

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA) No.
)
) v. Violation: Title 18, United States
) Code, Section 1343
MARY MARTINEZ, a/k/a “Mary Flores”)

COUNT ONE

The SPECIAL MAY 2019 GRAND JURY charges:

1. At times material to this Indictment:

a. Defendant MARY MARTINEZ, who also used her maiden name “Mary Flores,” held herself out as a financial adviser and investment adviser specializing in real estate transactions.

b. MARTINEZ owned, controlled, and operated a number of companies, including Illinois Housing Solutions, America Investment Corporation, and Investor Short Sale Niche. Through these companies, MARTINEZ offered financial services, real estate and mortgage services, and investment opportunities, which included offering to help individuals, who had lost their homes through foreclosure, to purchase another home and to help repair their credit. MARTINEZ advertised on the radio offering to help buy and sell properties that were subject to foreclosure.

2. Beginning in or about July 2011, and continuing until in or about March 2020, in the Northern District of Illinois, Eastern Division, and elsewhere,

MARY MARTINEZ,

defendant herein, devised, intended to devise, and participated in a scheme to defraud, and to obtain money and property based on materially false and fraudulent pretenses, representations, and promises, and by the concealment of material facts, which scheme is further described below.

3. It was part of the scheme that MARTINEZ knowingly made materially false representations to certain individuals (referred to hereinafter as “victims”), which included falsely representing that MARTINEZ would: (a) help victims find and purchase a house; (b) hold victims’ funds on their behalf, in order to help them save sufficient funds to make a down payment on a house; (c) provide financing or arrange financing for victims to purchase a house; and (d) pay high interest rates on loans and investments. Instead of using victims’ funds as promised, MARTINEZ misappropriated a substantial portion of the victims’ funds for her own benefit, causing losses to the victims of at least approximately \$450,000.

4. It was further part of the scheme that MARTINEZ obtained funds from victims, including retirement funds, college funds, and personal savings, by falsely representing to victims that she would help them find and purchase a house, that she would help victims save money for a down payment on a house, that she would use victims’ funds for their benefit, and that the victims’ funds would be safe with her. In fact, MARTINEZ

knew those representations were false because she intended to and did misappropriate a substantial portion of the victims' funds to pay for her own personal and business expenses.

5. It was further part of the scheme that MARTINEZ falsely represented to certain victims that they could accumulate sufficient funds to make a down payment on a house by entrusting their funds to MARTINEZ, including through monthly payments, and that those funds would be available when the victims were ready to make a down payment on a house. Contrary to those representations, MARTINEZ knew that those funds would not be available for a down payment because she intended to and did misappropriate a substantial portion of the victims' down-payment funds.

6. It was further part of the scheme that MARTINEZ falsely represented to certain victims that her company would provide financing or arrange financing for the victims to purchase a house. In fact, MARTINEZ knew that her company would not provide financing or arrange financing because the victims would not have sufficient down-payment funds to purchase a house after MARTINEZ misappropriated a substantial portion of their funds.

7. It was further part of the scheme that MARTINEZ falsely represented to certain victims who had poor credit because of a foreclosure on their homes, or other economic factors, that they could repair their credit by making monthly payments to MARTINEZ for a down payment on a house. In fact, MARTINEZ's misappropriation of those funds left the victims with even less money and did nothing to repair their credit.

8. It was further part of the scheme that MARTINEZ convinced certain victims – including some who were trying to accumulate sufficient funds for a down payment – to

invest money with MARTINEZ's company, in the form of loans, usually secured by mortgages and promissory notes, by falsely representing that her company would pay substantial interest on those loans, and that the loans would be repaid within a specified period of time. MARTINEZ falsely represented to a number of those victims that their invested funds, plus the interest, could be used as a down payment on a house that MARTINEZ would help them find and purchase. In fact, MARTINEZ knew those statements were false because MARTINEZ intended to and did misappropriate a substantial portion of the funds the victims' provided to her company.

9. It was further part of the scheme that MARTINEZ gave certain victims mortgages on specific properties as collateral for the victims' loans, and falsely represented that she would not give anyone else an interest in those properties, and that she would pay the taxes on those properties. Contrary to those representations, Martinez intended to and did use certain specific properties as collateral for other loans and provided additional mortgages on those properties, and failed to pay taxes on one of those properties.

