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**TWO DEFENDANTS INDICTED FOR ALLEGEDLY DEFRAUDING
MORE THAN 250 VICTIMS IN \$2 MILLION FRAUD SCHEME**

CHICAGO Two defendants who contracted to provide 48 separate condominium associations with property management services allegedly defrauded more than 250 condominium owners of approximately \$2 million in a fraud scheme over the course of 3 years, according to a federal indictment made public today. The defendants allegedly defrauded the victims into providing them with payments for the property management services offered by defendants' business, known as the Regent Realty Group, Inc. The defendants allegedly made false statements and promises that the owners' payments would be used for the maintenance of the properties as contracted, and the money would be maintained in bank accounts for the benefit of the individual condominium associations. The defendants then allegedly commingled the fraudulently obtained funds and misused the money for their own benefit.

One defendant, **Jay Strauss**, 75, of Scottsdale, Arizona, allegedly acted as the chairman of Regent Realty, while the other, **Donald Doering**, 63, of Wilmette, Illinois, allegedly served as the business's president. Both defendants will be arraigned on a date that will be set by Judge Robert

M. Dow, Jr., of the Federal District Court for the Northern District of Illinois. Strauss and Doering were charged with three counts of wire fraud in an indictment that was returned by a federal grand jury on February 9, 2011.

The charges were announced today by Patrick J. Fitzgerald, United States Attorney for the Northern District of Illinois, and Robert D. Grant, Special Agent-in-Charge of the Chicago Office of the Federal Bureau of Investigation. Mr. Fitzgerald and Mr. Grant thanked the Chicago Police Department and Cook County States Attorney's Office, which cooperated in the investigation of Strauss and Doering.

According to the indictment, between 2005 and January 2008, rather than using the funds contributed by the condominium members to manage the condominium properties as the defendants had agreed to do, Strauss and Doering, without the knowledge of the condominium associations and their members, diverted the money to make payments on personal debt that Strauss and Doering incurred on an unrelated real estate development project. In order to conceal their fraud from the victims, Strauss and Doering created false monthly financial reports for the accounts of each property managed by Regent Realty, which falsely represented the balance in each condominium association's account. In the course of their scheme, the indictment alleges that Strauss and Doering defrauded their victims of over \$2 million.

The government is being represented by Assistant U.S. Attorneys Stephen P. Baker and Michael J. Chmelar.

Each count of wire fraud carries a maximum penalty of 20 years in prison and a \$250,000 fine, and restitution is mandatory. The Court may also impose a fine totaling twice the loss to any victim or twice the gain to the defendant, whichever is greater. If convicted, however, the Court

must determine a reasonable sentence to impose under the advisory United States Sentencing Guidelines.

An indictment contains only charges and is not evidence of guilt. The defendants are presumed innocent and are entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.

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