

1 LISSETE GARCIA, SBN 211522
2 Department of Real Estate
3 320 West 4th Street, Ste. 350
4 Los Angeles, California 90013-1105

5 Telephone: (213) 576-6914 (direct)
6 -or-(213) 576-6982 (office)

FILED
JAN 18 2012
DEPARTMENT OF REAL ESTATE

By C.A.

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)

No. H-36774 LA
L-2010100787

12 AMERICA ASSOCIATES REALTY, INC.,)
13 RUBEN FLORES SANTILLAN,)
14 individually and as designated)
15 officer of America Associates)
16 Realty, Inc., JUAN ROBERTO)
17 ROMERO ASCENCIO, and)
18 ALBERTO A. ROMERO,)

STIPULATION AND AGREEMENT

19 Respondents.)

20 It is hereby stipulated by and between ALBERTO A.
21 ROMERO and his attorney of record, Alexis Galindo, and the
22 Complainant, acting by and through Lissete Garcia, Counsel for
23 the Department of Real Estate, as follows for the purpose of
24 settling and disposing of the Third Amended Accusation filed on
25 May 16, 2011, in this matter:

26 1. All issues which were to be contested and all
27 evidence which was to be presented by Complainant and Respondent
at a formal hearing on the Accusation, which hearing was to be
held in accordance with the provisions of the Administrative

1 Procedure Act ("APA"), shall instead and in place thereof be
2 submitted solely on the basis of the provisions of this
3 Stipulation and Agreement ("Stipulation").

4 2. Respondent has received, read and understands the
5 Statement to Respondent, the Discovery Provisions of the APA and
6 the Third Amended Accusation filed by the Department of Real
7 Estate in this proceeding.

8 3. Respondent timely filed a Notice of Defense
9 pursuant to Section 11506 of the Government Code for the purpose
10 of requesting a hearing on the allegations in the Accusation.
11 Respondent hereby freely and voluntarily withdraws said Notice
12 of Defense. Respondent acknowledges that he understands that by
13 withdrawing said Notice of Defense he will thereby waive his
14 right to require the Commissioner to prove the allegations in
15 the Third Amended Accusation at a contested hearing held in
16 accordance with the provisions of the APA and that he will waive
17 other rights afforded to him in connection with the hearing such
18 as the right to present evidence in defense of the allegations
19 in the Third Amended Accusation and the right to cross-examine
20 witnesses.

21 4. This Stipulation is based on the factual
22 allegations contained in the Third Amended Accusation filed in
23 this proceeding. In the interest of expedience and economy,
24 Respondent chooses not to contest these factual allegations, but
25 to remain silent and understands that, as a result thereof,
26 these factual statements, will serve as a prima facie basis for
27 the disciplinary action stipulated to herein. The Real Estate

1 Commissioner shall not be required to provide further evidence
2 to prove such allegations.

3 5. It is understood by the parties that the Real
4 Estate Commissioner may adopt the Stipulation as her Decision in
5 this matter thereby imposing the penalty and sanctions on
6 Respondent's real estate license and license rights as set forth
7 in the below "Order". In the event that the Commissioner in her
8 discretion does not adopt the Stipulation, the Stipulation shall
9 be void and of no effect, and Respondent shall retain the right
10 to a hearing on the Third Amended Accusation under all the
11 provisions of the APA and shall not be bound by any stipulation
12 or waiver made herein.

13 6. The Order or any subsequent Order of the Real
14 Estate Commissioner made pursuant to this Stipulation shall not
15 constitute an estoppel, merger or bar to any further
16 administrative or civil proceedings by the Department of Real
17 Estate with respect to any conduct which was not specifically
18 alleged to be causes for accusation in this proceeding.

19 7. Respondent understands that by agreeing to this
20 Stipulation, he agrees to pay jointly with Respondents AMERICA
21 ASSOCIATES REALTY, INC. and RUBEN FLORES SANTILLAN, or severally,
22 pursuant to Business and Professions Code Section 10148, the cost
23 of audit which led to this disciplinary action. The amount of
24 said cost for the audit is \$7,532.20.

25 8. Respondent understands that by agreeing to this
26 Stipulation, the findings set forth below in the Determination of
27 Issues become final, and the Commissioner may charge Respondent

1 for the cost of any subsequent audit conducted pursuant to
2 Business and Professions Code Section 10148 to determine if the
3 violations have been corrected. The maximum cost of the
4 subsequent audit will not exceed \$7,532.20.

5 DETERMINATION OF ISSUES

6 By reason of the foregoing stipulations, admissions
7 and waivers and solely for the purpose of settlement of the
8 pending Third Amended Accusation without a hearing, it is
9 stipulated and agreed that the following determination of issues
10 shall be made:

11 I

12 The conduct, acts and/or omissions of Respondent
13 ALBERTO A. ROMERO as set forth in the Third Amended Accusation,
14 constitute cause for the suspension or revocation of all the real
15 estate licenses and license rights of Respondent ALBERTO A.
16 ROMERO under the provisions of Sections 10177(d) and 10177(g) of
17 the Business and Professions Code ("Code") for violations of Code
18 Section 10085 and Section 2970 of Title 10, Chapter 6, California
19 Code of Regulations.

20 ORDER

21 WHEREFORE, THE FOLLOWING ORDER is hereby made:

22 I

23 All licenses and license rights of Respondent ALBERTO
24 A. ROMERO under the Real Estate Law are revoked; provided,
25 however, a restricted real estate salesperson license shall be
26 issued to Respondent pursuant to Section 10156.5 of the Business
27 and Professions Code if:

1 A. Respondent makes application therefor and pays to
2 the Department of Real Estate the appropriate fee for the
3 restricted license within 90 days from the effective date of
4 this Decision.

5 B. All licenses and licensing rights of Respondent
6 ALBERTO A. ROMERO are indefinitely suspended unless or until
7 Respondent provides proof satisfactory to the Commissioner that
8 the trust fund deficits of \$41,818.75, \$95,900.01 and
9 \$125,113.72 have been restored, including identification of the
10 source of funds used to cure the deficit.

11 C. Any restricted license issued to Respondent
12 pursuant to this Decision shall be suspended for ninety (90)
13 days from the date of issuance of said restricted license;
14 provided, however, that if Respondent petitions, ninety (90)
15 days of said suspension shall be stayed upon condition that:

16 1. Respondent pays a monetary penalty pursuant to
17 Section 10175.2 of the Business and Professions Code at the rate
18 of \$100 for each day of the suspension for a total monetary
19 penalty of \$9,000.

20 2. Said payment shall be in the form of a cashier's
21 check or certified check made payable to the Recovery Account of
22 the Real Estate Fund. Said check must be received by the
23 Department prior to the effective date of the Decision in this
24 matter.

25 3. No further cause for disciplinary action against
26 the real estate license of Respondent occurs within one year
27 from the effective date of the Decision in this matter.

1 4. If Respondent fails to pay the monetary penalty in
2 accordance with the terms and conditions of the Decision, the
3 Commissioner may, without a hearing, order the immediate
4 execution of all or any part of the stayed suspension in which
5 event the Respondent shall not be entitled to any repayment nor
6 credit, prorated or otherwise, for money paid to the Department
7 under the terms of this Decision.

8 5. If the Respondent pays the monetary penalty and if
9 no further cause for disciplinary action against the real estate
10 license of Respondent occurs within one year from the effective
11 date of the Decision, the stay hereby granted shall become
12 permanent.

13 D1. Respondent shall, prior to and as a condition of
14 the issuance of the restricted license, submit proof
15 satisfactory to the Commissioner of a complete, updated and
16 accurate loan modification log detailing all loan modifications
17 that AMERICA ASSOCIATES REALTY, INC., while doing business in
18 its own name or any other fictitious business name, including
19 but not limited to, America Investors, LLC and Associates
20 United, Inc., where advance fees were collected from homeowners-
21 borrowers from April 2008 through the present and proof that
22 restitution to the homeowner-borrowers has either been paid or
23 phase II of the loan modification advance fee agreement has been
24 completed.

25 D2. In satisfaction of the homeowner-borrower
26 restitution:

27

1 (1). Respondent shall deliver or mail the restitution
2 payments, if any, by certified mail, return receipt requested,
3 to the homeowner-borrower's last known address on file with or
4 known to Respondent.

5 (2) If any of the payments are returned by the post
6 office marked "unable to deliver", Respondent shall employ a
7 locator service, including but not limited to the Internet or
8 other database retrieval search firm or county recorder, to try
9 and locate the homeowner-borrower(s). Repayments shall then be
10 made to the addresses recommended by the locator service.

11 (3) If unable to effect restitution after using a
12 locator service, Respondent shall provide reasonable proof
13 satisfactory to the Commissioner of Respondent's efforts to
14 comply with the provisions of this Paragraph. In such case, no
15 further restitution payments or trust deficit restoral payments
16 shall be required of Respondent.

