

U.S. DEPARTMENT OF THE TREASURY

Press Center



Treasury Sanctions Money Laundering Network with Ties to Caro Quintero

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Sanctions focus on real estate companies based in Guadalajara, Mexico


WASHINGTON – The U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) today designated 10 entities and five individuals with ties to the Sanchez Garza family as specially designated narcotics traffickers pursuant to the Foreign Narcotics Kingpin Designation Act (Kingpin Act). The Sanchez Garza family is a money laundering organization based in Guadalajara, Mexico that began operating on behalf of major narcotics traffickers Rafael Caro Quintero and Juan Jose Esparragoza Moreno (a.k.a. El Azul) in the 1980s. Today’s action prohibits U.S. persons from conducting financial or commercial transactions with these individuals or entities, and freezes any assets they may have under U.S. jurisdiction.

“Today’s designation targets those who hide behind seemingly legitimate real estate operations in order to support the illicit finance activities of drug trafficking empires led by Rafael Caro Quintero and Juan Jose Esparragoza Moreno,” said OFAC Director Adam J. Szubin. “OFAC will continue to investigate and uncover the ties between similar types of deceitful operations and money laundering networks.”

In June 2013, OFAC designated members of the Sanchez Garza network, responsible for developing residential communities in Zapopan, Mexico on behalf of Caro Quintero, and for investing in the previously designated Esparragoza Moreno property, Provenza Residencial. The targets included Mauricio Sanchez Garza, who was indicted in the Western District of Texas (San Antonio) with one count of conspiracy to launder monetary instruments, and is currently a fugitive on that charge.

Today’s designation includes three cousins of the previously designated Sanchez Garza brothers – Jose Sanchez Gonzalez, Fernando Sanchez Gonzalez, and Javier Sanchez Gonzalez – who were involved in the construction of several properties with the Sanchez Garza family and have ties to previously designated Sanchez Garza companies. OFAC also designated the Sanchez Garza family members Maria Aurora Sanchez Contreras and Eva Luz Rosales Morfin, wives of Diego Sanchez Garza and Jose de Jesus Sanchez Garza respectively, for acting on behalf of previously designated Sanchez family members. The companies designated today include nine real estate development companies and one restaurant, Bocados de Autor, S.A. de C.V. (a.k.a. Lucrecia Bar). The investigation that led to these designations was the result of collaborative efforts of Treasury and the Drug Enforcement Administration.

OFAC has designated more than 1,300 businesses and individuals linked to 103 drug kingpins since June 2000. Penalties for violations of the Kingpin Act range from civil penalties of up to \$1.075 million per violation to more severe criminal penalties. Criminal penalties for corporate officers may include up to 30 years in prison and fines up to \$5 million. Criminal fines for corporations may reach \$10 million. Other individuals could face up to 10 years in prison and fines pursuant to Title 18 of the United States Code for criminal violations of the Kingpin Act.

For a chart relating to today’s actions click [here](#). 

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