



*United States Attorney
Southern District of New York*

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**CONTACT: U.S. ATTORNEY'S OFFICE
YUSILL SCRIBNER,
REBEKAH CARMICHAEL
PUBLIC INFORMATION OFFICE
(212) 637-2600**

**DOI
DIANE STRUZZI
PUBLIC INFORMATION OFFICE
(212) 825-5931**

**U.S. ANNOUNCES ARREST IN SECTION 8
HOUSING FRAUD CASE**

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, and ROSE GILL HEARN, the Commissioner of the New York City Department of Investigation ("DOI"), announced the arrest today of CAROL CUMBERBATCH, 42, for defrauding the federal Section 8 housing program of over \$17,000 in housing subsidies. CUMBERBATCH, who owns a Section 8 unit in the Bronx, fraudulently received Section 8 subsidies payments for two years. According to the Complaint filed in Manhattan federal court:

The Section 8 rental assistance program ("Section 8 Program") is a government program -- funded and regulated by the Department of Housing and Urban Development ("HUD") -- intended to help low-income families to afford decent, safe, and sanitary housing in the private market. Specifically, HUD pays subsidies, typically in the form of vouchers, for people to live in private housing of the tenant's choosing, provided that the housing fits the requirements of the Section 8 Program. HUD then sends funds to Housing Preservation and Development ("HPD") in New York, which, in turn, pays the Section 8 housing subsidy directly to the landlord where the participating tenant lives. HUD regulations require that, in order to receive Section 8 housing subsidy payments, a Section 8 landlord must periodically certify that a Section 8 tenant does, in fact, lease and occupy the Section 8 contract housing unit.

CUMBERBATCH, as the landlord of the property she owned in the Bronx, evicted a qualified Section 8 tenant from the unit

in the fall of 2002. Despite that, CUMBERBATCH submitted documentation to HPD falsely certifying that a Section 8 tenant remained in the unit. She thus continued to collect approximately \$17,664 in Section 8 housing subsidies payments from December 2002 through October 2004.

CUMBERBATCH, a resident of Manhattan, is charged with one count of theft of government funds. She was presented earlier today before United States Magistrate Judge MICHAEL H. DOLLINGER. If convicted, CUMBERBATCH faces a sentence of up to 10 years' imprisonment.

Mr. GARCIA praised the investigative efforts of DOI's Office of the Inspector General for HPD.

Assistant United States Attorney KENNETH POLITE is in charge of this prosecution.

The charge contained in the Complaint is merely an accusation, and the defendant is presumed innocent unless and until proven guilty.

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