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PRESS RELEASE

**Former Owner of Cortes Multi-Services
Sentenced for Reverse Mortgage Fraud
Against a 74 Year Old Victim**

SAN LUIS OBISPO, CA, March 30, 2017 – District Attorney Dan Dow announced today that Araceli Cortes (dob 9/4/78) has been sentenced to serve one year custody in the county jail and four years of formal probation for fraudulently inducing a 74 year old victim into securing a reverse mortgage on his residence and providing her with \$117,000. She pled no-contest and was convicted of one count of felony grand theft and a corresponding enhancement for stealing an amount more than \$100,000. Cortes is required to pay full restitution for the victim's economic losses.

In August 2012, the 74 year old victim was a patron of Cortes Multi-Services run by Araceli Cortes, when Cortes encouraged the victim to take out a reverse mortgage on his residence. \$117,000 of the loan funds were provided to Cortes on condition that she use them for business development. Cortes used the funds for personal/non-business related expenditures and never made a payment on the loan. The nature of the fraud was not discovered until mid-2016 when investigated by the District Attorney's Office financial crimes investigator.

This case was investigated by the San Luis Obispo County District Attorney's Office and prosecuted by Deputy District Attorney Eric Dobroth.

For further information, contact: Assistant District Attorney Lee Cunningham (805) 781-5874.

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