17 (4) However, should the Commissioner determine that
18 the proof to be unsatisfactory, the Commissioner shall so advise
19 Respondent, and indicate what additional reasonable efforts
20 should be made to make repayment to the homeowner-borrowers.

21 (5) If Respondent fails to satisfy this condition,
22 the Commissioner may order suspension of Respondent ALBERTO A.
23 ROMERO's restricted license until Respondent effects compliance
24 herein.

25 The restricted license issued to Respondent ALBERTO A.
26 ROMERO shall be subject to all of the provisions of Section
27 10156.7 of the Business and Professions Code and to the

1 following limitations, conditions and restrictions imposed under
2 authority of Section 10156.6 of that Code.

3 1. The restricted license issued to Respondent may be
4 suspended prior to hearing by Order of the Real Estate
5 Commissioner in the event of Respondent's conviction or plea of
6 nolo contendere to a crime which is substantially related to
7 Respondent's fitness or capacity as a real estate licensee.

8 2. The restricted license issued to Respondent may be
9 suspended prior to hearing by Order of the Real Estate
10 Commissioner on evidence satisfactory to the Commissioner that
11 Respondent has violated provisions of the California Real Estate
12 Law, the Subdivided Lands Law, Regulations of the Real Estate
13 Commissioner or conditions attaching to the restricted license.

14 3. Respondent shall not be eligible to apply for
15 the issuance of an unrestricted real estate license nor for
16 the removal of any of the conditions, limitations or
17 restrictions of a restricted license until four years have
18 elapsed from the effective date of this Decision.

19 4. Respondent shall submit with any application for
20 license under an employing broker, or any application for a
21 transfer to a new broker, a statement signed by the prospective
22 employing broker on a form approved by the Department which
23 shall certify:

24 (a) That the employing broker has read the Decision
25 which is the basis for the issuance of the restricted license;
26 and
27

1 (b) That the employing broker will carefully review
2 all transaction documents prepared by the restricted licensee
3 and otherwise exercise close supervision over the licensee's
4 performance of acts for which a license is required.

5 5. Respondent shall, within nine months from the
6 effective date of this Decision, present evidence satisfactory
7 to the Real Estate Commissioner that Respondent has, since the
8 most recent issuance of an original or renewal real estate
9 license, taken and successfully completed the continuing
10 education requirements of Article 2.5 of Chapter 3 of the Real
11 Estate Law for renewal of a real estate license. If Respondent
12 fails to satisfy this condition, the Commissioner may order the
13 suspension of the restricted license until the Respondent
14 presents such evidence. The Commissioner shall afford
15 Respondent the opportunity for a hearing pursuant to the
16 Administrative Procedure Act to present such evidence.

17 6. Respondent shall within six (6) months from the
18 effective date of the Decision herein, take and pass the
19 Professional Responsibility Examination administered by the
20 Department including the payment of the appropriate examination
21 fee. If Respondent fails to satisfy this condition, the
22 Commissioner may order suspension of Respondent's license until
23 Respondent passes the examination.

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1 II:

2 Pursuant to Section 10148 of the Business and

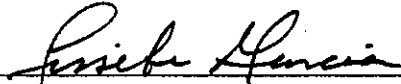
3 Professions Code, Respondent shall pay, jointly with Respondents
4 AMERICA ASSOCIATES REALTY, INC. and RUBEN FLORES SANTILLAN or
5 severally, the Commissioner's reasonable cost for: a) the audit
6 which led to this disciplinary action and, b) a subsequent audit
7 to determine if Respondent AMERICA ASSOCIATES REALTY, INC. has
8 corrected the trust fund violation(s) found in paragraph I of
9 the Determination of Issues. The cost of the audit which led to
10 this disciplinary action is \$7,532.20. In calculating the
11 amount of the Commissioner's reasonable cost, the Commissioner
12 may use the estimated average hourly salary for all persons
13 performing audits of real estate brokers, and shall include an
14 allocation for travel time to and from the auditor's place of
15 work. Said amount for the prior and subsequent audits shall not
16 exceed \$7,532.20 each. Respondents shall pay such cost within
17 60 days of receiving an invoice from the Commissioner detailing
18 the activities performed during the audit and the amount of time
19 spent performing those activities.

20 The Commissioner may suspend the restricted license

21 issued to Respondent ALBERTO A. ROMERO pending a hearing held in
22 accordance with Section 11500, et seq., of the Government Code,
23 if payment is not timely made as provided for herein, or as
24 provided for in a subsequent agreement between Respondent
25 ALBERTO A. ROMERO and the Commissioner. The suspension shall
26 remain in effect until payment is made in full or until
27 Respondent enters into an agreement satisfactory to the

1 Commissioner to provide for payment, or until a decision
2 providing otherwise is adopted following a hearing held pursuant
3 this condition.

4 DATED: 10-25-11


LISSETE GARCIA, Counsel for the
Department of Real Estate

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7 * * *


8 I have read the Stipulation and Agreement, have
9 discussed it with my counsel, and its terms are understood by me
10 and are agreeable and acceptable to me. I understand that I am
11 waiving rights given to me by the California Administrative
12 Procedure Act (including but not limited to Sections 11506,
13 11508, 11509 and 11513 of the Government Code), and I willingly,
14 intelligently and voluntarily waive those rights, including the
15 right of requiring the Commissioner to prove the allegations in
16 the Third Amended Accusation at a hearing at which I would have
17 the right to cross-examine witnesses against me and to present
18 evidence in defense and mitigation of the charges.
19

20
21 Respondent can signify acceptance and approval of the
22 terms and conditions of this Stipulation and Agreement by faxing
23 a copy of the signature page, as actually signed by Respondent,
24 to the Department at the following fax number: (213) 576-6917.
25 Respondent agrees, acknowledges and understands that by
26 electronically sending to the Department a fax copy of his
27 actual signature as it appears on the Stipulation and Agreement,

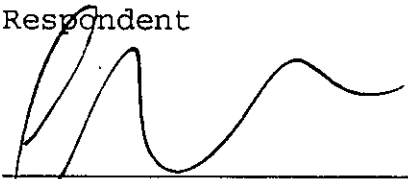
1 that receipt of the faxed copy by the Department shall be as
2 binding on Respondent as if the Department had received the
3 original signed Stipulation and Agreement.

4 Further, if the Respondent is represented by counsel,
5 the Respondent's counsel can signify his agreement to the terms
6 and conditions of the Stipulation and Agreement by submitting
7 that signature via fax.

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9 DATED: 9/26/11.


ALBERTO A. ROMERO
Respondent

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11
12 DATED: 10/19/11

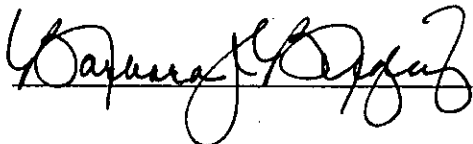

ALEXIS A. GALINDO, ESQ.
Counsel for Respondent
Alberto A. Romero
Approved as to Form

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16 * * *

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18 The foregoing Stipulation and Agreement is hereby
19 adopted as my Decision in this matter, and shall become
20 effective at 12 o'clock noon on February 17, 2012.

21 IT IS SO ORDERED 11/17, 2011.

22
23 BARBARA J. BIGBY
Acting Real Estate Commissioner

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1 Respondents at a formal hearing on the Accusation, which hearing
2 was to be held in accordance with the provisions of the
3 Administrative Procedure Act ("APA"), shall instead and in place
4 thereof be submitted solely on the basis of the provisions of
5 this Stipulation and Agreement ("Stipulation").

6 2. Respondents have received, read and understand the
7 Statement to Respondent, the Discovery Provisions of the APA and
8 the Third Amended Accusation filed by the Department of Real
9 Estate in this proceeding.

10 3. Respondents timely filed a Notice of Defense
11 pursuant to Section 11506 of the Government Code for the purpose
12 of requesting a hearing on the allegations in the Accusation.
13 Respondents hereby freely and voluntarily withdraw said Notices
14 of Defense. Respondents acknowledge that they understand that
15 by withdrawing said Notices of Defense they will thereby waive
16 their right to require the Commissioner to prove the allegations
17 in the Third Amended Accusation at a contested hearing held in
18 accordance with the provisions of the APA and that they will
19 waive other rights afforded to them in connection with the
20 hearing such as the right to present evidence in defense of the
21 allegations in the Third Amended Accusation and the right to
22 cross-examine witnesses.

23 4. This Stipulation is based on the factual
24 allegations contained in the Third Amended Accusation filed in
25 this proceeding. In the interest of expedience and economy,
26 Respondents choose not to contest these factual allegations, but
27 to remain silent and understand that, as a result thereof, these

1 factual statements, will serve as a prima facie basis for the
2 disciplinary action stipulated to herein. The Real Estate
3 Commissioner shall not be required to provide further evidence
4 to prove such allegations.

