



Office of the

DISTRICT ATTORNEY

Michael A. Ramos, San Bernardino County District Attorney

NEWS RELEASE

For Immediate Release

Contact: Maurice Landrum
Senior Investigator
(909) 891-3519

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WOMAN ARRAIGNED IN CASH FOR KEYS SCAM

SAN BERNARDINO, Calif. – A woman alleged to have operated a “cash for keys” scam in Rancho Cucamonga has been charged with Burglary, Forgery and Grand Theft.

Quddusa Lynette Anderson, 38, of Patton, was arraigned Thursday in Rancho Cucamonga Superior Court.

Investigators from the District Attorney's Real Estate Fraud Prosecution Unit have issued a felony arrest warrant for John Woodrow Smith, 48, of Roseville, who is suspected of taking part in the scam. Smith also uses the alias Eimbari Kemet.

Anderson and Smith are alleged to have conspired to defraud mortgage giants, Freddie Mac and Bank of America, and taxpayers, by illegally occupying foreclosed homes and applying for relocation assistance known as "Cash for Keys."

To avoid a lengthy eviction process, mortgage lenders like Freddie Mac, Fannie Mae, and Bank of America offer legitimate tenants what is known as "Cash for Keys," to move out of the residence by a specific date and leave the property in turnkey condition.

The defendants focused on foreclosed homes in the City of Rancho Cucamonga. The defendants used a false Memorandum of Understanding-Terms of Agreement listing Local Real Estate Solutions and the "Fresh Start Turn Key Program."

Neither Local Real Estate Solutions nor Smith were licensed through the California Departments of Real Estate or Corporations as a Property Manager or Management Company.

The homes selected by defendants were vacant and they would gain unlawful entry into the locations, change the locks, and have utilities turned on in their names to establish residency. One defendant even moved into a Rancho Cucamonga residence.

Shortly after moving into the residence, the defendants contacted Bank of America's Mortgage Department and signed a Move Out Agreement between them and Bank of America. After signing the agreement, defendants were paid \$7500 to move out of the residence.

The investigation determined that one of the defendants was paid \$2500 through Freddie Mac to move out of another foreclosed home located in Rancho Cucamonga.

A preliminary hearing is scheduled for Anderson Feb. 8 in Department 18 of the Rancho Cucamonga Superior Court. The case is being prosecuted by Deputy District Attorney Vance Welch.

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