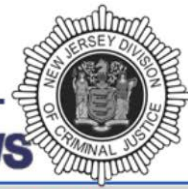




OFFICE OF THE ATTORNEY GENERAL  
**DIVISION OF CRIMINAL JUSTICE NEWS**



NEW JERSEY DEPARTMENT OF LAW & PUBLIC SAFETY

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**Division of Criminal Justice**  
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**MAN SENTENCED TO 10 YEARS IN PRISON FOR LEADING ELABORATE SCHEME TO STEAL NEARLY \$1 MILLION THROUGH IDENTITY THEFT AND MORTGAGE FRAUD**  
*Three defendants have pled guilty in investigation by NJ Attorney General's Office, ICE Homeland Security Investigations, U.S. Postal Inspection Service and Federal Housing Finance Agency OIG*

TRENTON –Attorney General Christopher S. Porrino announced that a Union County man was sentenced to state prison today for leading an elaborate identity theft and mortgage fraud scheme in which he and his co-defendants stole nearly \$1 million from various lenders.

**Artis Hunter, 50, of Union Township, N.J.**, the alleged ringleader, was sentenced today to 10 years in state prison, including 40 months of parole ineligibility, by Superior Court Judge Benjamin S. Bucca Jr., in Middlesex County. He pleaded guilty on May 8 to a charge of first-degree money laundering. Two co-defendants pleaded guilty previously and are awaiting sentencing. **Laquan Jones**, 43, of Newark, N.J., pleaded guilty on July 21 to second-degree money laundering and faces a recommended sentence of five years in prison, with a special condition of drug court. **Melissa Phillip**, 42, of West Orange, N.J., pleaded guilty on April 28 and faces a recommended sentence of 364 days in the county jail as a condition of a term of probation. Jones is scheduled for sentencing on Sept. 15, and Phillip, on Nov. 13.

Deputy Attorney General Anthony Torntore prosecuted the defendants for the Division of Criminal Justice Financial & Computer Crimes Bureau. The arrests are the result of an investigation led by the Division of Criminal Justice, ICE Homeland Security Investigations, the U.S. Postal Inspection Service, and the Federal Housing Finance Agency Office of Inspector General (FHFA-OIG). They were assisted by U.S. Customs and Border Protection and the U.S. Postal Service Office of Inspector General.

“These defendants used multiple stolen and fictitious identities to stage loan closings that were entirely illusory, with the exception of the very real money they stole from lenders, totaling nearly \$1 million,” said Attorney General Porrino. “Through our joint investigation, we closed the curtain on their costly scheme.”

“As illustrated by these prolific con artists, mortgage fraud is an expensive drain on the lending industry which ultimately raises the cost of borrowing for all consumers,” said Director Elie Honig of the Division of Criminal Justice. “I commend the state and federal investigators who handled this complex case and ensured that this ringleader will serve a lengthy prison sentence.”

“The defendants’ actions in this case were calculated and brazen. They exploited the mortgage lending process and stole people’s identities to line their pockets,” said Debra Parker, acting Special Agent in Charge of HSI Newark. “Fortunately, through our joint investigative efforts, we exposed this large-scale fraud scheme and now those involved will sit in a cell to account for their actions.”

“Identity theft schemes, such as the one perpetrated by the defendants, are a dangerous, often unknown threat to taxpayers and corporate entities such as Fannie Mae,” said Steven Perez, Special Agent in Charge at the Federal Housing Finance Agency OIG Northeast Region. “This complex scheme was uncovered due to the hard work and commitment of the law enforcement agencies who partnered to investigate this crime. Today’s sentencing demonstrates that the FHFA-OIG remains strongly committed to collaborating with our law enforcement partners to combat this type of fraud by investigating, identifying and prosecuting those responsible.”

The defendants and additional unidentified co-conspirators used stolen identities to steal more than \$930,000 from lenders through at least eight fraudulent loan transactions, including four mortgage loans, three home equity lines of credit (HELOCs), and one car loan. The defendants used stolen or fictitious identities not only for the borrowers, but for numerous other persons and businesses connected to the transactions. They created all of the hallmarks of a legitimate residential loan transaction by using stolen and fictitious identities to fill all of the required roles: seller, attorneys, settlement agent, title agent, homeowner’s insurance company, notary and other parties. The loan applications contained many falsified documents, including closing documents, wire transfer documents and title insurance documents, all of which were purportedly witnessed, prepared or reviewed by parties and professionals who, in fact, either did not exist or had no knowledge of the transactions.

By creating the illusion of a legitimate transaction, the defendants deceived unsuspecting lenders into processing the fraudulent loan applications. Once the loan was approved, the victim-lender disbursed the loan proceeds – in the case of the mortgage loans, amounts ranging from \$196,000 to \$230,000 – to a bank account opened in the fictitious or stolen name of a title company or law firm. At that point, the defendants or other co-conspirators withdrew the loan proceeds by visiting ATMs and bank branches in New Jersey to make numerous and frequent withdrawals. The withdrawals occurred over a period of time ranging from several weeks to several months until the entire amount stolen from the lender was withdrawn. Frequently, participants withdrew several thousand dollars from various ATMs or bank offices in a single day. The scheme dated back to at least 2010.

The owners of the homes connected to the loans were never really parties to the transactions, and with respect to the mortgage loans, none of the homes were actually sold. The defendants established virtual offices for certain individuals and businesses purportedly involved in the loan transactions by setting up dozens of phone numbers, email addresses, fax numbers, websites and mail drop addresses. They took these steps to maintain the appearance that lawyers, employers, borrowers, sellers, settlement agents, title insurance companies, homeowner’s insurance companies, notaries and other persons were actively involved in legitimate lending transactions.

The fraudulent mortgage loan applications related to residential properties in Franklin Township, Edison, Woodbridge and Franklin Park, N.J. The HELOCs related to two properties in Elizabeth and one in Plainfield. The car loan was for a 2012 BMW 3 Series.

Detective James Gallo, Senior Special Agent Robert Manchak of FHFA-OIG (who was on assignment to the Division of Criminal Justice), Deputy Attorney General Torntore, and former Deputy Attorney General TJ Harker, conducted the investigation for the Division of Criminal Justice Financial & Computer Crimes Bureau, under the supervision of Sgt. James Scott and Bureau Chief Michael A. Monahan. Special Agent Christopher Ferrari of ICE Homeland Security Investigations and Postal Inspector Brian MacDonald were the lead investigators for their agencies.

Attorney General Porrino commended all of the agents and inspectors who handled the investigation for ICE Homeland Security Investigations, the U.S. Postal Inspection Service, the Federal Housing Finance Agency OIG, U.S. Customs and Border Protection and the U.S. Postal Service OIG.

Defense Attorney: Assistant Deputy Public Defender Ijeoma Eke, Esq., Middlesex County

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