Office for the District of Arizona in an initiative called Operation Cashback indicted and arrested forty real estate professionals and investors in June 2008 for their participation in mortgage fraud.

The investigation in this case was conducted by the Internal Revenue Service, Criminal Investigations Division, the U.S. Secret Service and Office of Inspector General, Social Security Office. The prosecution is being handled by Kevin M. Rapp, Assistant U.S. Attorney, District of Arizona, Phoenix.

CASE NUMBER: CR-05-0264-PHX-SMM
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