5 5. It is understood by the parties that the Real
6 Estate Commissioner may adopt the Stipulation as her Decision in
7 this matter thereby imposing the penalty and sanctions on
8 Respondents' real estate licenses and license rights as set
9 forth in the below "Order". In the event that the Commissioner
10 in her discretion does not adopt the Stipulation, the
11 Stipulation shall be void and of no effect, and Respondents
12 shall retain the right to a hearing on the Third Amended
13 Accusation under all the provisions of the APA and shall not be
14 bound by any stipulation or waiver made herein.

15 6. The Order or any subsequent Order of the Real
16 Estate Commissioner made pursuant to this Stipulation shall not
17 constitute an estoppel, merger or bar to any further
18 administrative or civil proceedings by the Department of Real
19 Estate with respect to any conduct which was not specifically
20 alleged to be causes for accusation in this proceeding.

21 7. Respondents understand that by agreeing to this
22 Stipulation, they agree to pay jointly with Respondent ALBERTO A.
23 ROMERO, or severally, pursuant to Business and Professions Code
24 Section 10148, the cost of audit which led to this disciplinary
25 action. The amount of said cost for the audit is \$7,532.20.

26 8. Respondents have received, read, and understand the
27 "Notice Concerning Costs of Subsequent Audit". Respondents

1 further understand that by agreeing to this Stipulation, the
2 findings set forth below in the Determination of Issues become
3 final, and the Commissioner may charge Respondents for the cost
4 of any subsequent audit conducted pursuant to Business and
5 Professions Code Section 10148 to determine if the violations
6 have been corrected. The maximum cost of the subsequent audit
7 will not exceed \$7,532.20.

8 DETERMINATION OF ISSUES

9 By reason of the foregoing stipulations, admissions
10 and waivers and solely for the purpose of settlement of the
11 pending Third Amended Accusation without a hearing, it is
12 stipulated and agreed that the following determination of issues
13 shall be made:

14 I

15 The conduct, acts and/or omissions of Respondent
16 AMERICA ASSOCIATES REALTY, INC. as set forth in the Third Amended
17 Accusation, constitute cause for the suspension or revocation of
18 all the real estate licenses and license rights of Respondent
19 AMERICA ASSOCIATES REALTY, INC. under the provisions of Sections
20 10176(a), 10176(b), 10176(e), 10176(i), 10177(d), and 10177(g) of
21 the Business and Professions Code ("Code") for violations of Code
22 Sections 10085, 10137, 10145, 10146, 10148, 10159.5 and Sections
23 2731, 2831.1, 2831.2, 2832, 2832.1, 2835, 2970, 2972, of Title
24 10, Chapter 6, California Code of Regulations.

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1 II

2 The conduct, acts or omissions of RUBEN FLORES
3 SANTILLAN, in failing to reasonably supervise and control the
4 activities conducted on behalf of AMERICA ASSOCIATES REALTY,
5 INC. to secure full compliance with the Real Estate Law, is in
6 violation of Code Section 10159.2 and is a basis for discipline
7 of Respondent RUBEN FLORES SANTILLAN's license and license
8 rights as violation of the Real Estate Law pursuant to Code
9 Sections 10777(h), 10177(d) and 10177(g).

10 ORDER

11 WHEREFORE, THE FOLLOWING ORDER is hereby made:

12 I

13 All licenses and license rights of Respondent AMERICA
14 ASSOCIATES REALTY, INC. under the Real Estate Law are revoked.

15 II

16 All licenses and license rights of Respondent RUBEN
17 FLORES SANTILLAN under the Real Estate Law are revoked;
18 provided, however, a restricted real estate broker license shall
19 be issued to Respondent pursuant to Section 10156.5 of the
20 Business and Professions Code if:

21 A. Respondent makes application therefor and pays to
22 the Department of Real Estate the appropriate fee for the
23 restricted license within 90 days from the effective date of
24 this Decision.

25 B. Respondent shall, prior to and as a condition of
26 the issuance of the restricted license, submit proof
27 satisfactory to the Commissioner of having taken and

1 successfully completed the continuing education course on trust
2 fund accounting and handling specified in paragraph (3) of
3 subdivision (a) of Section 10170.5 of the Business and
4 Professions Code. Proof of satisfaction of this requirement
5 includes evidence that Respondent has successfully completed the
6 trust fund account and handling continuing education course
7 within 120 days prior to the effective date of the Decision in
8 this matter.

9 C. All licenses and licensing rights of Respondent

10 RUBEN FLORES SANTILLAN are indefinitely suspended unless or
11 until Respondents provide proof satisfactory to the Commissioner
12 that the trust fund deficits of \$41,818.75, \$95,900.01 and
13 \$125,113.72 have been restored, including identification of the
14 source of funds used to cure the deficit.

15 D1. Respondent shall, prior to and as a condition of
16 the issuance of the restricted license, submit proof
17 satisfactory to the Commissioner of a complete, updated and
18 accurate loan modification log detailing all loan modifications
19 that AMERICA ASSOCIATES REALTY, INC. charged and collected
20 advance fees from homeowners-borrowers from April 2008 through
21 the present and proof that restitution to the homeowner-
22 borrowers has either been paid or phase II of the loan
23 modification advance fee agreement has been completed.

24 D2. In satisfaction of the homeowner-borrower
25 restitution:

26 (1) Respondents shall deliver or mail the restitution
27 payments, if any, by certified mail, return receipt requested,

1 to the homeowner-borrower's last known address on file with or
2 known to Respondents.

3 (2) If any of the payments are returned by the post
4 office marked "unable to deliver," Respondents shall employ a
5 locator service, including but not limited to the Internet or
6 other database retrieval search firm or county recorder, to try
7 and locate the homeowner-borrower(s). Repayments shall then be
8 made to the addresses recommended by the locator service.

9 (3) If unable to effect restitution after using a
10 locator service, Respondents shall provide reasonable proof
11 satisfactory to the Commissioner of Respondents' efforts to
12 comply with the provisions of this Paragraph. In such case, no
13 further restitution payments or trust deficit restoral payments
14 shall be required of Respondents.

15 (4) However, should the Commissioner determine that
16 the proof to be unsatisfactory, she shall so advise Respondents,
17 and indicate what additional reasonable efforts should be made
18 to make repayment to the homeowner-borrowers.

19 (5) If Respondents fail to satisfy this condition,
20 the Commissioner may order suspension of Respondent RUBEN FLORES
21 SANTILLAN's restricted license until Respondents effect
22 compliance herein.

23 The restricted license issued to Respondent RUBEN
24 FLORES SANTILLAN shall be subject to all of the provisions of
25 Section 10156.7 of the Business and Professions Code and to the
26 following limitations, conditions and restrictions imposed under
27 authority of Section 10156.6 of that Code.

1 1. The restricted license issued to Respondent may be
2 suspended prior to hearing by Order of the Real Estate
3 Commissioner in the event of Respondent's conviction or plea of
4 nolo contendere to a crime which is substantially related to
5 Respondent's fitness or capacity as a real estate licensee.

6 2. The restricted license issued to Respondent may be
7 suspended prior to hearing by Order of the Real Estate
8 Commissioner on evidence satisfactory to the Commissioner that
9 Respondent has violated provisions of the California Real Estate
10 Law, the Subdivided Lands Law, Regulations of the Real Estate
11 Commissioner or conditions attaching to the restricted license.

12 3. Respondent shall not be eligible to apply for
13 the issuance of an unrestricted real estate license nor for
14 the removal of any of the conditions, limitations or
15 restrictions of a restricted license until four years have
16 elapsed from the effective date of this Decision.

17 4. Respondent shall, within nine months from the
18 effective date of this Decision, present evidence satisfactory
19 to the Real Estate Commissioner that Respondent has, since the
20 most recent issuance of an original or renewal real estate
21 license, taken and successfully completed the continuing
22 education requirements of Article 2.5 of Chapter 3 of the Real
23 Estate Law for renewal of a real estate license. If Respondent
24 fails to satisfy this condition, the Commissioner may order the
25 suspension of the restricted license until the Respondent
26 presents such evidence. The Commissioner shall afford

27

1 Respondent the opportunity for a hearing pursuant to the
2 Administrative Procedure Act to present such evidence.

3 5. Respondent shall within six (6) months from the
4 effective date of the Decision herein, take and pass the
5 Professional Responsibility Examination administered by the
6 Department including the payment of the appropriate examination
7 fee. If Respondent fails to satisfy this condition, the
8 Commissioner may order suspension of Respondent's license until
9 Respondent passes the examination.

