



# Department of Justice

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## **FORMER REAL ESTATE AGENT SENTENCED TO 14 YEARS IN FEDERAL PRISON FOR MORTGAGE FRAUD**

### ***Defendant Also Ordered to Pay Over \$11 Million in Restitution Related to Properties in Alpharetta, Roswell, and Duluth***

Atlanta, GA - JOSEPH STERLING JETTON, 61, of Woodstock, Georgia, was sentenced today by United States District Judge Beverly B. Martin on charges of conspiracy, bank fraud, wire fraud, and money laundering related to a multi-million dollar mortgage fraud scheme.

United States Attorney David E. Nahmias said, "This defendant was a licensed real estate agent. Using his specialized knowledge of real estate and residential mortgage financing, he orchestrated a mortgage fraud scheme that has caused millions of dollars in losses to lenders and untold damage to neighborhoods. Nearly a dozen people have been sentenced to federal prison for their involvement in this defendant's scheme. The long prison sentence handed down today accounts for his leadership role in the scheme and the misuse of his position as a real estate agent to commit the fraud. We will continue to work with federal, state, and local law enforcement agencies to vigorously investigate and prosecute mortgage fraud schemes, especially those perpetrated by professionals in the real estate industry."

JETTON was sentenced to 14 years in federal prison to be followed by 5 years of supervised release, and ordered to pay \$11,194,300 in restitution. JETTON was convicted by a jury on November 26, 2007, after a three week trial.

According to United States Attorney Nahmias and the information presented in court: From late 2004 through early 2006, JETTON orchestrated a mortgage fraud scheme that involved millions of dollars in fraudulently inflated mortgage loans being provided to unqualified straw borrowers. The straw borrowers were paid through shell companies, as much as \$600,000 per property from the fraudulently obtained loan proceeds. JETTON wrote sales contracts that failed to disclose that the sales prices of the residences had been inflated and that hundreds of thousands of dollars out of the loan

proceeds were going to the buyers and others. JETTON personally derived more than a \$1 million in commissions from the mortgage fraud scheme.

Eleven other defendants have already been sentenced to prison terms in related cases, with sentences ranging from 8 months to over 10 years in federal prison. A closing attorney in the scheme, RAYMOND JOSEPH COSTANZO, JR., 63, of Clayton, Georgia, was sentenced to 3 years, 5 months in federal prison, and a loan broker in the scheme, OLYMPIA D. AMMONS, 31, of St. Louis, Missouri, was sentenced to 5 years, 3 months in prison to be followed by 4 years of supervised release, and ordered to pay \$7,549,044 in restitution.

This case was investigated by Special Agents of the Federal Bureau of Investigation.

Assistant United States Attorneys Gale McKenzie, William L. McKinnon, Jr., and Douglas Gilfillan prosecuted the case.

For further information please contact David E. Nahmias (pronounced NAH-me-us), United States Attorney, or Charysse L. Alexander, Executive Assistant United States Attorney, through Patrick Crosby, Public Affairs Officer, U.S. Attorney's Office, at (404) 581-6016. The Internet address for the HomePage for the U.S. Attorney's Office for the Northern District of Georgia is [www.usdoj.gov/usao/gan](http://www.usdoj.gov/usao/gan).