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FORMER CHARLOTTE AREA REALTOR PLEADS GUILTY TO SELLING HOUSEHOLD APPLIANCES STOLEN FROM VACANT HOMES

CHARLOTTE, N.C. – A former Charlotte area realtor pleaded guilty on Monday, August 26, 2013, to selling household appliances she unlawfully removed from vacant homes owned by the U.S. Department of Housing and Urban Development (HUD), announced Anne M. Tompkins, U.S. Attorney for the Western District of North Carolina. Sember Lynn Smathers, 49, formerly of Shelby, N.C., pleaded guilty before U.S. Magistrate Judge David S. Cayer to one count of conspiracy to steal government property.

U.S. Attorney Tompkins is joined in making today's announcement by Lester Fernandez, Special Agent in Charge, Office of the Inspector General, Office of Investigation of the Department of Housing and Urban Development (HUD – OIG).

According to the criminal indictment and plea agreement, Smathers was a real estate agent and, in that capacity, had access to listings of vacant HUD real estate owned properties in Charlotte and surrounding communities in North and South Carolina. According to court records, from September 2008 to July 2009, Smathers used a master key to enter the vacant HUD homes and unlawfully remove appliances – such as refrigerators, stoves, washers and dryers – and other items from the homes. Smathers and her co-conspirators usually conducted these “clean outs” one or two times per week. Court records indicate that Smathers then sold these items from her home in Shelby.

In February 2009, Smathers and a co-conspirator leased a building in Shelby and set up a business called “Cheap Stuff,” from which they sold the household appliances as well as clothes and lawn maintenance equipment stolen from the HUD properties. According to filed documents, Smathers and another co-conspirator also maintained a storage unit in Shelby to store the stolen appliances, and used Craig's List, the Shelby Shopper and the Shelby Star to advertise and sell these appliances. Court records indicate that in one instance, Smathers and another person were conducting a “clean out” while subcontractors were working at the same vacant HUD property. When the subcontractors questioned Smathers about the removal of the appliances from the home, Smathers falsely represented that she and her co-conspirator also worked for the same subcontractors and had been directed to remove the appliances from the home. Court records show that Smathers stole over \$13,678 worth of appliances from the vacant homes.

Smathers has been released on bond pending sentencing. She faces a maximum prison term of five years and a \$250,000 fine. A sentencing date for Smathers has not been set yet.

The investigation into Smathers was handled by HUD-OIG. The prosecution is handled by Assistant U.S. Attorney Kenneth Smith of the U.S. Attorney's Office in Charlotte.

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