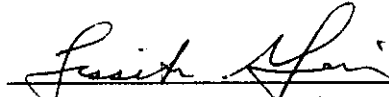
10 III

11 Pursuant to Section 10148 of the Business and
12 Professions Code, Respondents AMERICA ASSOCIATES REALTY, INC.
13 and RUBEN FLORES SANTILLAN shall pay the Commissioner's
14 reasonable cost for: a) the audit which led to this disciplinary
15 action and, b) a subsequent audit to determine if Respondent
16 AMERICA ASSOCIATES REALTY, INC. has corrected the trust fund
17 violation(s) found in paragraph I of the Determination of
18 Issues. The cost of the audit which led to this disciplinary
19 action is \$7,532.20. In calculating the amount of the
20 Commissioner's reasonable cost, the Commissioner may use the
21 estimated average hourly salary for all persons performing
22 audits of real estate brokers, and shall include an allocation
23 for travel time to and from the auditor's place of work. Said
24 amount for the prior and subsequent audits shall not exceed
25 \$7,532.20 each. Respondents shall pay such cost within 60 days
26 of receiving an invoice from the Commissioner detailing the
27 activities performed during the audit and the amount of time

1 spent performing those activities.

2 The Commissioner may suspend the restricted license
3 issued to Respondent RUBEN FLORES SANTILLAN pending a hearing
4 held in accordance with Section 11500, et seq., of the
5 Government Code, if payment is not timely made as provided for
6 herein, or as provided for in a subsequent agreement between
7 Respondent RUBEN FLORES SANTILLAN and the Commissioner. The
8 suspension shall remain in effect until payment is made in full
9 or until Respondent enters into an agreement satisfactory to the
10 Commissioner to provide for payment, or until a decision
11 providing otherwise is adopted following a hearing held pursuant
12 this condition.

13
14 DATED: 8/8/11


15 LISSETE GARCIA, Counsel for the
16 Department of Real Estate

17 * * *

18
19 We have read the Stipulation and Agreement, have
20 discussed it with our counsel, and its terms are understood by
21 us and are agreeable and acceptable to us. We understand that
22 we are waiving rights given to us by the California
23 Administrative Procedure Act (including but not limited to
24 Sections 11506, 11508, 11509 and 11513 of the Government Code),
25 and we willingly, intelligently and voluntarily waive those
26 rights, including the right of requiring the Commissioner to
27

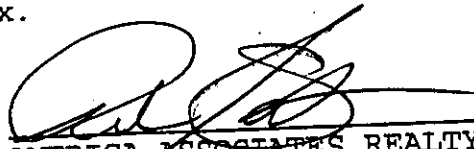
1 prove the allegations in the Third Amended Accusation at a
2 hearing at which we would have the right to cross-examine
3 witnesses against us and to present evidence in defense and
4 mitigation of the charges.

5 Respondents can signify acceptance and approval of the
6 terms and conditions of this Stipulation and Agreement by faxing
7 a copy of the signature page, as actually signed by Respondents,
8 to the Department at the following fax number: (213) 576-6917.

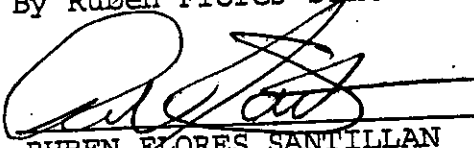
9 Respondents agree, acknowledge and understand that by
10 electronically sending to the Department a fax copy of their
11 actual signature as it appears on the Stipulation and Agreement,
12 that receipt of the faxed copy by the Department shall be as
13 binding on Respondents as if the Department had received the
14 original signed Stipulation and Agreement.
15

16 Further, if the Respondents are represented by
17 counsel, the Respondents' counsel can signify his agreement to
18 the terms and conditions of the Stipulation and Agreement by
19 submitting that signature via fax.
20

21 DATED: 08/05/2011


AMERICA ASSOCIATES REALTY, INC..
By Ruben Flores Santillan

24 DATED: 08/05/2011


RUBEN FLORES SANTILLAN
Respondent

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DATED:

8-6-11

Frank M. Buda

FRANK M. BUDA
Counsel for Respondent
Ruben Flores Santillan
Approved as to Form

* * *

The foregoing Stipulation and Agreement is hereby
adopted as my Decision in this matter, and shall become
effective at 12 o'clock noon on October 3, 2011.

IT IS SO ORDERED 8/24, 2011.

BARBARA J. BIGBY
Acting Real Estate Commissioner

Barbara J. Bigby

5A

FILED
JUL 27 2011
DEPARTMENT OF REAL ESTATE

By C.B.

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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of) NO. H-36774 LA
) L-2010100787
AMERICA ASSOCIATES REALTY, INC.,)
RUBEN FLORES SANTILLAN,)
individually and as designated)
officer of America Associates)
Realty, Inc.,)
JUAN ROBERTO ROMERO ASCENCIO,)
and ALBERTO A. ROMERO,)
Respondents.)

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSE

On May 16, 2011, a Third Amended Accusation was filed in this matter against Respondent JUAN ROBERTO ROMERO ASCENCIO.

On June 1, 2011, Respondent petitioned the Commissioner to voluntarily surrender his real estate salesperson license pursuant to Section 10100.2 of the Business and Professions Code.

IT IS HEREBY ORDERED that Respondent JUAN ROBERTO ROMERO ASCENCIO's petition for voluntary surrender of his real estate salesperson license is accepted as of the effective date

1 of this Order as set forth below, based upon the understanding
2 and agreement expressed in Respondent's Declaration dated
3 June 1, 2011 (attached as Exhibit "A" hereto). Respondent's
4 license certificate and pocket card shall be sent to the below
5 listed address so that they reach the Department on or before the
6 effective date of this Order:

7 Department of Real Estate
8 Attn: Licensing Flag Section
9 P.O. Box 187000
10 Sacramento, CA 95818-7000

11 This Order shall become effective at 12 o'clock noon
12 on August 16, 2011.

13 DATED: 7/12, 2011.

14 BARBARA J. BIGBY
15 Acting Real Estate Commissioner

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	NO. H-36774 LA
)	L-2010100787
AMERICA ASSOCIATES REALTY, INC.,)	
RUBEN FLORES SANTILLAN,)	
individually and as designated)	
officer of America Associates)	
Realty, Inc.,)	
<u>JUAN ROBERTO ROMERO ASCENCIO,</u>)	
and ALBERTO A. ROMERO,)	
)	
Respondents.)	

DECLARATION

My name is JUAN ROBERTO ROMERO ASCENCIO, and I am currently licensed as a real estate salesperson and/or have license rights with respect to said license. I am represented by Marisol Ocampo, Attorney at Law.

In lieu of proceeding in this matter in accordance with the provisions of the Administrative Procedure Act (Sections 11400 et seq., of the Government Code), I wish to voluntarily surrender my real estate license issued by the Department of

1 Real Estate ("Department"), pursuant to Business and Professions
2 Code Section 10100.2.

3 I understand that by so voluntarily surrendering my
4 license, I may be relicensed as a broker or as a salesperson only
5 by petitioning for reinstatement pursuant to Section 11522 of the
6 Government Code. I also understand that by so voluntarily
7 surrendering my license, I agree to the following:

8 1. The filing of this Declaration shall be deemed as
9 my petition for voluntary surrender.

10 2. It shall also be deemed to be an understanding and
11 agreement by me that I waive all rights I have to require the
12 Commissioner to prove the allegations contained in the Accusation
13 filed in this matter at a hearing held in accordance with the
14 provisions of the Administrative Procedure Act (Government Code
15 Sections 11400 et seq.), and that I also waive other rights
16 afforded to me in connection with the hearing such as the right
17 to discovery, the right to present evidence in defense of the
18 allegations in the Accusation and the right to cross-examine
19 witnesses.

20 3. I further agree that upon acceptance by the
21 Commissioner, as evidenced by an appropriate order, all
22 affidavits and all relevant evidence obtained by the Department
23 in this matter prior to the Commissioner's acceptance, and all
24 allegations contained in the Accusation filed in the Department
25 Case No. H-36774 LA, may be considered by the Department to be
26 true and correct for the purpose of deciding whether to grant
27

1 relicensure or reinstatement pursuant to Government Code Section
2 11522.

3 4. I freely and voluntarily surrender all my licenses
4 and license rights under the Real Estate Law.

5 5. A copy of the Commissioner's Criteria of
6 Rehabilitation is attached hereto. If and when a petition
7 application is made for reinstatement of a surrendered license,
8 the Real Estate Commissioner will consider as one of the criteria
9 of rehabilitation, whether or not restitution has been made to
10 any person who has suffered monetary losses through
11 "substantially related" acts or omissions of Respondent, whether
12 or not such persons are named in the Accusation filed in this
13 case.

14 I declare under penalty of perjury under the laws of
15 the State of California that the above is true and correct and
16 that this declaration was executed on June 1, 2011,
17 at Los Angeles, California.

