



**RICHARD A. BROWN**  
DISTRICT ATTORNEY

**DISTRICT ATTORNEY  
QUEENS COUNTY  
125-01 QUEENS BOULEVARD  
KEW GARDENS, NEW YORK 11415-1568  
718-286-6000**

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**CONTACT: KEVIN RYAN**  
HELEN PETERSON  
MERIS CAMPBELL  
718-286-6315

**MANAGING AGENT CHARGED WITH EMBEZZLING \$950,000  
FROM FIVE QUEENS APARTMENT BUILDINGS**

\_\_\_\_\_ Queens District Attorney Richard A. Brown announced today that the former managing agent of five apartment buildings in Queens has been charged with embezzling nearly \$950,000 in tenant maintenance fees over a six-year period.

District Attorney Brown said, "The defendant is accused of using his position of trust as a fiduciary agent to unjustly enrich himself by siphoning off hundreds of thousands of dollars in maintenance funds intended for building expenses. The defendant allegedly carried out his scheme like a Ponzi scam – commingling all of the funds into one account and hiding the thefts by paying the expenses of one client with the monies of other clients. His alleged conduct represents a betrayal of the confidence that the boards of each building had in him."

The District Attorney identified the defendant as Michael Richter, 50, of 9 Summit Drive in Manhasset, Long Island. Richter, who is presently awaiting arraignment in Queens Criminal Court, is charged with five counts of second-degree grand larceny and five counts of first-degree falsifying business records. If convicted, he faces up to fifteen years in prison.

The District Attorney said that, according to the criminal charges, Richter and his company, Charter Management Realty Inc., worked as the management agent for several Queens apartment buildings. As such, building tenants were required to remit their monthly maintenance payments directly to Charter Management, which then allegedly deposited all the funds in a single lockbox bank account. The funds were intended to cover the monthly expenses for each building, such as staff salaries, water bills, insurance, heat and other expenses. However, it is alleged that Richter stole a total of approximately \$949,877 from the lockbox account between January 2004 and August 2009, and falsified the business records of each building by sending out annual accounting reports that covered up the thefts.

Among the alleged victims and their losses were: the 84-49 Owners Corporation located at 84-49 168<sup>th</sup> Street in Jamaica (\$313,879.80), the 67<sup>th</sup> Housing Corporation located at 99-21 67<sup>th</sup> Road in Rego Park (\$57,336.75), the Majestic Tenants Corporation located at 110-20 71<sup>st</sup> Avenue in Forest Hills (\$91,000), the Berkeley Apartment Corporation located at 99-45 67<sup>th</sup> Road in Rego Park (\$353,963.92), and the Sherwood Village Co-op B located at 99-14 59<sup>th</sup> Avenue in Elmhurst (\$133,696.64).

Charter Management Realty Inc., of New Hyde Park, New York, closed in August 2009.

The investigation was conducted by Detective Richard A. Lewis, of the District Attorney's Detective Bureau, under the supervision of Sergeant John W. Kenna and Lieutenant Robert J. Burke, and the overall supervision of Deputy Chief Investigator Albert D. Velardi and Chief Investigator Lawrence J. Festa. Also assisting in the investigation were Assistant District Attorneys Carey B. Alpert and Edward K. Suh and Forensic Accountant Emery W. Nemeth, all of the District Attorney's Economic Crimes Bureau.

Assistant District Attorney Alpert is prosecuting the case under the supervision of Gregory C. Pavlides, Bureau Chief, and Christina Hanophy, Deputy Bureau Chief, and the overall supervision of Executive Assistant District Attorney for Investigations Peter A. Crusco and Deputy Executive Assistant District Attorney Linda M. Cantoni.

It should be noted that a complaint is merely an accusation and that a defendant is presumed innocent until proven guilty.

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