



OFFICE OF THE DISTRICT ATTORNEY

COUNTY OF VENTURA, STATE OF CALIFORNIA

ERIK NASARENKO
District Attorney

September 12, 2023

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, California 93009

Subject: Receive and File the Annual Report of the Real Estate Fraud Prosecution Program for Fiscal Year 2022-23 Pursuant to California Government Code section 27388

RECOMMENDATIONS:

It is respectfully recommended that your Board receive and file the Annual Report of the Real Estate Fraud Prosecution Program for Fiscal Year (FY) 2022-23 pursuant to California Government Code section 27388.

FISCAL/MANDATE IMPACT:

There is no fiscal impact associated with filing the Annual Report of the Real Estate Fraud Prosecution Program (REFPP) for FY 2022-23.

DISCUSSION:

Government Code section 27388 provides a long-term, stable source of revenue to fund the investigation and prosecution of real estate fraud in Ventura County. The District Attorney's REFPP, now in its 17th year of operation, continues to implement the goals of "detering, investigating, and prosecuting real estate fraud crimes."¹ For FY 2022-23, the REFPP was funded by fees collected on specified real estate instruments recorded with the Ventura County Clerk and Recorder's Office.² The Real Estate Fraud Prosecution Trust Fund provided funding for the highly experienced personnel needed to investigate and prosecute these complex cases.

¹ Gov. Code section 27388(b).

² Gov. Code section 27388(a).

During FY 2022-23, we continued pursuing our mission to prevent and deter real estate fraud through outreach and education to both the public and industry professionals, by completing multiple outreach events. The Real Estate Fraud Advisory Team (REFAT) also maintained an on-call service to gather initial information from potential fraud victims and to assist them with submitting real estate fraud complaints to our office.

In October 2022, Sr. DDA Dominic Kardum replaced Sr. DDA Stephen Slyker in the Real Estate Fraud prosecution unit. On October 19, 2022, Sr. DDA Kardum spoke to members of the Real Property Law Section of the California Lawyers Association. This outreach event furthered REFPP's objective of educating industry professionals by providing them practical information to help their clients avoid becoming victims of real estate fraud.

On January 25, 2023, Sr. DDA Kardum addressed approximately 40 members of the Financial Abuse Specialist Team (FAST) of Ventura County. FAST focuses on preventing, detecting, intervening and if necessary, investigating elder abuse, including financial elder abuse in our community. Additional industry outreach events were completed by Sr. DDA Kardum in FY 2022-23, including speaking to local real estate professionals from Complete Marketing Advantage real estate networking group in Camarillo and addressing local agents employed by Sotheby's International Realty in Westlake Village in May and June 2023.

In June of this year, our REFPP noticed an increase in wire fraud related to real estate transactions involving unencumbered vacant land in Ventura County. Therefore, on June 8, 2023, we issued a news release warning the public of the scam to proactively prevent fraud before it occurs in our community.

Consistent with prior fiscal years, the Ventura County Clerk and Recorder's Office continued mailing Foreclosure Advisory warning letters in English and Spanish to distressed homeowners who received a notice of default recorded on their properties. This advisory informs residents to exercise caution when contacted by anyone promising to "rescue" their homes from foreclosure and includes a list of legitimate free services to help distressed homeowners.

The case-related statistics accompanying this Annual Report of the REFPP demonstrate the continued success of the program. During the past fiscal year, the REFPP received 30 new complaints. Currently, there are 12 cases under investigation with aggregate victim losses of \$1,157,684. Please see attached

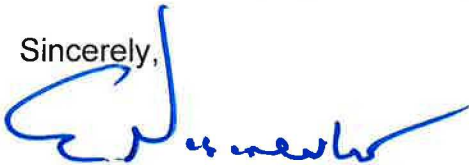
Exhibit 1 for detailed statistics; a summary of program expenditures is provided in the attached Exhibit 2.

The following cases prosecuted by the REFPP during FY 2022-23 illustrate the sophisticated schemes used by criminals to defraud both the government and vulnerable private victims. In *People v. Christopher Hicks*, Hicks failed to file tax returns for multiple years and structured bank deposits from commissions earned while employed as a licensed agent. On April 19, 2023, Hicks was sentenced and placed on formal probation for two years and ordered to serve 120 days in jail. Prior to his sentencing, Hicks paid \$199,000 in full restitution to the Franchise Tax Board and \$16,148 in reimbursement for investigative costs incurred by the District Attorney's Office REFPP. In November 2022, the REFPP filed felony charges in *People v. Daniel Montano*. Montano is a licensed real estate agent who forged the signatures of his victims on documents in separate transactions while acting as their agent.³ Through the efforts detailed above, and ongoing investigations by REFPP investigative staff, we continue fulfilling our statutory mandate to deter, investigate, and prosecute real estate fraud in Ventura County.

CONCLUSION:

The County Executive Office, County Counsel, and the Auditor-Controller's Office have reviewed this item. If you have any questions regarding this item, please contact Chief Deputy District Attorney Kevin Drescher at (805) 662-1701.

Sincerely,



ERIK NASARENKO
District Attorney

Attachments:

Exhibit 1: Statistical Summary

Exhibit 2: Revenues and Expenditures

³ Montano recently pled guilty to multiple felonies (Penal Code § 470(d), forgery) and is scheduled to be sentenced on October 11, 2023.

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cc: Dr. Sevet Johnson, County Executive Officer
Jeffery S. Burgh, County Auditor-Controller
Michelle Ascencion, County Clerk and Recorder
Tiffany North, County Counsel