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**FOR IMMEDIATE RELEASE**

**Date:** May 14, 2026

**Re:** State vs. Sarah Chester

On Monday, May 11, 2026, Sarah Chester, 44, of Nottingham, pled guilty to one count of Theft Scheme over \$100,000, one count of Forgery and Counterfeit – Private Documents, and one count of Embezzlement, before the Honorable Paul W. Ishak in the Circuit Court for Harford County. Chester was sentenced to twenty (20) years, all suspended with five (5) years to serve. She was taken into custody to begin her sentence immediately following the hearing. Restitution in this case, which is expected to reach nearly \$600,000, will be left open for thirty (30) days to allow the State the opportunity to verify the contact information and amounts from the various affected homeowners associations.

Facts presented in support of the plea proved that between 2021 and 2025, several homeowners associations in both Harford and Baltimore Counties hired the Defendant and her company, Magnolia Properties, to manage the HOAs and their funds. Evidence showed that over approximately a five-year period, the Defendant ran a Ponzi scheme. She syphoned monies from each HOA into her personal accounts. Chester utilized the funds for trips to Europe, country club memberships, and more. She also created fake bank statements to hide her theft and transferred money between HOA accounts to replenish stolen funds in others. Over the course of a five-year period, the thefts affected over 250 households and approximately 1,500 individuals.

Over 50 residents from various communities affected by the Defendant's actions attended the hearing. At the conclusion, State's Attorney Alison M. Healey issued the following statement: "To be placed in a position of trust by your community only to violate that trust in such an egregious way is despicable and behavior that will not be tolerated in Harford County. I commend the work of Assistant State's Attorney Ari Kodeck for his efforts in securing a jail sentence in this case, as well as ensuring that restitution is ordered and these communities will one day be made whole."

State's Attorney Healey also thanks the Harford County Sheriff's Office and Detective Sergeant for their efforts in the investigation of this highly complex white-collar case and recognizes the tremendous amount of work and collaboration that was required to ensure that justice was served.

**OFFICE OF THE STATE'S ATTORNEY FOR HARFORD COUNTY**

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