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business

## Judge tosses bank-fraud charges linked to mansion fire

By David Migoya  
The Denver Post

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Felony bank-fraud charges against three men tied to a blaze that gutted a new Greenwood Village mansion were dropped this week when a judge ruled there wasn't enough evidence to prosecute them.

The men — builder Mikel Mewbourn, financier Matt Witt and homebuyer Denver Haslam — still face felony conspiracy charges alleging they planned to defraud the banks that wrote multimillion-dollar mortgages on the mansion.

"There are so many things about this case that don't make sense," said Stanley Marks, Haslam's lawyer. "In the end, there just wasn't enough to prove what the prosecutors alleged."

The fraud, according to court records, was solidified when the 15,000-square-foot, six-

bedroom, nine-bathroom estate at 5301 S University Blvd. burned in a spectacular but suspicious fire in November 2008.

But no one has been charged in the fire, and insurance companies have refused to pay off on what investigators say is a clear case of arson, instead tying up the case with civil lawsuits.

Mewbourn is alleged to have teamed with Witt on a high-dollar, high-interest mortgage, then used Haslam's good credit to land a much bigger and riskier mortgage. Haslam, who was unemployed at the time, borrowed more than \$3 million from Witt for a down payment to satisfy the banks making the loan, which provided another \$3 million.

In the meantime, Witt and investors in his lending firm, Commercial Capital Inc., got back the funds they put in to help build the home. The company has since filed for bankruptcy.

Mewbourn did not return calls seeking comment, and Witt's lawyer, John Sullivan III, said he was surprised the fraud charges were dropped during what is normally a simple hearing.

"It just doesn't happen that often," Sullivan said. "We're hopeful we can resolve count two, but that's up to the prosecutor."

Prosecutors did not return calls seeking comment, and it was unclear whether the conspiracy charges would remain, although they've been scheduled for arraignment in January, court records show.

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District Court Judge Ethan Feldman dismissed the fraud charges Monday after a lengthy hearing that was intended to lay out the case against the defendants. Known as a preliminary hearing, the typically procedural process is usually waived, and cases are moved along to the District Court.

But that didn't happen. Instead, Marks said, defense lawyers grilled investigators from the Greenwood Village Police Department, who handled the bulk of the case, and the FBI over their findings.

Except in rare circumstances, state law precludes a preliminary hearing on a low-level felony. The conspiracy charge is a Class 4 felony, so it was automatically bound over for trial.

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