

**United States Attorney Melinda Haag
Northern District of California**

—
FOR IMMEDIATE RELEASE

January 30, 2015

WWW.USDOJ.GOV/USAO/CAN

**FORTUNA RESIDENT INDICTED
FOR LOAN FRAUD AND IDENTITY THEFT**

SAN FRANCISCO – A federal indictment charging Delores Reeves with three counts of mail fraud and two counts of aggravated identity theft was unsealed this afternoon in federal court, announced United States Attorney Melinda Haag and FBI Special Agent in Charge David J. Johnson.

Reeves, 59, was indicted by a federal grand jury on January 27, 2015. According to the Indictment, Reeves operated iServe Residential Lending, LLC. Through this business and in her personal capacity, Reeves acted as a broker for “hard money” real estate loans, where she would purportedly match borrowers who needed cash loans with lenders who wanted to invest in loans secured by real estate. The Indictment alleges that Reeves defrauded one of her lenders by falsely soliciting three loans that Reeves represented would go to three borrowers and would be secured by real property owned by those borrowers. According to the Indictment, those borrowers knew nothing of the loans, and Reeves used their personal information without their consent to create fraudulent loan documents that she sent to the lender to make the transaction appear legitimate. After the lender paid Reeves the money for the loans, Reeves fraudulently retained the money for herself.

Reeves was arrested and made her initial appearances in federal court today in Eureka before the Honorable Nandor J. Vadas, U.S. Magistrate Judge, where she was released on bond. Bail was set at \$50,000. Reeves is next scheduled to appear before the Honorable Joseph C. Spero, U.S. Magistrate Judge, at 9:30 am on February 4, 2015, for identification of counsel.

The maximum statutory penalty for each count of mail fraud, in violation of Title 18, United States Code, Sections 1341, is 20 years’ imprisonment and a fine of \$250,000 or twice the gross gain or loss from the offense, plus restitution. The statutory penalty for each count of aggravated identity theft, in violation of Title 18, United States Code, Section 1028A, is a mandatory minimum of 2 years’ imprisonment, and a fine of \$250,000 or twice the gross gain or loss from the offense. However, any sentence following conviction would be imposed by the court after consideration of the U.S. Sentencing Guidelines and the federal statute governing the imposition of a sentence, 18 U.S.C. § 3553.

Benjamin Kingsley is the Assistant U.S. Attorney who is prosecuting the case, with the assistance of Jessica Meegan. The prosecution is the result of an investigation by the FBI.

Please note, an indictment contains only allegations against an individual and, as with all defendants, Reeves must be presumed innocent unless and until proven guilty.

Further Information:

Case #: CR 15-055 VC

A copy of this press release will be placed on the U.S. Attorney's Office's website at www.usdoj.gov/usao/can.

Electronic court filings and further procedural and docket information are available at <https://ecf.cand.uscourts.gov/cgi-bin/login.pl>.

Judges' calendars with schedules for upcoming court hearings can be viewed on the court's website at www.cand.uscourts.gov.

All press inquiries to the U.S. Attorney's Office should be directed to Lillian ArauzHaase at (415) 436-6811 or by e-mail at LillianArauzHaase@usdoj.gov