



*United States Attorney  
District of New Jersey*

FOR IMMEDIATE RELEASE  
March 8, 2017  
[www.justice.gov/usao/nj](http://www.justice.gov/usao/nj)

CONTACT: Matthew Reilly  
Office of Public Affairs  
(973) 645-2888

**FORMER N.J. LAWYER SENTENCED TO FOUR YEARS IN PRISON FOR  
\$40.8 MILLION MORTGAGE FRAUD SCHEME**

CAMDEN, N.J. – A former New Jersey lawyer was sentenced today to 48 months in prison for participating in a conspiracy that caused lenders to release \$40.8 million based on fraudulent mortgage loan applications and laundered the proceeds of the fraud, U.S. Attorney Paul J. Fishman announced.

Joseph W. Witkowski, 70, of Flemington, New Jersey, previously pleaded guilty to an indictment charging him with one count each of conspiracy to commit wire fraud and conspiracy to commit money laundering. U.S. District Judge Joseph H. Rodriguez imposed the sentence today in Camden federal court.

According to documents filed in this case and statements made in court:

Witkowski and his conspirators located oceanfront condominiums overbuilt by financially distressed developers in Wildwood Crest, New Jersey; premier real estate in vacation destinations in Georgia and South Carolina; and properties in New Jersey owned by financially distressed homeowners facing foreclosure. They then recruited “straw buyers” – people with good credit scores but lacking the financial resources to qualify for mortgage loans – to purchase those properties.

Witkowski and his conspirators created false documents, including fake W-2 forms, income tax returns, investment statements, and rental agreements, to make the straw buyers appear more creditworthy than they actually were. They also established numerous telephone lines for companies owned by some of the conspirators so that when a lender contacted the telephone number, the conspirators could falsely verify that a straw buyer was employed by the company listed on his or her fraudulent loan application.

Witkowski also caused fraudulent mortgage loan applications in the name of the straw buyers and supporting documents, which attributed to the straw buyers inflated income and assets, to be submitted to mortgage lenders. Once the loans were approved and the mortgage lenders sent the loan proceeds in connection with real estate closings on the properties, Witkowski and his conspirators had some of the funds wired or checks deposited into various accounts that he and his conspirators controlled.

In addition to the prison term, Judge Rodriguez sentenced Witkowski to three years of supervised release and ordered restitution of \$13,105,570. As part of his plea agreement, he must forfeit \$2,412,899, representing the proceeds of the fraud.

U.S. Attorney Fishman credited special agents of the FBI, under the direction of Special Agent in Charge Timothy Gallagher; and special agents of IRS-Criminal Investigation, under the direction of Special Agent in Charge Jonathan D. Larsen, with the investigation leading to today's sentencing.

The government is represented by Assistant U.S. Attorney Diana Carrig of the U.S. Attorney's Office in Camden.

17-068

###

Defense counsel: Maggie Moy Esq., Assistant Federal Public Defender, Camden