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Posted on Tue, Apr. 24, 2007

## Leawood man sentenced to 10 years in fraud case

### His victims invested millions in a bogus Arizona development.

By DIANE CARROLL  
The Kansas City Star

A Leawood man who pleaded guilty in one of Johnson County's largest fraud cases was sentenced Monday to 10 years in prison.

Michael P. Schaefer, 58, agreed to the sentence — which was twice as stiff as sentencing guidelines recommend — as part of a plea agreement with Johnson County prosecutors. As part of the agreement, prosecutors dropped 28 counts. He could have received more time if a jury had found him guilty on all counts.

Vanessa Riebli, assistant district attorney, said in court that Schaefer was a serial con artist who drew investors by promising to double or triple their money. She said she did not think the housing development in Arizona that he persuaded them to invest in ever existed.

Prosecutors charged Schaefer in 2004, alleging that he had taken almost \$10 million from 150 investors nationwide since 2001. He pleaded guilty in April 2006 to 19 counts of selling unregistered securities, 19 counts of securities fraud and 12 counts of selling securities when not registered as a securities broker. He also pleaded no contest to 10 counts of felony theft.

Defense attorney William Grimshaw asked District Court Judge Steve Leben on Monday to sentence Schaefer on the low end of the sentencing range that the plea agreement prescribed. But Leben imposed the maximum.

Also as part of the plea agreement, Schaefer was ordered to begin paying \$1.1 million in restitution once he is released. When Leben asked Schaefer whether he wanted to say anything, Schaefer said he was sorry for what had happened.

Schaefer is scheduled to be back in Johnson County District Court today to enter a plea in a fraud case filed against him in 2006. Those alleged acts in May 2005 occurred while Schaefer was free on bond in the 2004 case.

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