

U.S. Department of Justice

United States Attorney Southern District of Mississippi

FOR IMMEDIATE RELEASE April 17, 2009

CRAIG FORNETT SENTENCED FOR DEFRAUDING THE GOVERNMENT REGARDING SECTION 8 HOUSING ASSISTANCE

Gulfport, Miss - **Craig Fornett** of Moss Point, MS was sentenced in U.S. District Court on Wednesday, April 15th to 5 years of probation, including 6 months of house arrest, for HUD fraud, Acting U.S. Attorney Stan Harris announced. Fornett was also ordered to pay \$24,679.00 in restitution to the government and to complete 70 hours of community service. Fornett, who was a Section 8 Landlord under the Mississippi Regional Housing Authority VIII, pled guilty in January to receiving over \$24,000 in housing benefits to which he was not entitled.

The investigation in this case, conducted by the Mississippi Housing Authority and U.S. Department of HUD-OIG, was predicated on an anonymous tip that Fornett, a Section 8 landlord, was renting a house, located at 5612 Fairwood Drive in Moss Point, to an individual he had secretly married. The investigation revealed that he and his supposed tenant had been secretly married in Mobile, Alabama on January 28, 2005, but he continued to collect over \$600 a month in rental payments year after year. In June 2007, Mr. Fornett sought a monthly rental increase in order to receive \$950 a month in rental assistance, which he was not entitled to receive.

Acting U.S. Attorney Stan Harris expressed special thanks to HUD-OIG Special Agent Bill Bathke for his resolve in ferreting out the type of abuse which this case illustrates within this important program. Acting U.S. Attorney Harris also noted that this type of abuse might otherwise have gone undetected had the housing authority not received the tip. He encourages anyone with information regarding potential fraud in relation to any government program to call 1-800-347-3735.

"In today's economic times, it is all the more important to remain diligent in pursuing those who would defraud our limited resources and programs. There are many deserving families in great need, who are on long lists across the nation, waiting for the opportunity to be chosen to receive Section 8 vouchers. We will continue to vigorously investigate and prosecute those who would illegally profit while others go without," said Kenneth M. Donohue, Inspector General of the Department of Housing and Urban Development. This case was prosecuted by Assistant U.S. Attorney Jay Golden.

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