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COUNTY OF SANTA BARBARA

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**District Attorney's Real Estate Fraud Prosecution Program
Fiscal Year 2023 - 2024 Annual Report**

Cases

- *People v. Pauline Macareno*

This case is continuing from the prior fiscal year. This case involves a 96-year-old victim who was persuaded to take out a short-term, high-interest loan that was secured by her Montecito home. Following an extensive investigation by Investigators from the District Attorney's Bureau of Investigations, the District Attorney's Office filed an 11-count complaint against Macareno alleging elder abuse, forgery, identity theft, filing forged documents, and alleging special allegations of excessive loss. Shortly before Macareno was arrested on the District Attorney's complaint, the 96-year-old victim was found murdered in her home.

Macareno pled guilty to all counts, and received a 6 year state prison sentence as a result of the plea. She was also forced to quit claim the house back to the estate of the victim, and pay \$68,996.78 in restitution to the estate. The Real Estate Fraud unit had previously located and frozen over \$127,000 in cash belonging to the defendant, and as a result the estate was able to be repaid in full.

Based on the investigation, and investigation by the Santa Barbara Sheriff's Office, Macareno was charged with the murder of the 96-year-old victim. That case is pending preliminary hearing.

- *People v. Adam Michael Pirozzi*

This case is continuing from the prior fiscal year. The District Attorney's Real Estate Fraud Unit investigated allegations against local real estate broker Adam Michael Pirozzi. The investigation culminated with Pirozzi being charged with six felony counts including embezzlement, elder abuse and money laundering. Special allegations alleging excessive taking were also filed. The District Attorney's Office filed a motion to freeze Pirozzi's assets pending the outcome of the prosecution for the payment of restitution. The felony complaint alleges that the defendant embezzled nearly \$700,000 from his former clients. Pirozzi has pled not guilty to the charges.

District Attorney Investigators continued the investigation in the case. As a result of the continuing investigation, the District Attorney's Office filed an amended complaint alleging additional embezzlement of approximately \$500,000 from a different business.

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Additionally, The District Attorney’s Office has frozen over \$1 million for payment of victim restitution.

During this fiscal year, Pirozzi pled no contest to two counts of embezzlement by a real estate broker in violation of Penal Code § 506, and admitted an enhancement under Penal Code § 186.11(a)(2) that the amount he embezzled was in excess of \$500,000.00. He was sentenced to five years of probation, ordered to pay a \$1,065,000.00 fine, and to serve 30 days in jail. The court also ordered Mr. Pirozzi to pay \$1,275,388.73 in victim restitution. Based on the prior freeze of the defendant’s assets, all the victims will be paid back in full with interest.

Statistics

District Attorney's Real Estate Fraud Prosecution Program					
	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24
Referrals	12	9	28	12	23
Investigations	12	9	14	10	23
Cases Filed	0	0	3	2	4
Convictions	5	0	0	1	2

Highlights

- The District Attorney’s REF Unit spent a significant amount of time at the County Clerk-Recorder-Assessor’s Office during Fiscal Year 2023-2024. Six years ago, a protocol was implemented wherein the District Attorney’s REF Investigator would make personal contact with individuals attempting to record false documents in order to stop a foreclosure. The REF Investigator would educate these individuals on the laws that apply to such transactions, and warn them of the consequences associated with attempting illegal recordings. These efforts continue to result in a significant decrease in the number of fraud referrals as compared to prior fiscal years.
- The Unit continues to use innovative strategies such as asset seizures to secure justice for victims in Santa Barbara County. The District Attorney’s REF Unit also extends outreach to local agencies to assist with training on real estate fraud-related issues. This includes presentations to local real estate groups and appearing on local media outlets.

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