18 
19 _____
20 JUAN ROBERTO ROMERO ASCENCIO
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1 ASCENCIO, and ALBERTO A. ROMERO (collectively "Respondents").

2 2.

3 All references to the "Code" are to the California Business and Professions Code
4 and all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

5 3.

6 From on December 31, 2008 through the present, Respondent AMERICA
7 ASSOCIATES REALTY, INC. ("AARI") has been licensed or has license rights issued by the
8 Department of Real Estate ("Department") as a real estate corporation. At all times relevant
9 herein, Respondent AARI was authorized to act by and through Respondent RUBEN FLORES
10 SANTILLAN as its broker designated pursuant to Code Section 10159.2 to be responsible for
11 ensuring compliance with the Real Estate Law.

12 4.

13 From April 15, 1991 through the present, Respondent RUBEN FLORES
14 SANTILLAN ("SANTILLAN") has been licensed or has license rights issued by the Department
15 as a real estate broker.

16 5.

17 From January 14, 2008 through the present, Respondent JUAN ROBERTO
18 ROMERO ASCENCIO, also known as Roberto Romero ("J. ROBERTO ROMERO") has been
19 licensed or has license rights issued by the Department of as a real estate salesperson.

20 6.

21 From September 23, 2005 through the present, Respondent ALBERTO A.
22 ROMERO ("ALBERTO ROMERO") has licensed or has license rights issued by the Department
23 as a real estate salesperson.

24 7.

25 AARI is a California corporation. Respondent J. ROBERTO ROMERO is a
26 corporate director, chief financial officer and agent for service of process for Respondent AARI.
27 Respondent J. ROBERTO ROMERO has owned or controlled more than 10% of Respondent

1 AARI's stock. Respondent ALBERTO ROMERO is a corporate director and chief executive
2 officer for Respondent AARI. Respondent ALBERTO ROMERO has owned or controlled more
3 than 10% of Respondent AARI's stock. Laura Guerrero is a corporate director for Respondent
4 AARI and has owned or controlled more than 10% of Respondent AARI's stock. Laura
5 Guerrero is not now and has never been licensed in any capacity by the Department. Respondent
6 SANTILLAN is the corporate secretary for Respondent AARI.

7 8.

8 All further references to "Respondents" include the parties listed in Paragraphs 3
9 through 7, above, as well as the officers, agents and employees of the parties listed in Paragraphs
10 3 through 7, above.

11 9.

12 At all times mentioned herein, in the city of Paramount, County of Los Angeles,
13 Respondents engaged in the business of a real estate broker conducting activities requiring a real
14 estate license within the meaning of Code Sections 10131(a), 10131(d), and 10131.2.
15 Respondents engaged in operating a residential resale, mortgage loan, advance fee and loan
16 modification service brokerage. For compensation or in expectation of compensation and for
17 fees often collected in advance, Respondents contacted lenders on behalf of distressed
18 homeowners seeking modification or forbearance of the terms of their home loans.

19 FIRST CAUSE OF ACCUSATION
20 (Advance Fee Violation)

21 10.

22 At no time mentioned herein were America Investors LLC or Associates United,
23 Inc. licensed by the Department as real estate corporations or a fictitious business name of any
24 Respondent. America Investors LLC is a California corporation. Respondent J. ROBERTO
25 ROMERO is a managing member of America Investors LLC. Associates United, Inc. is a
26 suspended California corporation. Respondent ALBERTO ROMERO is the CEO and CFO of
27 Associates United, Inc. At no time herein mentioned, was Ricardo Devivo licensed in any
capacity by the Department.

1
2 At all times mentioned herein, in the State of California, Respondents engaged in
3 the business of claiming, demanding, charging receiving, collecting or contracting for the
4 collection of advance fees, within the meaning of Code Section 10026 including, but not limited
5 to, the following loan activities with respect to loans which were secured by liens on real
6 property:

7 a. In or around February, 2008, Maria Najera paid an advance fee of \$2,500 to
8 Respondents pursuant to the provisions of an agreement pertaining to loan solicitation,
9 negotiation, and modification services to be provided by Respondents with respect to a loan
10 secured by real property located in the city of Paramount, California. Respondents failed to
11 perform the services promised or obtain a modification of Maria Najera's mortgage loan. Maria
12 Najera requested a refund of her advance fee from Respondents which Respondents refused.

13 b. On or about June 20, 2008, Martin Granados paid an advance fee of \$2,500 to
14 Respondents who were doing business as "America Investors LLC." The advance fee was
15 collected pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation,
16 and modification services to be provided by Respondents with respect to a loan secured by real
17 property located in the city of Ventura, California.

18 c. On or about August 14, 2008, Francisco Reyes paid an advance fee of \$2,500
19 to Respondents. The advance fee was collected pursuant to the provisions of an agreement
20 pertaining to loan solicitation, negotiation, and modification services to be provided by
21 Respondents with respect to a loan secured by real property located in California.

22 d. On or about October 28, 2008, Primitivo and Juana Delgado paid an advance
23 fee of \$2,500 to Respondents who were doing business as "Associates United, Inc." The
24 advance fee was collected pursuant to the provisions of an agreement pertaining to loan
25 solicitation, negotiation, and modification services to be provided by Respondents with respect to
26 a loan secured by real property located in the city of La Puente, California.

1 e. On or about November 1, 2008, Jose De La Paz paid an advance fee of \$2,500
2 to Respondents who were using the name "America Investors LLC." The advance fee was
3 collected pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation,
4 and modification services to be provided by Respondents with respect to a loan secured by real
5 property located in the city of Bell Gardens, California.

6 f. On or about December 11, 2008, Carlos Leon Arzate paid an advance fee of
7 \$2,500 to Respondents. The advance fee was collected pursuant to the provisions of an
8 agreement pertaining to loan solicitation, negotiation, and modification services to be provided
9 by Respondents with respect to a loan secured by real property located in California.

10 g. On or about December 26, 2008, Ricardo Devivo and Respondents, using the
11 fictitious business name Associates United, Inc., solicited loan modification and negotiation
12 services to Telesforo and Maria E. Lopez. Respondents charged Telesforo and Maria E. Lopez
13 an advance fee of \$1,800 pursuant to the provisions of an agreement pertaining to loan
14 solicitation, negotiation, and modification services to be provided by Respondents with respect to
15 a loan secured by real property located in the city of Long Beach, California.

16 h. At all times mentioned herein, America Investors LLC and Associates United,
17 Inc. operated out of the same main office address as Respondent AARI at 15718 Paramount
18 Blvd., Paramount, California 90723. America Investors LLC and Associates United, Inc.
19 solicited loan negotiation and modification services on the website URL address:
20 <http://www.americaloanmodification.com>. Respondent J. ROBERTO ROMERO represented
21 himself as the office manager of America Investors LLC. Respondent ALBERTO ROMERO
22 was the CEO of Associates United, Inc.

23 12.

24 Respondents charged and collected the advance fees described in Paragraph 11,
25 above, for soliciting borrowers or lenders or negotiating loans secured by real property, which
26 constitute an advance fee within the meaning of Code Section 10026.

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13.

Respondents failed to submit a written agreement or any written solicitation for loan negotiation and modification services described in Paragraph 11, above, to the Commissioner ten days before using it, in violation of Code Section 10085 and Regulation 2970.

14.

The conduct, acts and/or omissions of Respondents, as set forth above, are cause for the suspension or revocation of the licenses and license rights of Respondents pursuant to Code Sections 10085, 10177(d) and/or 10177(g).

SECOND CAUSE OF ACCUSATION
(Unlicensed Activity and
Use of Unauthorized Fictitious Business Name)

15.

There is hereby incorporated in this Second, separate Cause of Accusation, all of the allegations contained in Paragraphs 1 through 14, above, with the same force and effect as if herein fully set forth.

16.

The activities described in Paragraph 11, supra, require a real estate license under Code Sections 10131(d) and 10131.2. Use of a fictitious business name for activities requiring the issuance of a real estate license requires the filing of an application for the use of such name with the Department in accordance with the provisions of Code Section 10159.5.

17.

Respondents acted without Department authorization in using the fictitious business name "America Investors LLC" and "Associates United, Inc.," to engage in activities requiring the issuance of a real estate license.

18.

The conduct, acts and/or omissions of Respondents, as set forth in Paragraphs 16 and 17 above, violate Code Section 10159.5 and Regulation 2731, and are cause for the

1 suspension or revocation of the licenses and license rights of Respondents AARI and
2 SANTILLIAN pursuant to Code Sections 10177(d) and /or 10177(g).

3 THIRD CAUSE OF ACCUSATION
4 (Unlawful Employment/Fraud/Dishonest Dealing)

5 19.

6 There is hereby incorporated in this Third, separate Cause of Accusation, all of
7 the allegations contained in Paragraphs 1 through 18, above, with the same force and effect as if
8 herein fully set forth.

