

August 25, 2004

**ADMITTED LEADER OF \$10 MILLION REAL ESTATE CLOSING SCAM
PLEADS GUILTY TO FEDERAL CHARGES**

ROCKFORD – PATRICK J. FITZGERALD, United States Attorney for the Northern District of Illinois; THOMAS J. KNEIR, Special Agent-In-Charge of the Chicago Office of the Federal Bureau of Investigation; TONY GONZALEZ, Acting Special Agent-In-Charge of the Chicago Field Office of the Internal Revenue Service–Criminal Investigation (“IRS-CI”); GARY PACK, McHenry County State’s Attorney, and HOWARD PARTH, Chief of the Crystal Lake Police Department, today made the following announcement:

Today, in federal court in Rockford, JAN ROZYCKA, 42, 3701 North Harding, Chicago, Illinois, also known as “Jan Rozycki,” also known as “John Hanus,” also known as “Jarek,” also known as “John Krzinski,” pled guilty to two counts of wire fraud in connection with a \$10 million dollar real estate closing scam.

The charges to which Rozycka pled guilty today are part of a 37-count indictment that was returned by a federal grand jury in Rockford on April 8, 2004. That indictment charged eleven individuals with wire fraud, mail fraud, and money laundering. The indictment alleges that the defendants defrauded several banks and other lenders out of millions of dollars by conducting numerous fraudulent real estate closings.

Two of the other defendants have previously pled guilty to federal charges arising from their participation in the same fraud scheme: on May 28, 2004, WALDEMAR WILKIEWICZ, 28, 3153 North Hamlin, Chicago, Illinois, also known as “Robert Karolkiewicz,” pled guilty to one count of wire fraud; and on June 8, 2004, IGNACY KONDRAD, 48, 2862 North Milwaukee Avenue, Chicago, Illinois, also known as “Piotr Poltorak,” also known as “Jan Jestal,” pled guilty to one count of money laundering.

In pleading guilty today, Rozycka admitted that he was one of the organizers and leaders of the fraudulent real estate closing scam. Specifically, Rozycka admitted that he recruited other participants in the scheme to falsely pose as the buyers and sellers of real estate that they had no actual interest in buying or selling (“straw buyers” and “straw sellers”). Rozycka also admitted that he helped some of the straw buyers and straw sellers obtain false driver’s licenses and identification cards. In addition, Rozycka admitted that he caused financing to be arranged for the straw buyers of the real estate. Rozycka attended many of the closings for these fake real estate sales. Rozycka further admitted that, at these closings, he provided to the title companies fraudulent “Mortgage Releases.” These bogus releases falsely represented that the banks and lenders who held the

previous mortgages against the real estate had released their mortgages. Acting in reliance on these mortgage releases, the title companies disbursed the loan funds to Rozycka and the other scheme participants. Rozycka also admitted that he caused the proceeds from these fraudulently obtained loans to be laundered in a variety of ways, such as having the title companies issue the checks to third parties and then depositing the checks into their bank accounts. Rozycka further acknowledged that the fraudulent closings occurred at branch offices of five different title companies located in Chicago, the Chicago suburbs, and Crystal Lake.

The sentencing hearing for Rozycka has been scheduled for November 4, 2004, at 1:30 p.m. The sentencing will be conducted by United States District Judge Philip G. Reinhard. Each of the two wire fraud counts to which Rozycka pleaded guilty carries a maximum sentence of up to thirty years of imprisonment, a fine of up to \$1,000,000, and restitution. Rozycka's actual sentence will be determined by the United States District Court, guided by the United States Sentencing Guidelines

In his guilty plea on May 28, 2004, Wilkiewicz admitted that, using the false name of "Robert Karolkiewicz," he posed as straw seller at two fraudulent closings in Crystal Lake on September 23, 2003. On August 6, 2004, Judge Reinhard sentenced Wilkiewicz to 18 months in federal prison. Judge Reinhard also ordered that, after his prison sentence is completed, Wilkiewicz will be surrendered to the Bureau of Immigration and Customs Enforcement for deportation proceedings.

When Kondrad pled guilty on June 8, 2004, he admitted that he laundered more than \$2.5 million of the proceeds from the fraudulent real estate closings. Kondrad acknowledged that he deposited these funds into four separate bank accounts that he had opened. Kondrad admitted that he opened three of those accounts under the false name of "Jan Jestal." The sentencing hearing for Kondrad is currently set for September 10, 2004, at 10:00 a.m. The money laundering charge which Kondrad pled guilty to carries a maximum penalty of up to twenty years of imprisonment and a fine of up to \$500,000. .

A trial date has not yet been set for the eight remaining defendants in the indictment. Those defendants are:

MICHAEL SKATULSKI, 32, 1808 South Michigan Avenue, number 37, Chicago, Illinois, also known as "Michael Novak," charged with four counts of wire fraud and two counts of mail fraud;

MAGDALENA BANASIK, 53, 6006 West Miami, Chicago, Illinois, charged with six counts of wire fraud, two counts of mail fraud, and three counts of money laundering;

ROBERT KAROLKIEWICZ, 40, 3109 North Octavia, Chicago, Illinois, charged with three counts of wire fraud and three counts of money laundering;

ZBIGNIEW RECKO, 35, last known address of 3901 North Tripp Avenue, Number 310, Chicago, Illinois, also known as "Robert Karolkiewicz," also known as "Tomasz Wozny," also known as "Tomasz Romanzuk," also known as Tomasz Godowski," also known as "Bradley Anatol Wawreniuk," also known as "Roman Parczewski," charged with four counts of wire fraud and one count of mail fraud;

IOAN CORSIUC, 63, 4869 North Kilbourn Avenue, Chicago, Illinois, charged with five counts of wire fraud and one count of money laundering;

BOZENA SAUCIUC, 43, 204 Lake Shore Drive, Oakwood Hills, Illinois, charged with four counts of wire fraud and one count of money laundering;

DOROTHY KAWA, 35, 6313 West Cuyler, Chicago, Illinois, charged with two counts of money laundering; and

JULITA URAMOWSKA, 31, 3903 Grand Avenue, Western Springs, Illinois, also known as "Julie Smalley," charged with one count of wire fraud.

Members of the public are reminded that an indictment is only a charge and is not evidence of guilt. Each of these remaining defendants is entitled to a fair trial at which the government has the burden of proving his or her guilt beyond a reasonable doubt.

The case is being investigated by the Rockford offices of the FBI and IRS-CI. The case is being prosecuted in federal court by Assistant United States Attorney SCOTT A. VERSEMAN. The investigation was initiated on September 23, 2003, when the Crystal Lake Police Department arrested Rozycka, Kondrad, and Wilkiewicz on forgery charges after they conducted a fraudulent real estate closing in Crystal Lake. The Crystal Lake Police Department and the McHenry County State's Attorney's Office are cooperating in the federal investigation.

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