



*United States Attorney  
District of New Jersey*

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**SUPERSEDING INDICTMENT CHARGES THREE MORE ALLEGED PARTICIPANTS  
IN NEW HAVEN, CONN., MORTGAGE FRAUD SCHEMES**

NEW HAVEN, Conn. – Three more defendants were indicted yesterday on federal charges related to their alleged participation in an extensive mortgage fraud scheme involving more than 50 mortgages on numerous residential properties in New Haven, Conn., Paul J. Fishman, U.S. Attorney the District of New Jersey announced.

A federal grand jury sitting in New Haven returned a five-count Superseding Indictment charging Andrew Constantinou, 56, of Unionville, Conn.; Genevieve Salvatore, 41, of Milford, Conn.; and Lawrence Dressler, 46, of New Haven, Conn., with conspiracy and fraud offenses.

The Superseding Indictment also charges Kwame Nkrumah, a/k/a “Roger Woodson,” 47, of Meriden, Conn.; and Jacques Kelly, 46, of Poughkeepsie, N.Y., with conspiracy and fraud offenses. Nkrumah was previously charged by Indictment in February 2012 and Kelly was originally charged by Indictment in October 2011.

According to the Superseding Indictment:

From September 2006 to November 2008, Constantinou, Salvatore, Dressler, Nkrumah, Kelly, Ronald E. Hutchison, Jr., Joseph Levitin, Jeffrey Weisman, Charles Lesser, Bradford Rieger, and others conspired to commit mail, wire, and bank fraud relating to purchases of numerous homes in New Haven. As part of the conspiracy, and in connection with these purchases, the co-conspirators and others received millions of dollars in residential real estate loans by submitting false loan applications, fictitious leases, and false down payments to mortgage lenders.

The defendants hid from mortgage lenders the true sales price of the houses through, among other things, the use of two HUD-1 forms, only one of which was sent to the lender, and secret contract addenda. The buyers often received payments at closing, but those payments were not disclosed to the mortgage lender.

The conspirators entered into sales contracts with property sellers for prices that were higher than the actual prices the sellers received at closing. The conspirators then executed contract addenda that reflected the actual, lower prices. While the sales contracts bearing the contract price would be disclosed to mortgage lenders, the contract addenda were never disclosed.

Constantinou, Salvatore, Dressler, Nkrumah, and Kelly are charged with one count of conspiracy to commit mail, wire, and bank fraud, a charge that carries a maximum potential punishment of 30 years in prison. Salvatore is charged with two counts of mail fraud, and Nkrumah and Kelly are charged with one count of wire fraud. Each of these charges carries a maximum potential prison term of 20 years. Dressler, Nkrumah, and Kelly are also charged with one count of making a false statement to a bank to influence its action in connection with a loan application, a charge that carries a maximum potential prison term of 30 years.

The indictment also contains a forfeiture allegation that requires the defendants to forfeit property and/or a money judgment of amounts up to \$2 million as proceeds of this alleged scheme.

Separately, a grand jury in New Haven returned a three-count Indictment against Charmaine Davis, 54, of Waterbury, and Nkrumah, alleging that from November 2006 to March 2007, Davis, who acted as a mortgage broker, and Nkrumah fraudulently obtained more than \$1 million in real estate loans in connection with the purchase of other New Haven properties. As part of the scheme, Davis, Nkrumah, and others submitted fraudulent loan applications, HUD-1 forms, employment verification forms and other documentation to mortgage lenders to obtain financing to purchase properties. As the mortgage broker, Davis submitted loan applications to lenders that falsely stated the borrower's intention to reside in the subject property, and that failed to disclose a complete listing of the borrower's assets and liabilities, including other residential mortgages that Davis brokered for the same borrower. Davis is alleged to have used her own funds to make down payments on behalf of a borrower and to have received undisclosed payments outside of closing.

Davis and Nkrumah are charged with one count of conspiracy and one count of mail fraud. Each of these charges is punishable by a maximum sentence of 20 years in prison. Nkrumah is charged with a separate count of making a false statement to a bank to influence its action in connection with a loan application, a charge that carries a maximum potential prison term of 30 years.

The Indictment also contains a forfeiture allegation that requires the defendants to forfeit property and/or a money judgment of amounts up to \$857,000, as proceeds of this alleged scheme.

Hutchison, Levitin, Weisman, Lesser, and Rieger have each pleaded guilty to one count of conspiracy. On Nov.16, 2012, Rieger was sentenced to 24 months in prison. Hutchison, Levitin, Weisman, and Lesser await sentencing.

The charges and allegations contained in the Indictments are merely accusations, and the defendants are presumed innocent unless and until proven guilty beyond a reasonable doubt.

U.S. Attorney Fishman credited the FBI, the U.S. Postal Inspection Service, the U.S. Department of Housing and Urban Development – Office of Inspector General, and the Federal Housing Finance Agency – Office of Inspector General, which identified multiple Fannie Mae and Freddie Mac loans that went into foreclosure.

The government is represented in the criminal cases by Assistant U.S. Attorney David T. Huang and Special Assistant U.S. Attorney John McReynolds of the U.S. Attorney's Office, District of Connecticut; the parallel civil forfeiture cases are being handled by Assistant U.S. Attorney Julie G. Turbert, U.S. Attorney's Office, District of Connecticut. The U.S. Attorney for the District of New Jersey has been handling the case because of the recusal of the U.S. Attorney's Office for the District of Connecticut.

To report financial fraud crimes, and to learn more about the President's Financial Fraud Enforcement Task Force, please visit [www.stopfraud.gov](http://www.stopfraud.gov).

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