

Department of Justice
United States Attorney's Office
District of Massachusetts

FOR IMMEDIATE RELEASE

Tuesday, February 12, 2019

**Ludlow Couple Plead Guilty to Mail Fraud, Identify Theft, and
Tax Evasion**

BOSTON – A Ludlow couple pleaded guilty yesterday in federal court in Springfield to mail fraud, identity theft, and tax evasion.

Joanne Murray, 54, and James Murray, 53, each pleaded guilty to an Information charging them with one count of conspiracy to commit mail fraud, aggravated identity theft, and tax evasion.

From approximately 2010 through 2015, the Murrays, along with others, engaged in a scheme to defraud the Federal Home Loan Mortgage Corporation, commonly known as Freddie Mac. Joanne worked at a Springfield real estate brokerage, which managed hundreds of foreclosed properties owned by Freddie Mac.

In the scheme, Joanne, James, and others, agreed to submit fraudulent “reimbursements” by the brokerage to Freddie Mac for James’ company, amounting to approximately \$1,372,099 in repair, improvement, and maintenance projects. After Freddie Mac paid the purported reimbursements, the brokerage paid James approximately 90% of those amounts and retained an approximate 10% skim. Joanne ensured that James’s company would win these projects by submitting fraudulent bids to Freddie Mac by purported competitors. To avoid detection by Freddie Mac, Joanne submitted bids in a friend’s name, without his knowledge, instead of James’ company, for work that was ultimately performed by James’ company. The Murrays also agreed to submit similar fraudulent requests for reimbursement of minor cleaning projects for James’ relative, amounting to approximately \$68,960, in exchange for the brokerage’s retention of approximately 10% of the relative’s payments.

In addition, from 2012 through 2014, the Murrays willfully evaded payment on outstanding federal tax debts based upon their 2008, 2009, 2010, and 2011 tax years by cashing numerous checks from the brokerage totaling approximately \$461,030 rather than depositing those checks into their bank accounts. Lastly, in 2014, the Murrays jointly filed an individual federal income tax return that under-reported their gross receipts by approximately \$151,178.

The conspiracy charge provides for a sentence of no greater than five years in prison, up to five years of supervised release, and a fine of \$250,000. The aggravated identity theft charges provide for a

mandatory two year sentence consecutive to any other term of imprisonment. The tax evasion charge provides for a sentence of no greater than of five years in prison, a maximum of five years of supervised release, and a fine of \$100,000. Sentences are imposed based upon the U.S. Sentencing Guidelines and other statutory factors.

United States Attorney Andrew E. Lelling; Robert Manchak, Acting Special Agent in Charge of the Federal Housing Finance Agency; Kristina O'Connell, Special Agent In Charge of the Internal Revenue Service, Criminal Investigation, New England Field Division; John Bonavolonta, Special Agent in Charge of the Federal Bureau of Investigation, Boston Field Division; and Joseph W. Cronin, Inspector in Charge of the U.S. Postal Inspection Service, Boston Division, made the announcement. Assistant U.S. Attorneys Steven H. Breslow and Deepika Shukla of Lelling's Springfield Branch Office are prosecuting the case.