



*United States Attorney  
Southern District of New York*

**FOR IMMEDIATE RELEASE**

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**ATTORNEY PLEADS GUILTY IN MANHATTAN FEDERAL COURT  
TO DECEIVING CLIENTS IN REAL ESTATE DEALS**

PREET BHARARA, the United States Attorney for the Southern District of New York, announced that HUGH ZUBER -- a lawyer formerly employed by the Office of the Corporation Counsel for the City of New York -- pleaded guilty today to two counts of mail fraud arising from his participation in schemes to defraud two former clients. ZUBER had represented the clients, in a personal capacity, in connection with their sale of real estate to ZUBER's sister and a business associate.

According to the Information to which ZUBER pleaded guilty, other documents filed in this case, and statements made during the guilty plea proceeding before United States Magistrate Judge ANDREW J. PECK.

In April 2006, a property owner retained ZUBER to represent him in the sale of a building located at 2538 Creston Avenue in Bronx, New York. ZUBER arranged the sale of the property to Alana Property Management LLC for \$950,000, without disclosing to his client that his sister managed the company. At ZUBER's urging, his client subsequently agreed to accept a different sales arrangement than was reflected in the contract of sale. Specifically, ZUBER fraudulently convinced his client to accept \$400,000 in cash from Alana at closing, plus a 10-year note for the balance of \$550,000, which ZUBER falsely told his client would be secured by a mortgage on the property.

Following the February 2007 closing, ZUBER made several monthly payments purportedly on the note, then stopped. When ZUBER failed to make additional payments on the note, he took a number of steps to further defraud his client, including presenting to the client documents relating to a lawsuit he had purportedly filed against Alana Property in New York State court, and a May 2008 "Order Confirming Plan" that had purportedly been issued in bankruptcy proceedings involving Alana Property. There were in fact no such proceedings in New York State or federal bankruptcy court.

In 2006, ZUBER also represented a property owner in the sale of a building located at 35 Rose Avenue in Spring Valley, New York. ZUBER arranged the sale of the property for \$625,000 to an individual with whom ZUBER had a business relationship. At ZUBER's urging, his client subsequently agreed to accept from the purchaser \$425,000 in cash and a \$200,000 10-year note, which ZUBER falsely told his client would be secured by a mortgage on the property. Following the July 2007 closing, ZUBER made several monthly payments purportedly on the note, then stopped.

ZUBER, 39, of Monsey, New York, faces a maximum sentence of 20 years in prison and a fine of \$250,000 or twice the gross gain or loss from the offense on each of the two counts of the Information. ZUBER will be sentenced by United States District Judge RICHARD M. BERMAN on a date to be determined.

Mr. BHARARA praised the Federal Bureau of Investigation for its outstanding work in this case. He also thanked the Bronx District Attorney's Office for referring the investigation to the United States Attorney's Office, and thanked the Rockland County District Attorney's Office and the New York City Department of Investigation for their assistance.

The case is being handled by the Complex Frauds Unit of the United States Attorney's Office. Assistant United States Attorney MARK LANPHER is in charge of this prosecution.

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