9 20.

10 On or about February 10, 2009, Respondent AARI submitted an advance fee
11 agreement and accounting format to the Department for approval. On March 3, 2009, the
12 Department issued a "no objection" letter of approval of the advance fee agreement and
13 accounting format submitted by Respondent AARI. Said advance fee agreement included a
14 provision that if the principal cancelled the agreement before the agreed completion date or
15 before the agreed upon services are completed, all unearned advance fees would be refunded to
16 the principal within 5 business days. Thereafter, borrowers including, but not necessarily limited
17 to those noted below, submitted complaints to the Department of Real Estate against
18 Respondents for their business practices and dealings including misrepresentations, fraud and/or
19 dishonest dealing.

20 21.

21 On or about March 6, 2009, Maria Edith Vazquez-Acevedo paid an advance fee
22 of \$2,500 to Respondent AARI. The advance fee was collected pursuant to the provisions of an
23 agreement pertaining to loan solicitation, negotiation, and modification services to be provided
24 by Respondent AARI with respect to a loan secured by the real property located in the city of
25 Orange, California. Maria Edith Vazquez-Acevedo received solicitation from and initially dealt
26 exclusively with Carlos Landaveri who was handling her loan modification transaction on behalf
27 of Respondent AARI. Carlos Landaveri has never been licensed in any capacity by the
Department. After several months of not receiving any status or results from AARI, Maria Edith

1 Vazquez-Acevedo was informed that Carlos Landaveri was no longer employed by Respondent
2 AARI. Maria Edith Vazquez-Acevedo cancelled her agreement with Respondent AARI and
3 demanded a refund of her advance fee which Respondent AARI refused. On November 5, 2009,
4 the Department received a complaint against Respondent AARI from consumer-borrower Maria
5 Edith Vazquez-Acevedo regarding AARI's mishandling and failure to perform loan negotiation
6 and modification services as promised and Respondents' refusal to refund all or part of her
7 advance fee.

8 22.

9 On or about May 18, 2009, Antonio Villanueva paid an advance fee of \$2,500 to
10 Respondent AARI. The advance fee was collected pursuant to the provisions of an agreement
11 pertaining to loan solicitation, negotiation, and modification services to be provided by
12 Respondent AARI with respect to a loan secured by the real property located in the city of Bell
13 Gardens, California. On November 18, 2009, the Department received a complaint against
14 Respondent AARI from consumer-borrower Antonio Villanueva regarding AARI's mishandling
15 and failure to perform loan negotiation and modification services as promised and Respondents'
16 refusal to refund all or part of his advance fee.

17 23.

18 On or about April 3, 2009, Respondents charged Manuel Samano an advance fee
19 of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation,
20 and modification services to be provided by Respondent AARI with respect to a loan secured by
21 the real property located in the city of Compton, California. Manuel Samano cancelled his
22 agreement with Respondent AARI and demanded a refund of his advance fee which Respondent
23 AARI refused. On December 28, 2009, the Department received a complaint against
24 Respondent AARI from consumer-borrower Manuel Samano regarding AARI's mishandling and
25 failure to perform loan negotiation and modification services as promised and Respondents'
26 refusal to refund all or part of his advance fee.
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24.

On or about May 29, 2009, Respondents charged Ignacio Venegas an advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation, and modification services to be provided by Respondent AARI with respect to a loan secured by the real property located in the city of Hawthorne, California. Ignacio Venegas cancelled his agreement with Respondent AARI and demanded a refund of his advance fee which Respondent AARI refused. On July 8, 2010, the Department received a complaint against Respondent AARI from consumer-borrower Ignacio Venegas regarding AARI's mishandling and failure to perform loan negotiation and modification services as promised and Respondents' refusal to refund all or part of his advance fee.

25.

On or about June 2, 2009, and July 16, 2009, Respondents charged Gerardo Pedroza advance fees totaling \$5,000 pursuant to the provisions of agreements pertaining to loan solicitation, negotiation, and modification services to be provided by Respondent AARI with respect to loans secured by real properties located in the city of La Puente, California. Gerardo Pedroza cancelled his agreements with Respondent AARI and demanded a refund of his advance fees which Respondent AARI refused all or part of said refund. On July 26, 2010, the Department received a complaint against Respondent AARI from consumer-borrower Gerardo Pedroza regarding AARI's mishandling and failure to perform loan negotiation and modification services as promised and Respondents' refusal to refund all or part of his advance fee.

26.

On or about June 4, 2009, Respondents charged Nuria Perdomo an advance fee of \$2,700 pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation, and modification services to be provided by Respondent AARI with respect to a loan secured by the real property located in the city of South Gate, California. Nuria Perdomo cancelled her agreement with Respondent AARI and demanded a refund of her advance fee which Respondent AARI refused. On July 6, 2010, the Department received a complaint against Respondent AARI

1 from consumer-borrower Nuria Perdomo regarding AARI's mishandling and failure to perform
2 loan negotiation and modification services as promised and Respondents' refusal to refund all or
3 part of her advance fee.

4 27.

5 On or about June 17, 2009, Respondents charged Juan Miranda Martinez an
6 advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation,
7 negotiation, and modification services to be provided by Respondent AARI with respect to a
8 loan secured by real property located in the city of Lynwood, California. Juan Miranda Martinez
9 initially dealt with Milagros Mundo who solicited Respondents' loan modification services to
10 Juan Miranda Martinez. Milagros Mundo has never been licensed in any capacity by the
11 Department. Juan Miranda Martinez cancelled his agreements with Respondent AARI and
12 demanded a refund of his advance fees which Respondent AARI refused all or part of said
13 refund. On or about July 26, 2010, the Department received a complaint against Respondent
14 AARI from consumer-borrower Gerardo Pedroza regarding AARI's mishandling and failure to
15 perform loan negotiation and modification services as promised and Respondents' refusal to
16 refund all or part of his advance fee.

17 28.

18 On or about July 6, 2009, Respondents charged Domingo Venegas Ramirez. an
19 advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation,
20 negotiation, and modification services to be provided by Respondent AARI with respect to a
21 loan secured by the real property located in the city of Long Beach, California. Domingo
22 Venegas Ramirez cancelled his agreement with Respondent AARI and demanded a refund of his
23 advance fee which Respondent AARI refused all or a part of said refund. On or about December
24 17, 2009, the Department received a complaint against Respondent AARI from consumer-
25 borrower Domingo Venegas Ramirez regarding AARI's mishandling and failure to perform loan
26 negotiation and modification services as promised and Respondents' refusal to refund all or part
27 of his advance fee.

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29.

On or about July 9, 2009, Respondents charged Mario Anorve an advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation, and modification services to be provided by Respondent AARI with respect to a loan secured by the real property located in the city of Fontana, California. Mario Anorve initially dealt with Milagros Mundo who solicited Respondents' loan modification services to Mario Anorve. Milagros Mundo has never been licensed in any capacity by the Department. Mario Anorve cancelled his agreement with Respondent AARI and demanded a refund of his advance fee which Respondent AARI refused all or a part of said refund. On or about March 16, 2010, the Department received a complaint against Respondent AARI from consumer-borrower Mario Anorve regarding AARI's mishandling and failure to perform loan negotiation and modification services as promised and Respondents' refusal to refund all or part of his advance fee.

30.

On or about July 10, 2009, Respondents charged Ramon Hernandez an advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation, and modification services to be provided by Respondent AARI with respect to a loan secured by the real property located in the city of Bakersfield, California. Ramon Hernandez cancelled his agreement with Respondent AARI and demanded a refund of his advance fee which Respondent AARI refused. On or about February 25, 2010, the Department received a complaint against Respondent AARI from consumer-borrower Ramon Hernandez regarding AARI's mishandling and failure to perform loan negotiation and modification services as promised and Respondents' refusal to refund all or part of his advance fee.

31.

On or about July 29, 2009, Respondents charged Francisco Jimenez an advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation, and modification services to be provided by Respondent AARI with respect to a loan secured by the real property located in the city of South Gate, California. Francisco

1 Jimenez cancelled his agreement with Respondent AARI and demanded a refund of his advance
2 fee which Respondent AARI refused all or a part of said refund. On or about January 5, 2010,
3 the Department received a complaint against Respondent AARI from consumer-borrower
4 Francisco Jimenez regarding AARI's mishandling and failure to perform loan negotiation and
5 modification services as promised and Respondents' refusal to refund all or part of his advance
6 fee.

7 32.

8 On or about August 22, 2009, Respondents charged Jose Alejandro Mendez an
9 advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation,
10 negotiation, and modification services to be provided by Respondent AARI with respect to a
11 loan secured by the real property located in the city of Long Beach, California. Jose Alejandro
12 Mendez cancelled his agreement with Respondent AARI and demanded a refund of his advance
13 fee which Respondent AARI refused all or a part of said refund. On July 12, 2010, the
14 Department received a complaint against Respondent AARI from consumer-borrower Jose
15 Alejandro Mendez regarding AARI's mishandling and failure to perform loan negotiation and
16 modification services as promised and Respondents' refusal to refund all or part of his advance
17 fee.

