



***United States Attorney
Southern District of New York***

FOR IMMEDIATE RELEASE

February 25, 2009

CONTACT: U.S. ATTORNEY'S OFFICE

YUSILL SCRIBNER

REBEKAH CARMICHAEL

JANICE OH

PUBLIC INFORMATION OFFICE

(212) 637-2600

**MANHATTAN REAL ESTATE DEVELOPER PLEADS GUILTY IN
\$27 MILLION FRAUD SCHEME**

LEV L. DASSIN, Acting United States Attorney for the Southern District of New York announced today that IVY WOOLF-TURK, a Manhattan real estate developer, pleaded guilty in Manhattan federal court to participating in a \$27 million mail and wire fraud conspiracy.

WOOLF-TURK was initially charged in a Complaint that alleged as follows: WOOLF-TURK, working through a Manhattan real estate development company -- The Kingsland Group, Inc., and related entities (collectively, "The Kingsland Group") -- fraudulently induced approximately 70 individuals to lend the Kingsland Group over \$27 million, purportedly to fund the renovation of approximately sixteen multi-family apartment buildings located in upper Manhattan. WOOLF-TURK and a co-conspirator, MICHAEL HERSHKOWITZ, falsely represented that the lenders would hold, as collateral for the loans, interests in bona fide first mortgages in the various properties in which they thought they were investing. In fact, the lenders did not hold recorded, first mortgages in the properties. Interest was paid on the loans for some years after they were first made, but ultimately the principal on the loans was not repaid when due and it was determined that the lenders did not have valid first mortgages on the properties in question.

WOOLF-TURK, 52, of Port Washington, New York, pleaded guilty before United States District Judge NAOMI REICE BUCHWALD to a one-count Information charging conspiracy to commit mail and wire fraud. She faces a maximum term of 20 years in prison. In addition, the Information contains a forfeiture allegation for over \$27 million, representing the funds obtained through the fraud. WOOLF-TURK is scheduled to be sentenced on May 27, 2009.

Charges against HERSHKOWITZ, 52, of New York, New York, are pending. The charges against HERSHKOWITZ are merely accusations and he is presumed innocent unless and until proven guilty.

Mr. DASSIN praised the investigative work of the Federal Bureau of Investigation in this case.

This investigation is being handled by the Major Crimes Unit of the United States Attorney's Office. Assistant United States Attorneys HARRY A. CHERNOFF and MARCUS A. ASNER are in charge of the prosecution.

09-043

###