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Mitchell R. Morrissey, District Attorney - Second Judicial District

201 W. Colfax Avenue, Dept. 801, Denver, CO 80202

Bus. Phone: 720-913-9000
Fax: 720-913-9035

NEWS RELEASE

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Contact: Lynn Kimbrough, 720-913-9025 or

Fred Joseph, Securities Commissioner, 303-894-2320

THREE INDICTED FOR RACKETEERING RELATED TO A SECURITIES SCAM AT MILE HIGH CAPITAL GROUP

A Denver Grand Jury has returned a 58-count indictment against three men accused of scamming numerous individuals out of millions of dollars invested in Mile High Capital Group and Replacement Property Solutions. The indictment was the culmination of an investigation conducted by the Colorado Division of Securities.

Fredric R. Dryer (DOB: 03-27-1948), **Richard J. Darrow** (DOB: 07-06-1965), and **Jeffrey Dietz** (DOB: 08-17-1970), are all charged with violating Colorado's Organized Crime Control Act (Class 2 Felony), as well as Conspiracy to Commit Securities Fraud (Class 4 Felony), and Conspiracy to Commit Theft (Class 4 Felony). Dryer is also facing 27 counts of securities fraud (Class 3 Felony) and 28 counts theft (Class 4 Felony). Darrow is charged with an additional 11 counts of securities fraud (Class 3 Felony) and 12 counts of theft (Class 4 Felony). Dietz is charged with an additional 16 counts of securities fraud (Class 3 Felony) and 16 counts of theft (Class 4 Felony).

The charges allege that Dryer, Darrow, and Dietz worked together on a securities fraud scheme in which investors were duped into investing in residential duplex properties and tenant-in-common (TIC) interests in real property purportedly owned by Mile High Capital Group. The investments were promoted to investors through a series of fraudulent and misleading statements by Dryer, Dietz and Darrow. It is alleged in the charges that Dryer, Dietz, and Darrow failed to disclose to investors that Mile High never owned most of the land on which the residential duplexes were to be located or constructed nor did Mile High own the land in which it sold the TIC interests. Investors were told that their funds were being used to pay for land purchases and land development. In fact, some of the funds were used to pay for Dryer's investor seminars. Investors also never knew that Dryer and Darrow were previously convicted felons.

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Securities Commissioner Fred Joseph stated, “This is a significant indictment for the State of Colorado. It involves a complex scheme that has victimized hundreds of investors, caused huge losses to these investors, and created enormous problems in unwinding complicated real estate transactions. The cooperation between my office and the Denver District Attorney’s Office is an important example of how different agencies can and should work together to protect the investing public.”

Denver District Attorney Mitch Morrissey acknowledged the investigative work of the Colorado Division of Securities on this case saying, “The Colorado Division of Securities has done outstanding work on this investigation, which resulted in this indictment. We’re ready to take the case forward now and work on behalf of all the victims for justice.”

Bond has been set in the amount of \$250,000 for Dryer, \$150,000 for Darrow, and \$100,000 for Dietz. They have made arrangements to surrender next week.