18 33.

19 On or about September 25, 2009, Respondents charged Antonio Ramirez. an
20 advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation,
21 negotiation, and modification services to be provided by Respondent AARI with respect to a
22 loan secured by the real property located in the city of San Bernardino, California. Antonio
23 Ramirez cancelled his agreement with Respondent AARI and demanded a refund of his advance
24 fee which Respondent AARI refused all or a part of said refund. On December 31, 2009, the
25 Department received a complaint against Respondent AARI from consumer-borrower Antonio
26 Ramirez regarding AARI's mishandling and failure to perform loan negotiation and modification
27 services as promised and Respondents' refusal to refund all or part of his advance fee.

1 34.

2 In addition to those borrowers mentioned above, Respondents solicited, charged
3 and collected advance fees for loan negotiation and modification services in connection with
4 loans secured by real property and refused to refund any funds for failure to complete said
5 services to the following borrowers:

6 DATE OF TRANSACTION	BORROWER	AMOUNT PAID
7 March 3, 2009	Eva and Alfonso Rodriguez	\$2,500
8 April 23, 2009	Juan Renteria	\$2,500
9 May 31, 2009	Mario and Marta Gaitan	\$2,500
10 July 9, 2009	Jesus and Hilda Ramos	\$2,500
11 July 13, 2009	Esteban Naranja	\$2,500
12 July 22, 2009	Francisco and Rosalba Vasquez	\$2,500
13 August 24, 2009	Herlindo Torres	\$2,500
14 August 26, 2009	Maria Anita and Franklin Guevara	\$3,750
15 October 23, 2009	Ricardo Cervante Rincon	\$3,000

16
17 35.

18 From in or around October 2009 through April 23, 2010, Respondents employed
19 or compensated Maria Isabel Arguello to solicit and offer to perform loan negotiation and
20 modification services and short sales for borrowers including, but not limited to, Juan Garcia and
21 Jose Hernandez. Maria Isabel Arguello has never been licensed in any capacity by the
22 Department.

23 36.

24 The conduct, acts and/or omissions of Respondents as set forth above, in
25 employing or compensating unlicensed persons including, but not limited to, Ricardo Devivo,
26 Carlos Landaveri, Milagros Mundo and Maria Isabel Arguello to perform activities requiring a
27 real estate license is a violation of Code Section 10137 and constitutes grounds to discipline the

1 licenses and/or license rights of Respondents pursuant to Code Sections 10137, 10177(d),
2 10177(g) and/or 10177(j).

3 37.

4 The conduct, acts and/or omissions of Respondents as set forth in Paragraphs 21
5 through 35, above, of making false and/or misleading representations in order to induce
6 borrowers to enter into a loan modification or refinance agreement with AARI, and in otherwise
7 engaging in fraudulent and dishonest dealing, constitutes cause for the suspension or revocation
8 of the licenses and license rights of Respondent AARI pursuant to Code Sections 10176(a),
9 10176(b), 10176(i), and/or 10177(j).

10 FOURTH CAUSE OF ACCUSATION
11 (Audit)

12 38.

13 There is hereby incorporated in this Fourth, separate Cause of Accusation, all of
14 the allegations contained in Paragraphs 1 through 37, above, with the same force and effect as if
15 herein fully set forth.

16 39.

17 On January 13, 2010, the Department completed an audit examination of the
18 books and records of Respondent AARI pertaining to the mortgage loan, advance fee and loan
19 negotiation and modification service activities described in Paragraph 9, which require a real
20 estate license. The audit examination covered a period of time beginning on October 6, 2008 to
21 August 31, 2009. The audit examination revealed violations of the Code and the Regulations as
22 set forth in the following paragraphs, and more fully discussed in Audit Report LA 090010 and
23 the exhibits and work papers attached to said Audit Report.

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26 ///

Violations

In the course of activities described in Paragraph 26, above, and during the examination period described in Paragraph 39, Respondents AARI and SANTILLAN, acted in violation of the Code and the Regulations as follows:

(a) From October 6, 2008, through August 31, 2009, Respondent AARI maintained three (3) general Bank of America bank accounts (herein referred to as BA1 #04024-75752, BA2 #153493852070 and BA3 #04027-16337)¹ for handling of the receipt and disbursement of advance fees collected. Respondents AARI and SANTILLAN failed to obtain written consent of every beneficiary prior to every disbursement that resulted in a shortage of account funds, in violation of Code Section 10145 and Regulation 2832.1.

(b) From January 15, 2009, through March 3, 2009, Respondent AARI collected advance fees within the meaning of Code Section 10026 from homeowners seeking loan modification services wherein AARI failed to provide homeowner-borrowers, a pre-approved advance fee agreement from the Department in the form of a no objection letter, in violation of Code Section 10085 and Regulation 2970.

(c) Failed to furnish a verified copy of accounting content which includes identification of the trust fund account into which the advance fee has been deposited, description of services rendered, the amount allocated or disbursed from the advance fee at the end of each calendar quarter and when the contract has been completely performed by the licensee, in violation of 10146 and Regulation 2972.

(d) Failed to establish and/or maintain a trust account at a bank or other recognized financial institution in the name of the broker for deposit of advance fees collected by AARI totaling \$1,193,407.69, thereby depositing trust funds in AARI's general accounts BA2 and BA3 and thus commingling trust funds with AARI's funds, in violation of Code Sections

¹ BA1 had a shortage of \$41,818.87, BA2 had a shortage of \$95,900.01, and BA3 had a shortage of \$125,113.72.

1 10145, 10146, 10176(e) and Regulations 2832 and 2835.

2 (e) Respondent AARI used advance fees deposited into AARI's general accounts
3 BA1, BA2 and BA3 to pay for AARI's operating expenses and payrolls prior to completion of
4 loan negotiation and modification services; therefore, reducing the balances of AARI's general
5 accounts to an amount less than the amount of advance fees deposited, in violation of Code
6 Sections 10145, 10176(i) and 10177(j).

7 (f) Failed to maintain a complete and accurate columnar record for each general
8 account, thereby failing to reflect dates of receipts, amounts of deposit, accurate disbursements
9 related to loan negotiation and modification activity, and a running daily balance, in violation of
10 Code Section 10145 and Regulation 2831.

11 (g) Failed to maintain a separate record for each beneficiary or transaction,
12 thereby failing to account for all advance fees collected, dates of receipts, amounts of deposit,
13 accurate disbursements related to loan negotiation and modification activity, and a running daily
14 balance, in violation of Code Section 10145 and Regulation 2831.1.

15 (h) Failed to maintain a written monthly reconciliation of the receipts and
16 disbursements record and the total balance of separate beneficiary records for bank account used
17 to handle advance fees, in violation of Code Section 10145 and Regulation 2831.2.

18 (i) Respondent AARI conducted mortgage loan activities by using fictitious
19 business names "America Associates," "America Associates, LLC," "America Associates
20 Realty," "America Associates, Inc.," and "Associates United, Inc.," without first obtaining a
21 license from the Department bearing such fictitious business names, in violation of Code Section
22 10159.5 and Regulation 2731.

23 (j) After being given reasonable notice, Respondent AARI failed to retain records
24 in connection with its mortgage loan activities requested by the Department, in violation of Code
25 Section 10148.

FIFTH CAUSE OF ACCUSATION

(Failure to Supervise)
(SANTILLAN)

43.

There is hereby incorporated in this Fifth, separate Cause of Accusation, all of the allegations contained in Paragraphs 1 through 41, above, with the same force and effect as if herein fully set forth.

44.

The conduct, acts and/or omissions of Respondent SANTILLAN, in allowing Respondent AARI to violate the Real Estate Law, as set forth above, constitutes a failure by Respondent SANTILLAN, as the officer designated by the corporate broker licensee, to exercise the supervision and control over the activities of Respondent AARI, as required by Code Section 10159.2, and is cause to suspend or revoke the real estate licenses and license rights of Respondent SANTILLAN under Code Sections 10177(d), 10177(g) and/or 10177(h).

WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action against the license and license rights of Respondents AMERICA ASSOCIATES REALTY, INC., RUBEN FLORES SANTILLAN, individually and as designated officer of America Associates Realty, Inc., JUAN ROBERTO ROMERO ASCENCIO, and ALBERTO A. ROMERO, under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Los Angeles, California

this 13th day of May, 2011.