10. It was further part of the scheme that, rather than use funds in the manner she described to victims, MARTINEZ misappropriated victims' funds to pay for her own personal and business expenses, such as rent payments and retail purchases.

11. It was further part of the scheme that, in order to continue and conceal the scheme, defendant MARTINEZ knowingly made false lulling statements to certain victims, falsely representing that she would pay them back, and falsely representing that she would contact them to discuss repayment, which she intentionally failed to do.

Eventually, MARTINEZ deliberately cut off communications with most of the victims in order to avoid repaying them.

12. It was further part of the scheme that defendant MARTINEZ misrepresented, concealed, and hid, and caused to be misrepresented, concealed, and hidden, the existence of the scheme, the purposes of the scheme, and acts done in furtherance of the scheme.

13. As a result of the scheme, defendant MARTINEZ caused losses to victims of at least approximately \$450,000.

14. On or about September 1, 2015 in the Northern District of Illinois, Eastern Division, and elsewhere,

MARY MARTINEZ,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted in interstate commerce, by means of wire communication, certain writings, signs, and signals, namely, an interstate wire transmission relating to a cashier's check from victims Adrian M. and Leticia M., in the amount of \$10,000, that was deposited into MARTINEZ's corporate bank account at Fifth Third Bank in Deerfield, Illinois and electronically cleared via a wire transmission to a location outside of Illinois for processing, which funds were to be used as part of down payment for a house;

In violation of Title 18, United States Code, Section 1343.

COUNT TWO

The SPECIAL MAY 2019 GRAND JURY further charges:

1. Paragraphs 1 through 13 of Count One of this Indictment are incorporated here.
2. On or about November 2, 2015 in the Northern District of Illinois, Eastern Division, and elsewhere,

MARY MARTINEZ,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted in interstate commerce, by means of wire communication, certain writings, signs, and signals, namely, an interstate wire transmission relating to a check from MARTINEZ issued to victims Maria G. and Melvin M., in the amount of \$2,000, that was written on MARTINEZ's personal bank account at Fifth Third Bank in Deerfield, Illinois and electronically sent via a wire transmission to a location outside of Illinois for processing, which MARTINEZ identified as being an interest payment;

In violation of Title 18, United States Code, Section 1343.

COUNT THREE

The SPECIAL MAY 2019 GRAND JURY further charges:

1. Paragraphs 1 through 13 of Count One of this Indictment are incorporated here.
2. On or about December 2, 2015, in the Northern District of Illinois, Eastern Division, and elsewhere,

MARY MARTINEZ,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted in interstate commerce, by means of wire communication, certain writings, signs, and signals, namely, an interstate wire transmission relating to a Quickpay payment from victims Claudia Q. and Gustavo A., in the amount of \$550, that was deposited into MARTINEZ's personal bank account at Fifth Third Bank in Deerfield, Illinois and electronically cleared via a wire transmission to a location outside of Illinois for processing, which funds were to be used as part of down payment for a house;

In violation of Title 18, United States Code, Section 1343.

COUNT FOUR

The SPECIAL MAY 2019 GRAND JURY further charges:

1. Paragraphs 1 through 13 of Count One of this Indictment are incorporated here.

2. On or about April 1, 2016, in the Northern District of Illinois, Eastern Division, and elsewhere,

MARY MARTINEZ,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted in interstate commerce, by means of wire communication, certain writings, signs, and signals, namely, an interstate wire transmission relating to a money order from victim Victor A., in the amount of \$1,500, that was deposited into MARTINEZ's corporate bank account at Fifth Third Bank in Deerfield, Illinois and electronically cleared via a wire transmission to a location outside of Illinois for processing, which funds were to be used as part of down payment for a house;

In violation of Title 18, United States Code, Section 1343.

