



## **FOR IMMEDIATE RELEASE**

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### **Denver Man Sentenced to 24 Years in Prison for Sophisticated Fraud Scheme**

DENVER —Colorado Attorney General Cynthia H. Coffman announced today that Jose Ricardo Sarabia-Martinez, of Denver was sentenced to 24 years in prison after being found guilty of multiple counts including felony violations of the Colorado Organized Crime Control Act (COCCA), COCCA-Conspiracy, forgery, theft, and criminal impersonation. Sarabia-Martinez is expected to also be ordered to pay restitution of nearly \$1million.

“Mr. Sarabia-Martinez was the mastermind of a fraudulent scheme that stole millions of dollars from his victims,” said Attorney General Coffman. “This lengthy sentence will keep him off the streets and prevent him from harming any other innocent people.”

Sarabia-Martinez, along with his fellow co-conspirators used their status as professionals in the real estate industry to execute a long-term diverse fraud for profit scheme. The scheme primarily centered on mortgage fraud including the manipulation of multiple real estate transactions through the use of fraudulent statements, material omissions, acquiring false identification and notary commissions, as well using “straw buyers” to buy and sell real estate properties that ultimately resulted in foreseeable foreclosures.

When these straw buyers’ properties were foreclosed, Sarabia-Martinez and his partners had already been able to fraudulently acquire money through fees, commissions, and by diverting the excess profit that was obtained from facilitating these fraudulent loans from the deceived lenders.

The criminal activity took place in various jurisdictions, including the City and County of Denver, Adams County and Arapahoe County. The investigation and successful prosecution of this case resulted from collaboration between several state and federal agencies including the Colorado Bureau of Investigation, the U.S. Small Business Administration, Office of Inspector General, the Federal Bureau of Investigation and the Federal Housing Finance Agency, Office of Inspector General.

“The exceptional collaboration between our state and federal partners made a tremendous difference in this case by helping to bring some justice to those impacted by this pervasive crime and preventing additional victims from being targeted by Mr. Sarabia-Martinez in the future,” said CBI Director Mike Rankin.

In addition to Sarabia-Martinez, five other co-conspirators have pled guilty to various charges related to the scheme, including his then wife, mother, father and brothers.

Sarabia-Martinez was previously convicted of felony offenses related to domestic violence, for which he also received a 24-year sentence. Both 24-year sentences will run consecutively, for a total of 48 years in prison.

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