

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

109



FORM APPROVED COUNTY COUNSEL  
BY: GREGORY P. PRIAMOS DATE: 10/16/14

**FROM:** District Attorney

**SUBMITTAL DATE:**  
10/10/14

**SUBJECT:** Annual Real Estate Fraud Prosecution Trust Fund Report for FY12/13 and FY13/14;  
All Districts [\$0]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Receive and file the Annual Real Estate Fraud Prosecution Trust Fund Report pursuant to government coded section 27388 (d) for the period of July 1, 2012 through June 30, 2013 and July 1, 2013 through June 30, 2014.

**BACKGROUND:**

**Summary**

Government Code Section 27388(d) requires the District Attorney to report on the activities of the Real Estate Fraud Prosecution Trust Fund to the Board of Supervisors for their review of the effectiveness of the program in deterrence, investigation, and prosecution of real estate crimes. The Government Code specifies submission of the Annual Report to the Board of Supervisors by September 1 of each year. Compliance with the code occurred when the required reports were previously submitted directly to each individual member of the Board of Supervisors. Submission of the FY 2012/2013 report occurred on August 28, 2013, and submission of the FY 2013/2014 report occurred on August 27, 2014. In an effort to implement best practices, the attached reports are being submitted as a formal agenda item.

*[Signature]*  
Gerald W. Fineman, for Paul E. Zellerbach, District Attorney

Departmental Concurrence

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>

**SOURCE OF FUNDS:**

Budget Adjustment: No  
For Fiscal Year: 12/13, 13/14

**C.E.O. RECOMMENDATION:** APPROVE

County Executive Office Signature By: *[Signature]*  
Elizabeth J. Olson

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Tavaglione, seconded by Supervisor Stone and duly carried, IT WAS ORDERED that the above matter is received and filed as recommended.

Ayes: Jeffries, Tavaglione, Stone and Ashley  
Nays: None  
Absent: Benoit  
Date: November 4, 2014  
xc: D.A.

Kecia Harper-Ihem  
Clerk of the Board  
By: *[Signature]*  
Deputy

- A-30
- Positions Added
- Change Order
- 4/5 Vote

Prev. Agn. Ref.: N/A      District: ALL      Agenda Number:

**3-5**

**REAL ESTATE FRAUD REPORT  
FISCAL YEAR 2012-2013  
RIVERSIDE COUNTY DISTRICT ATTORNEY'S OFFICE  
(Government Code § 27388)**

**I. Case Statistics**

- 1. Name of reporting county: Riverside**
- 2. Reporting Period (Fiscal Year): 06/30/13**
- 3. Number of referrals entering in the fiscal year: 260**
- 4. Number of referrals initiated during the fiscal year: 1439**
- 5. Total number of referrals: 1699**
- 6. Number of investigations entering in the fiscal year: 175**
- 7. Number of investigations initiated in the fiscal year: 97**
- 8. Total number of investigations: 272**
- 9. Number of filed cases entering in the fiscal year: 17**
- 10. Number of filed cases initiated in the fiscal year: 16**
- 11. Total number of filed cases: 33**
- 12. Number of victims in filed cases entering in the fiscal year: 133**
- 13. Number of victims in filed cases initiated in the fiscal year: 81**
- 14. Total number of victims in filed cases: 214**
- 15. Number of convictions obtained in the fiscal year: 19**
- 16. Aggregated monetary loss suffered by victims for cases entering in the fiscal year:  
\$25,204,934**
- 17. Aggregated monetary loss suffered by victims for cases initiated during the fiscal  
year: \$15,261,207**
- 18. Total aggregated monetary loss suffered by victims in cases in which there has been  
an investigation, filing, or conviction: \$40,466,141**

## **II. Accounting Information**

**Program revenue for the fiscal year: \$1,962,130.60**

- 19. Beginning fund balance in Real Estate Fraud Prosecution Trust Fund: \$35,126.40**
- 20. Real estate document fees collected: \$1,927,004.20**
- 21. Total program revenue: \$1,962,130.60**
- 22. Salaries and benefits: \$1,422,615.00**
- 23. Operation and support costs: \$90,796.00**
- 24. Administrative fees: \$101,184.00**
- 25. Total program expenditures: \$1,614,595.00**
- 26. Was Real Estate Prosecution Trust Fund money distributed to a law enforcement agency other than the district attorneys office in the fiscal year? No**
- 27. Additional information you would like to provide: The number of referrals initiated for FY 2012-13 (1439) listed in # 4 is the sum of two numbers: phone inquiries (1238) and written complaints by consumers and other agencies (201).**
- 28. Non Real Estate Fraud Prosecution Trust Fund monies used to fund activities in the fiscal year: \$0.00**
- 29. Ending balance in Real Estate Prosecution Trust Fund: \$347,014.60**

