



# Board Agenda Item 25

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DATE: August 19, 2025

TO: Board of Supervisors

SUBMITTED BY: Lisa A. Smittcamp, District Attorney

SUBJECT: Annual Report of the Real Estate Fraud Prosecution Program

RECOMMENDED ACTION(S):

**Receive and file annual report of the Real Estate Fraud Prosecution program pursuant to California Government Code Section 27388.**

This report will summarize the activities of the Office of the District Attorney's Real Estate Fraud Prosecution program from July 1, 2024 through June 30, 2025. This item is countywide.

ALTERNATIVE ACTION(S):

There are no viable options available.

FISCAL IMPACT:

There is no increase in Net County Cost associated with this action. The Real Estate Fraud Prosecution program is funded with recording fees, which fund 100% of the direct costs as well as a portion of indirect costs associated with this program. During FY 2024-25, the Unit expended a total of \$687,207.53 which included personnel costs, operating expenses, and overhead allocations. Revenue in the amount of \$616,574.16 was collected from the filing fees and interest earned, all of which was placed in the Unit's Special Revenue Fund which had a FY 2024-25 year-end balance of \$1,100,174.24 after the final accounting.

DISCUSSION:

This report is prepared for the purposes of compliance with Government Code Section 27388 (d). This report will summarize the activities of the Office of the District Attorney's Real Estate Fraud Prosecution program from July 1, 2024 through June 30, 2025.

The monies collected pursuant to Government Code Section 27388 fund the District Attorney's Real Estate Fraud Prosecution Unit which is comprised of four positions for FY 2024-25: one Deputy District Attorney, two Senior DA Investigators and one Paralegal. These personnel are fully funded by the recording fees for investigation and prosecution of real estate fraud crimes.

For FY 2024-25, the Real Estate Fraud Unit received 28 cases for review from members of the community, local businesses, and other agencies regarding possible real estate fraud. Cases for review include referral forms received from the public, reports from governmental agencies as well as cases submitted for criminal filings by law enforcement agencies. The DA Real Estate Fraud investigators are currently conducting 58 active investigations. This number includes new and continuing investigations from prior years as well as

new and pending court cases.

Criminal charges were filed in three new cases, resulting in a current total of 17 active court cases including court cases from prior years. In FY 2024-25, 8 cases were closed.

Serious criminal schemes detected and investigated during FY 2024-25 included the following:

- Forgery
- Identity theft
- Grand theft
- Filing forged or false documents
- Altered documents
- Foreclosure/loan modifications scheme
- Elder Abuse

General Overview of Real Estate Fraud cases:

Typically, real estate fraud cases involve extensive investigation and the gathering of numerous documents from various sources. These complex investigations can take anywhere from three months to three years or more to investigate and prosecute to conclusion. Investigations require interviewing victims, witnesses, mortgage, and title/escrow companies, and more. Most investigations require search warrants for documents and/or bank records.

An example of a Real Estate Fraud scenario is:

The victim was an 85-year-old man with no children, only nieces and nephews. He lived alone and was able to financially take care of himself with his pension and social security, paying his own bills and caring for himself. The victim's nieces and nephews would check on him, take him shopping, etc. The defendant, one of the victim's nephews, began to insert himself into the victim's life more and more, isolating him from the rest of the family.

In 2018, defendant convinced the victim to give him power of attorney so that he could help the victim pay his bills. Over the ensuing years, the defendant began to pay more and more of his own bills using the victim's bank accounts, his Home Depot account and maxing out his Visa as well as the overdraft protection on the victim's bank account. At this point, defendant, a realtor, told the victim that he had to sell his house because the payment was going up and he wouldn't be able to afford it. Upon sale, the defendant received a large commission, deposited approximately \$150,000 into a trust with himself as the trustee and moved the victim into a residential care facility.

One of the victim's nieces located him after his move and discovered what happened and contacted authorities. The victim was adamant that defendant was only supposed to help him pay his bills, not take over his accounts and use the money for himself. Investigation revealed that not only was the victim's house payment not going to go up, but the monthly cost of the residential home were three times as much as the victim's mortgage. At the time of filing, the defendant has stolen over \$100,000 in a four-year period and named himself as beneficiary on other assets such as several life insurance policies.

CAO ANALYST:

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