COUNT FIVE

The SPECIAL MAY 2019 GRAND JURY further charges:

1. Paragraphs 1 through 13 of Count One of this Indictment are incorporated here.

2. On or about July 6, 2016, in the Northern District of Illinois, Eastern Division, and elsewhere,

MARY MARTINEZ,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted in interstate commerce, by means of wire communication, certain writings, signs, and signals, namely, an interstate wire transmission relating to a Quickpay payment from victims Claudia Q. and Gustavo A., in the amount of \$550, that was deposited into MARTINEZ's personal bank account at Fifth Third Bank in Deerfield, Illinois and electronically cleared via a wire transmission to a location outside of Illinois for processing, which funds were to be used as part of down payment for a house;

In violation of Title 18, United States Code, Section 1343.

COUNT SIX

The SPECIAL MAY 2019 GRAND JURY further charges:

1. Paragraphs 1 through 13 of Count One of this Indictment are incorporated here.
2. On or about March 11, 2017, in the Northern District of Illinois, Eastern Division, and elsewhere,

MARY MARTINEZ,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted in interstate commerce, by means of wire communication, certain writings, signs, and signals, namely, a text message that travelled through network servers located outside of Illinois, from the defendant's phone to victim Gustavo A.'s phone in Illinois, in which MARTINEZ said, in effect, that she would contact Gustavo A. in six months to see how much money she had to start paying off the debt that she owed him;

In violation of Title 18, United States Code, Section 1343.

COUNT SEVEN

The SPECIAL MAY 2019 GRAND JURY further charges:

1. Paragraphs 1 through 13 of Count One of this Indictment are incorporated here.
2. On or about May 16, 2017, in the Northern District of Illinois, Eastern Division, and elsewhere,

MARY MARTINEZ,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted in interstate commerce, by means of wire communication, certain writings, signs, and signals, namely, an interstate wire transmission relating to a check from MARTINEZ issued to victims Maria G. and Melvin M., in the amount of \$2,000, that was written on MARTINEZ's corporate bank account at BMO Harris Bank in Chicago, Illinois and electronically sent via a wire transmission to a location outside of Illinois for processing, which MARTINEZ identified as being a partial repayment of a loan;

In violation of Title 18, United States Code, Section 1343.

COUNT EIGHT

The SPECIAL MAY 2019 GRAND JURY further charges:

1. Paragraphs 1 through 13 of Count One of this Indictment are incorporated here.

2. On or about July 14, 2017, in the Northern District of Illinois, Eastern Division, and elsewhere,

MARY MARTINEZ,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted in interstate commerce, by means of wire communication, certain writings, signs, and signals, namely, an interstate wire transmission relating to a money order from victim Victor A., in the amount of \$1,000, that was deposited into MARTINEZ's corporate bank account at Fifth Third Bank in Deerfield, Illinois and electronically cleared via a wire transmission to a location outside of Illinois for processing, which funds were to be used as part of down payment for a house;

In violation of Title 18, United States Code, Section 1343.

COUNT NINE

The SPECIAL MAY 2019 GRAND JURY further charges:

1. Paragraphs 1 through 13 of Count One of this Indictment are incorporated here.
2. On or about August 17, 2018, in the Northern District of Illinois, Eastern Division, and elsewhere,

MARY MARTINEZ,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted in interstate commerce, by means of wire communication, certain writings, signs, a signals, namely, a text message that travelled through network servers located outside of Illinois, from the defendant's phone to victim Saqib U.'s phone in Illinois, in which MARTINEZ stated "I am very conscious of the November deadline...I am aiming to cover what I can come November early December. Expect my call around that time but not before."

In violation of Title 18, United States Code, Section 1343.

COUNT TEN

The SPECIAL MAY 2019 GRAND JURY further charges:

1. Paragraphs 1 through 13 of Count One of this Indictment are incorporated here.
2. On or about November 22, 2018, in the Northern District of Illinois, Eastern Division, and elsewhere,

MARY MARTINEZ,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted in interstate commerce, by means of wire communication, certain writings, signs, and signals, namely, a text message that travelled through network servers located outside of Illinois, from the defendant's phone to victim Saqib U.'s phone in Illinois, in which MARTINEZ stated: "I'm not able to do all the amount owed this year. I'm hoping to have something in December with goal of finishing this obligation early 2019";

In violation of Title 18, United States Code, Section 1343.

A TRUE BILL:

FOREPERSON

Signed by Jason Yonan on behalf of the
UNITED STATES ATTORNEY