



# Department of Investigation

## *Press Release*

Release #007-99

### **DOI ARRESTS MANHATTAN COUPLE FOR TENANT FRAUD** *Illegally Sublet NYCHA Apartment And Overcharged Nearly \$200 A Month*

TUESDAY, FEBRUARY 23, 1999 -- EDWARD J. KURIANSKY, Commissioner of the Department of Investigation (DOI), today announced the arrest of ANDRE and FRANCOISE SAROUNA, New York City Housing Authority (NYCHA) tenants at the Frederick Samuels Apartments on West 144<sup>th</sup> Street in Manhattan, for stealing more than \$3,000 from NYCHA by illegally subletting their apartment for profit and fraudulently understating their household income and assets in order to remain in low-income public housing. DOI initiated its investigation after discovering an individual improperly subletting their apartment.

According to Commissioner Kuriansky, the SAROUNAs became NYCHA tenants of record in October 1991, when ANDRE SAROUNA was earning \$19,000 a year. Although the SAROUNAs never actually moved into the housing project, they allegedly filed false documents with NYCHA annually, asserting that they were living at the Frederick Samuels apartment and that their sole household income was from ANDRE SAROUNA's restaurant job where he earned less than \$20,000 a year. In fact, throughout their purported tenancy, the SAROUNAs were residing in a private apartment building at 139-79 85<sup>th</sup> Drive in Briarwood, Queens, and subletting the NYCHA apartment for \$650 -- \$195 more than they paid NYCHA in rent.

DOI's investigation revealed that ANDRE SAROUNA, a Columbia University accounting graduate, had earned, at times, twice as much as he reported to NYCHA and that he had concealed his employment at over a dozen accounting jobs in order to remain eligible for public housing. FRANCOISE SAROUNA reported only some of her employment prior to 1993 and, since then, reported none, even though she had worked at Strawberry Stores, Sears and Roebuck, and Junior's Restaurant in Brooklyn. As a result of their failure to report their actual income, the SAROUNAs were allowed to retain the apartment they were illegally subletting, and NYCHA established their rent at a substantially lower level than what should have been charged.

Commissioner Kuriansky noted that ANDRE SAROUNA, apparently realizing he was under investigation, turned the apartment back over to the Housing Authority last October. A week later, he was arrested while unlawfully attempting to re-enter the apartment. FRANCOISE SAROUNA was arrested today.

ANDRE SAROUNA, 45, was charged with Burglary in the Second Degree, Grand Larceny in the Third Degree, Offering a False Instrument for Filing in the First Degree, Forgery in the Second Degree, and Criminal Mischief in the Fourth Degree. If convicted, he faces up to 15 years in prison.

FRANCOISE SAROUNA, 37, was charged with Grand Larceny in the Third Degree and Offering a False Instrument for Filing in the First Degree. If convicted, she faces up to 7 years in prison.

## DOI ARRESTS MANHATTAN COUPLE FOR TENANT FRAUD

The investigation was conducted by Assistant Commissioner Steven A. Pasichow, DOI's Inspector General for NYCHA, and members of his staff, including Deputy Inspector General Kevin Smith and Confidential Investigator Alexandra D. Guth.

The Manhattan District Attorney's Office is prosecuting the case. Assistant District Attorney Susan Callan Gyves, of the District Attorney's Welfare Fraud Unit, is handling the matter.