

PRESS RELEASE

Property company owner sentenced to prison for rental assistance fraud

Tuesday, July 18, 2023

For Immediate Release

U.S. Attorney's Office, Southern District of Ohio

DAYTON, Ohio – A Tipp City man was sentenced in U.S. District Court today to 18 months in prison for defrauding a local non-profit organization. He was also ordered to pay \$94,942 in restitution.

Antoine Draines, 43, defrauded Miami Valley Community Action Partnership (MVCAP) of rental assistance funds. MVCAP received federal funding as part of the CARES Act.

According to court documents, Draines controlled and operated Freedom for Living Property Management, LLC in Tipp City. The company owned and served as landlord of numerous rental properties in Dayton. According to Draines, he was, at one point, the second-largest individual owner of Section 8 housing units in Greater Dayton.

From at least June 2020 until December 2020, Draines lied to MVCAP so that he could improperly collect emergency rental assistance money for certain Freedom for Living properties. Draines knowingly sent false landlord statement forms concealing the critical fact that certain tenants were already having a substantial portion of their rent paid through federally funded housing vouchers.

Draines pleaded guilty to wire fraud in March 2023.

In addition, Draines fraudulently applied for and received Pandemic Unemployment Assistance benefits from the Ohio Department of Job and Family Services, resulting in Draines wrongfully collecting approximately \$30,000.

“Through a cynical, opportunistic fraud scheme, Draines, sought to steal more than \$150,000 from MVCAP by seeking emergency assistance that was not actually needed, or not actually used, to cover the rental obligations of existing tenants,” said Kenneth L. Parker, United States Attorney for the Southern District of Ohio. “The specific circumstances of Draines’ COVID-related fraud only make it worse. Draines targeted

programs intended to aid those struggling to make ends meet in the face of the pandemic, converting a global health crisis into a chance at a quick buck.”

“Mr. Draines used his position during an unprecedented national pandemic to steal critical taxpayer money intended to help families,” said Special Agent-in-Charge Shawn Rice. “HUD OIG remains steadfast in its commitment to working with Federal prosecutors and law enforcement partners to aggressively pursue those who engage in activities that threaten the integrity of HUD programs.”

“Antoine Draines defrauded the Ohio Department of Job and Family Services (ODJFS) by filing false unemployment insurance (UI) claims. Draines stole benefits intended to assist those who became unemployed due to the COVID-19 pandemic. We will continue to work with our law enforcement partners and ODJFS to protect the integrity of the UI system from those who exploit these benefit programs,” said Irene Lindow, Special Agent in Charge, Great Lakes Region, U.S. Department of Labor, Office of Inspector General.

Joining Parker in announcing the sentence imposed by Senior U.S. District Court Judge Thomas M. Rose were Shawn Rice, Special Agent in Charge, U.S. Department of Housing and Urban Development, Office of Inspector General, and Irene Lindow, Special Agent in Charge, Great Lakes Region, U.S. Department of Labor, Office of Inspector General. Assistant United States Attorney Rob Painter and Deputy Criminal Chief Brent G. Tabacchi are representing the United States in this case.

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Updated July 18, 2023

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