



KAMALA D. HARRIS  
District Attorney

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**Edward Byrne Memorial Competitive Grant Program Proposal:  
Mortgage and Investment Fraud Prosecution and Education Project  
Project Summary**

**Lead Agency:** San Francisco District Attorney's Office

**Project Budget:** \$1,066,026 for 24 months

The Edward Byrne Memorial Competitive Grant Program is funded through the American Recovery and Reinvestment Act of 2009 ("Recovery Act"). Up to \$225 million is available to fund projects in eight categories. Category III is Reducing Mortgage Fraud and Crime.

**Project Summary:** In San Francisco last year, the number of foreclosures increased by 723 percent. The vast majority of the homes lost to foreclosure are in San Francisco's Southeast Sector, the region comprised of low to moderate income families and seniors. Indications are that foreclosures for these homeowners are not slowing down. In this climate, mortgage and investment fraud targeting at-risk homeowners is rapidly on the rise. The primary goal of the project is to decrease mortgage and investment fraud and protect vulnerable homeowners. The San Francisco District Attorney's Office will achieve this goal through a two-point strategy:

(1) Create a Model Mortgage and Investment Fraud Unit in the San Francisco District Attorney's Office. This unit will be comprised of an experienced prosecutor and investigators that will focus on the investigation and prosecution of complex fraud schemes. The Mortgage and Investment Fraud Unit will focus its investigation and prosecution on state-chartered lending institutions, as well as mortgage brokers, real estate agents and investment advisors who have preyed upon vulnerable populations. The unit will coordinate with the U.S. Attorney's Office Mortgage Fraud Task Force and California Department of Real Estate, and train other jurisdictions on how to prosecute mortgage fraud.

(2) Engage in a Multi-agency Public Education Campaign to empower homeowners and improve neighborhood conditions. In coordination with other city agencies, the District Attorney's Office will outreach to homeowners receiving Notices of Default, warn homeowners of mortgage scams, post warnings on websites and Public Service Announcements on radio, and work with community centers, churches, and neighborhood associations to train residents in accessing services, reporting fraud, reporting blight associated with abandoned buildings, and working with city agencies to help reduce crime around abandoned properties in their neighborhoods.

This proposal was submitted April 27, 2009; if funded, the grant period will begin after 7/1/09.

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