## **III. Contact Person**

**Name/title:** Eric Woolery/Deputy Director

**Phone:** 951-955-8804

**E-mail address:** [ericwoolery@rivcoda.org](mailto:ericwoolery@rivcoda.org)

**Address:** 3960 Orange Street, Riverside CA, 92501

**Real Estate Fraud Prosecution Trust Fund Report Narrative  
Fiscal Year 2012-2013**

The Riverside County District Attorney's Office (RCDA) expanded on its existing programs, partnerships and outreach efforts during fiscal year 2012-2013 in its fight against real estate fraud within the county. For example, RCDA substantially expanded its membership in its Real Estate Fraud Advisory Team (REFAT). The group, comprised of real estate professionals and representatives from the RCDA Real Estate Fraud Unit and the Riverside County Recorder's Office, added dozens more members this year and has added an online blog. The 'core' function of REFAT is to educate and keep both the public and real estate community updated on all issues related to real estate fraud, utilizing the expertise of REFAT members. The RCDA continues to use REFAT to get out its message of fraud detection and prevention.

In addition to REFAT, the RCDA has continued to build on its partnership with the Riverside County Recorder's Office. Together, we hold quarterly meetings to discuss REF issues within the county and how best to resolve them. As a result of this partnership the Riverside County Recorder's Office implemented a plan to mail courtesy notices to individuals when certain documents are recorded with regard to a parcel of property. The notices direct property owners to contact a dedicated REF telephone line at the RCDA to report suspected fraud and obtain additional information. In FY 2012-2013, the RCDA answered 1238 REF related phone calls.

The number of new referrals for FY 2012-2013 (1439) listed in Question 4 is the sum of two numbers: phone inquiries (1238) and written complaints by consumers and other governmental agencies (201).

As stated above, a critical component our REF program is outreach to the public focusing on REF awareness, prevention and reporting. During FY 2012-2013, RCDA REF team members gave numerous presentations and served on panels addressing dozens of title companies, escrow companies and realtor organizations, including the Women's Council of Realtors, the Inland Valley Association of Realtors, the Southwest County Association of Realtors and the California Desert Association of Realtors. Attorney staff also attended and served as panelists at several town hall meetings hosted by the Riverside County Fair Housing Council, and discussed current trends in real estate fraud.

**REAL ESTATE FRAUD REPORT  
FISCAL YEAR 2013-2014  
RIVERSIDE COUNTY DISTRICT ATTORNEY'S OFFICE  
(Government Code § 27388)**

**I. Case Statistics**

1. **Name of reporting county:** Riverside
2. **Reporting Period (Fiscal Year):** 7/1/13 through 6/30/14
3. **Total number of open referrals entering in the fiscal year:** 216
4. **Number of phone referrals received during the fiscal year:** 656
5. **Number of written referrals received during the fiscal year:** 269
6. **Total number of new referrals received during the fiscal year:** 925
7. **Total number of current, open referrals:** 221
8. **Number of pending investigations entering in the fiscal year:** 102
9. **Number of investigations initiated in the fiscal year:** 48
10. **Total number of current, pending investigations:** 107
11. **Number of filed, pending cases entering in the fiscal year:** 18
12. **Number of cases filed in the fiscal year:** 9
13. **Total number of active, pending cases:** 23
14. **Number of victims in filed cases entering in the fiscal year:** 81
15. **Number of victims in filed cases initiated in the fiscal year:** 97
16. **Total number of victims in filed, pending cases:** 167
17. **Number of convictions obtained in the fiscal year:** 7
18. **Aggregated monetary loss suffered by victims for cases entering in the fiscal year:**  
\$6,428,572
19. **Aggregated monetary loss suffered by victims for cases initiated during the fiscal year:** \$10,060,375

20. Total aggregated monetary loss suffered by victims in cases in which there has been an investigation, filing, or conviction during the current fiscal year: \$11,744,947

