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**DOI UNDERCOVER INVESTIGATION CULMINATES IN ARREST OF HARLEM-BASED TAX PREPARER
CHARGED WITH FORGING TAX RECORDS TO FRAUDULENTLY OBTAIN LOW-INCOME APARTMENT**

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), issued the following statement on the arrest of JOHN J. MOFUNANYA, a Harlem-based tax preparer, on charges of forging a tax return and pay stubs to help an ineligible applicant fraudulently obtain a low-income apartment sponsored by the City Housing Development Corporation ("HDC"). The housing applicant was actually a DOI undercover investigator. DOI's investigation found that MOFUNANYA, who is the owner of JJM Financial Consultant in Harlem, knowingly falsified the documents for a fee. DOI's investigation began after it was notified by HDC about questionable income documentation on an application for an apartment financed through HDC's Low-Income Affordable Marketplace ("LAMP") program. The office of New York County District Attorney Cyrus R. Vance, Jr., obtained the indictment against the defendant and is prosecuting the case.

DOI Commissioner Rose Gill Hearn said, "Forgery and fraud are not the ways to obtain a low-income apartment in New York City. As a tax preparer, this defendant was supposed to report the facts, not create fiction, as charged in the indictment. But a DOI undercover investigation revealed the charged wrongdoing and investigators worked with the Manhattan District Attorney to bring the case to prosecution. I thank District Attorney Vance and his staff for joining with DOI in a concerted effort to expose and stop housing fraud's destructive impact and thank HDC President Jahr for bringing the matter to our attention."

Manhattan District Attorney Cyrus R. Vance, Jr., said "Affordable housing is a valuable and finite resource in New York City. If the defendant's crime had succeeded, he would have deprived a deserving family of a place to live. This Office will continue to help the City guard its resources, in cases both large and small."

MOFUNANYA, 47, a.k.a. John Mofus, of Yonkers, has been charged with two counts each of Forgery in the Second Degree and Criminal Possession of a Forged Instrument in the Second Degree, both class D felonies, and Conspiracy in the Fifth Degree, a class A misdemeanor. Upon conviction, a class D felony is punishable by up to seven years in prison and a class A misdemeanor is punishable by up to a year's incarceration.

According to the charges outlined in the indictment:

On May 4, 2010, a DOI investigator posing as an applicant for low-income housing sponsored by HDC, visited the defendant at his office. The "applicant" reported his income as \$63,000 annually, which was well above the income limit for these apartments. The defendant offered and agreed to provide a false income tax return and pay stubs that the "applicant" would submit to HDC to create the appearance that his earnings fell within HDC's income requirements. The next day the defendant gave the applicant an income tax return for the year 2009 falsely stating that the "applicant" earned \$31,500. The defendant charged a preparation fee.

DOI's investigation is ongoing.

LAMP is an HDC-financed program in which building owners agree to provide reduced-rent apartments in exchange for low-interest mortgages through HDC and federal low-income housing tax credits for each unit that is rented to a low-income individual. In order to apply for a unit, individuals must submit an application and be selected through a housing lottery. If the applicant appears to be income eligible for an apartment, the individual is asked to provide further information and proof of annual income and family composition.

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In order to prove income, applicants submit recent pay stubs, an employment verification letter, and tax returns. The applicant is preliminarily approved if he or she falls within the eligibility guidelines and the management company forwards the applicant's documents to HDC for final approval. If HDC determines that the applicant has submitted appropriate income documentation and earns an income that falls within the range for eligibility, the individual's application is approved and the applicant is allowed to sign a lease for the unit.

Commissioner Gill Hearn thanked HDC President Marc Jahr and New York County District Attorney Cyrus R. Vance, Jr., and their staffs for their assistance and cooperation in this investigation.

The investigation was conducted by DOI's Office of the Inspector General for HDC.

Assistant District Attorney Savvas Diacosavvas from the New York County District Attorney's Office has been assigned to the prosecution of this case.

An indictment is an accusation. A defendant is presumed innocent until proven guilty.

DOI is one of the oldest law-enforcement agencies in the country. The agency investigates and refers for prosecution City employees and contractors engaged in corrupt or fraudulent activities or unethical conduct. Investigations may involve any agency, officer, elected official or employee of the City, as well as those who do business with or receive benefits from the City.

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