

NEWS

United States Department of Justice
U.S. Attorney, District of New Jersey
970 Broad Street, Seventh Floor
Newark, New Jersey 07102



Christopher J. Christie, U.S. Attorney

More Information? Call the Assistant U.S. Attorney or other contact listed below to see if more information is available.

News on the Internet: News Releases and related documents are posted at our website.
Go to: <http://www.usdoj.gov/usao/nj/press/index.html>

Assistant U.S. Attorneys:

DONNA GALLUCIO and JENNY KRAMER
973-645-2786 and 973-645-2793

FOR IMMEDIATE RELEASE

davi0716.rel

July 16, 2008

Two Women Sentenced to Long Prison Terms
for \$14 Million Mortgage Fraud

(More)

Public Affairs Office
Michael Drewniak, PAO

973-645-2888

<http://www.usdoj.gov/usao/nj/press/index.html>

NEWARK – A Montclair woman and a former resident of Fort Lee were each sentenced to long federal prison terms today for their roles in orchestrating a mortgage fraud scheme to defraud Lehman Brothers Bank, FSB and Commerce Bank of more than \$14 million, U.S. Attorney Christopher J. Christie announced.

Jamila Davis a/k/a Jamila Baker, 31, now of Queens Village, N.Y., who operated now-defunct Diamond Star Financial Services, with offices in Leonia and later Fort Lee, was sentenced to 151 months in prison; Brenda Rickard, 54, of Montclair, who formerly owned and operated MS Financial Services in Montclair and later in Verona, was sentenced to 121 months in prison.

In addition to the terms of imprisonment, U.S. District Judge Jose L. Linares ordered Davis and Rickard to pay \$12.4 million in restitution to the victim banks. Judge Linares revoked the bail for both women and ordered them to begin serving their prison terms immediately.

“This is a long prison sentence that appropriately matches the breadth and complexity of the fraud committed by Davis and Rickard,” said Christie.

On Sept. 20, 2007, after two hours of deliberations, a jury convicted Davis and Rickard of conspiracy and six counts of bank fraud. The seven-count indictment was returned in June 2005 and the case was tried by Assistant U.S. Attorneys Donna Gallucio and Jenny Kramer.

Through the use of straw buyers, Davis and Rickard orchestrated a scheme to falsify loan applications and closing documents for million-dollar homes in Cresskill, Alpine and Saddle River to secure mortgages that were almost more than double the true purchase price of the homes.

Defendants Davis and Rickard managed and led more than nine other co-conspirators in this scheme, including five straw buyers, a mortgage broker, an attorney, an accountant and a real estate investor, almost all of whom testified at trial against them.

According to the evidence introduced at trial, Davis and Rickard set aside a portion of the banks’ money to make 12 months of mortgage payments but, after having spent the money buying luxury automobiles, such as a Bentley, a Mercedes Benz and a BMW, the money ran out and they were unable to keep up with the payments or even purchase the eighth property.

In total, Davis and Rickard obtained more than \$29 million. Subsequently, after the fraud was discovered and Lehman and Commerce banks seized and sold the over-valued collateral and the two houses that had been purchased in cash, with proceeds of the fraud,

they were still left with millions of dollars in losses.

In determining the sentence, Judge Linares consulted the advisory U.S. Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors. The judge, however, was not bound by those guidelines in determining a sentence.

Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

Christie credited Special Agents of the FBI, under the direction of Special Agent in Charge Weysan Dun, in Newark; the U.S. Postal Inspectors, under the direction of Postal Inspector In Charge David L. Collins; and the Special Agents of the IRS Criminal Investigations Division, under the direction of Special Agent in Charge William P. Offord.

The government was represented by Assistant U.S. Attorneys Donna Gallucio of the U.S. Attorney's Office Commercial Crimes Unit and Jenny Kramer of the Special Prosecutions Division.

-end-

Defense Counsel:

For Davis: Thomas H. Nooter, Esq., New York

For Rickard: James W. Parkman, III, Esq., Birmingham, Ala.