**II. Accounting Information**

**Program revenue for the fiscal year:**

21. Beginning fund balance in Real Estate Fraud Prosecution Trust Fund: \$596,584.60
22. Real estate document fees collected: \$3,067,401.14
23. Total program revenue: \$3,067,401.14
24. Salaries and benefits: \$1,617,223.00
25. Operation and support costs: \$158,898.00
26. Administrative fees: \$114,771.00
27. Total program expenditures: \$1,890,892.00
28. Was Real Estate Prosecution Trust Fund money distributed to a law enforcement agency other than the district attorney's office in the fiscal year? No
29. Additional information you would like to provide: The number of new referrals received for FY 2013-14 (925) listed in # 6 is the sum of two numbers: phone referrals/inquiries (656) and written referrals/complaints (269) by consumers.
30. Non Real Estate Fraud Prosecution Trust Fund monies used to fund activities in the fiscal year: Foreclosure Crisis Recovery \$56,678.47
31. Ending balance in Real Estate Prosecution Trust Fund: \$1,773,093.74.

**III. Contact Person**

**Name/title:** Eric Woolery/Deputy Director

**Phone:** 951-955-8804

**E-mail address:** [ericwoolery@rivcoda.org](mailto:ericwoolery@rivcoda.org)

**Address:** 3960 Orange Street, Riverside CA, 92501

**Real Estate Fraud Prosecution Trust Fund Report Narrative  
Fiscal Year 2013-2014**

The Riverside County District Attorney's Office ("RCDA") has continued its fight against real estate fraud during fiscal year 2013-2014 by initiating numerous investigations, clearing the backlog of pre-existing cases, and expanding on our community and law enforcement outreach campaign.

For example, RCDA substantially expanded its membership in its Real Estate Fraud Advisory Team ("REFAT") and is in the process of completing the REFAT website, due to go online in September 2014. REFAT, which is comprised of real estate professionals and representatives from the RCDA Real Estate Fraud Unit and the Riverside County Recorder's Office, added scores of new members this year. The 'core' function of REFAT is to educate and keep both the public and real estate community updated on all issues related to real estate fraud, utilizing the expertise of REFAT members. The RCDA uses REFAT to get out its message of fraud detection and prevention. REFAT conducts quarterly meetings and its members give talks about real estate fraud detection and investigation at various community and law enforcement events.

In addition to REFAT, the RCDA has continued to build on its partnership with the Riverside County Recorder's Office. Together, we hold quarterly meetings at the Recorder's Office to discuss REF issues within the county and how best to resolve them. RCDA's partnership with the Recorder's Office is most evident through the implementation of the courtesy notice program. Currently, the Recorder's Office continues to mail courtesy notice letters to county residents when certain documents are recorded on their property. The notices direct property owners to contact the RCDA REF hotline to report suspected fraud and obtain additional information. In FY 2013-2014, the RCDA answered 925 REF related phone calls.

As stated above, a critical component of our REF program is outreach to the public focusing on REF awareness, prevention and reporting. During FY 2012-2013, RCDA REF team members gave several presentations and served on panels addressing various title companies and realtor organizations, including the Inland Gateway Association of Realtors, National Association of Hispanic Real Estate Professionals, Southwest Riverside County Association of Realtors,

REF members spoke at several key community events, including the 2014 Housing Conference, the Community Development Forum, a meeting for the Council on Aging Veterans, and several town hall meetings hosted by the Riverside Fair Housing Council. REF attorneys also provided trainings for law enforcement regarding real estate fraud investigations and continue to serve as members for the California District Attorney's Association ("CDAA") Real Estate Fraud Committee. They also teach real estate fraud related courses for CDAA.

RCDA also took the airwaves this fiscal year by launching several advertisements on radio and television to warn people against real estate fraud scams. Last fall RCDA partnered with KGGI 99.1FM and KFROG 95.1FM to air a series of 30 second radio advertisements that played for several months throughout Riverside County. Later in the year RCDA worked with Que Buena

96.1FM to get our message out to the Spanish speaking community—residents who have been hit especially hard by real estate fraud. This past spring RCDA launched a series of 60 second ads on Spanish radio (KPST 103.5FM and KLOB 94.7FM), as well as television (KVER Univision Palm Springs) to help inform and advise Spanish speakers in the Coachella Valley about loan modification scams. These advertisements aim to prevent home owners from becoming victims in the first place.