MARIA SUAREZ
Deputy Real Estate Commissioner

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cc: America Associates Realty, Inc.
Ruben Flores Santillan
Juan Roberto Romero Ascencio
Alberto A. Romero
OAH
Maria Suarez
Sacto
Audits – Chona T. Soriano
Maxima Realty, Inc.
Nu Vision Real Estate, Inc.
Marisol Ocampo, Esq.
Alexis Galindo, Esq.

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LISSETE GARCIA, SBN 211522
Department of Real Estate
320 West 4th Street, Ste. 350
Los Angeles, California 90013-1105

Telephone: (213) 576-6914 (direct)
-or- (213) 576-6982 (office)

FILED
JAN - 6 2011
DEPARTMENT OF REAL ESTATE

By CS

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)	No. H-36774 LA
)	L-201000787
AMERICA ASSOCIATES REALTY, INC.,)	<u>SECOND AMENDED</u>
RUBEN FLORES SANTILLAN, individually)	<u>ACCUSATION</u>
and as designated officer of America Associates)	
Realty, Inc., JUAN ROBERTO ROMERO)	
ASCENCIO, and ALBERTO A. ROMERO,)	
Respondents.)	

This Second Amended Accusation amends the First Amended Accusation filed on November 5, 2010. The Complainant, Maria Suarez, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against AMERICA ASSOCIATES REALTY, INC., RUBEN FLORES SANTILLAN, individually and as designated officer of America Associates Realty, Inc., JUAN ROBERTO ROMERO ASCENCIO, and ALBERTO A. ROMERO, alleges as follows:

1.

The Complainant, Maria Suarez, acting in her official capacity as a Deputy Real Estate Commissioner of the State of California, makes this First Amended Accusation against AMERICA ASSOCIATES REALTY, INC., RUBEN FLORES SANTILLAN, individually and as designated officer of America Associates Realty, Inc., JUAN ROBERTO ROMERO

1 ASCENCIO, and ALBERTO A. ROMERO (collectively "Respondents").

2 2.

3 All references to the "Code" are to the California Business and Professions Code
4 and all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

5 3.

6 From on December 31, 2008 through the present, Respondent AMERICA
7 ASSOCIATES REALTY, INC. ("AARI") has been licensed or has license rights issued by the
8 Department of Real Estate ("Department") as a real estate corporation. At all times relevant
9 herein, Respondent AARI was authorized to act by and through Respondent RUBEN FLORES
10 SANTILLAN as its broker designated pursuant to Code Section 10159.2 to be responsible for
11 ensuring compliance with the Real Estate Law.

12 4.

13 From April 15, 1991 through the present, Respondent RUBEN FLORES
14 SANTILLAN ("SANTILLAN") has been licensed or has license rights issued by the Department
15 as a real estate broker.

16 5.

17 From January 14, 2008 through the present, Respondent JUAN ROBERTO
18 ROMERO ASCENCIO, also known as Roberto Romero ("J. ROBERTO ROMERO") has been
19 licensed or has license rights issued by the Department of as a real estate salesperson.

20 6.

21 From September 23, 2005 through the present, Respondent ALBERTO A.
22 ROMERO ("ALBERTO ROMERO") has licensed or has license rights issued by the Department
23 as a real estate salesperson.

24 7.

25 AARI is a California corporation. Respondent J. ROBERTO ROMERO is a
26 corporate director, chief financial officer and agent for service of process for Respondent AARI.
27 Respondent J. ROBERTO ROMERO has owned or controlled more than 10% of Respondent

1 AARI's stock. Respondent ALBERTO ROMERO is a corporate director and chief executive
2 officer for Respondent AARI. Respondent ALBERTO ROMERO has owned or controlled more
3 than 10% of Respondent AARI's stock. Laura Guerrero is a corporate director for Respondent
4 AARI and has owned or controlled more than 10% of Respondent AARI's stock. Laura
5 Guerrero is not now and has never been licensed in any capacity by the Department. Respondent
6 SANTILLAN is the corporate secretary for Respondent AARI.

7 8.

8 All further references to "Respondents" include the parties listed in Paragraphs 3
9 through 7, above, as well as the officers, agents and employees of the parties listed in Paragraphs
10 3 through 7, above.

11 9.

12 At all times mentioned herein, in the city of Paramount, County of Los Angeles,
13 Respondents engaged in the business of a real estate broker conducting activities requiring a real
14 estate license within the meaning of Code Sections 10131(a), 10131(d), and 10131.2.
15 Respondents engaged in operating a residential resale, mortgage loan, advance fee and loan
16 modification service brokerage. For compensation or in expectation of compensation and for
17 fees often collected in advance, Respondents contacted lenders on behalf of distressed
18 homeowners seeking modification or forbearance of the terms of their home loans.

19 FIRST CAUSE OF ACCUSATION
20 (Advance Fee Violation)

21 10.

22 At no time mentioned herein were America Investors LLC or Associates United,
23 Inc. licensed by the Department as real estate corporations or a fictitious business name of any
24 Respondent. America Investors LLC is a California corporation. Respondent J. ROBERTO
25 ROMERO is a managing member of America Investors LLC. Associates United, Inc. is a
26 suspended California corporation. Respondent ALBERTO ROMERO is the CEO and CFO of
27 Associates United, Inc. At no time herein mentioned, was Ricardo Devivo licensed in any
capacity by the Department.

1
2 At all times mentioned herein, in the State of California, Respondents engaged in
3 the business of claiming, demanding, charging receiving, collecting or contracting for the
4 collection of advance fees, within the meaning of Code Section 10026 including, but not limited
5 to, the following loan activities with respect to loans which were secured by liens on real
6 property:

7 a. In or around February, 2008, Maria Najera paid an advance fee of \$2,500 to
8 Respondents pursuant to the provisions of an agreement pertaining to loan solicitation,
9 negotiation, and modification services to be provided by Respondents with respect to a loan
10 secured by real property located in the city of Paramount, California. Respondents failed to
11 perform the services promised or obtain a modification of Maria Najera's mortgage loan. Maria
12 Najera requested a refund of her advance fee from Respondents which Respondents refused.

13 b. On or about June 20, 2008, Martin Granados paid an advance fee of \$2,500 to
14 Respondents who were doing business as "America Investors LLC." The advance fee was
15 collected pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation,
16 and modification services to be provided by Respondents with respect to a loan secured by real
17 property located in the city of Ventura, California.

18 c. On or about October 28, 2008, Primitivo and Juana Delgado paid an advance
19 fee of \$2,500 to Respondents who were doing business as "Associates United, Inc." The
20 advance fee was collected pursuant to the provisions of an agreement pertaining to loan
21 solicitation, negotiation, and modification services to be provided by Respondents with respect to
22 a loan secured by real property located in the city of La Puente, California.

23 d. On or about November 1, 2008, Jose De La Paz paid an advance fee of \$2,500
24 to Respondents who were using the name "America Investors LLC." The advance fee was
25 collected pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation,
26 and modification services to be provided by Respondents with respect to a loan secured by real
27 property located in the city of Bell Gardens, California.

1 e. On or about December 26, 2008, Ricardo Devivo and Respondents, using the
2 fictitious business name Associates United, Inc., solicited loan modification and negotiation
3 services to Telesforo and Maria E. Lopez. Respondents charged Telesforo and Maria E. Lopez
4 an advance fee of \$1,800 pursuant to the provisions of an agreement pertaining to loan
5 solicitation, negotiation, and modification services to be provided by Respondents with respect to
6 a loan secured by real property located in the city of Long Beach, California.

7 f. At all times mentioned herein, America Investors LLC and Associates United,
8 Inc. operated out of the same main office address as Respondent AARI at 15718 Paramount
9 Blvd., Paramount, California 90723. America Investors LLC and Associates United, Inc.
10 solicited loan negotiation and modification services on the website URL address:
11 <http://www.americaloanmodification.com>. Respondent J. ROBERTO ROMERO represented
12 himself as the office manager of America Investors LLC. Respondent ALBERTO ROMERO
13 was the CEO of Associates United, Inc.

14 12.

15 Respondents charged and collected the advance fees described in Paragraph 11,
16 above, for soliciting borrowers or lenders or negotiating loans secured by real property, which
17 constitute an advance fee within the meaning of Code Section 10026.

18 13.

19 Respondents failed to submit a written agreement or any written solicitation for
20 loan negotiation and modification services described in Paragraph 11, above, to the
21 Commissioner ten days before using it, in violation of Code Section 10085 and Regulation 2970.

22 14.

23 The conduct, acts and/or omissions of Respondents, as set forth above, are cause
24 for the suspension or revocation of the licenses and license rights of Respondents pursuant to
25 Code Sections 10085, 10177(d) and/or 10177(g).

26 ///

27 ///

SECOND CAUSE OF ACCUSATION
(Unlicensed Activity and
(Use of Unauthorized Fictitious Business Name)

15.

There is hereby incorporated in this Second, separate Cause of Accusation, all of the allegations contained in Paragraphs 1 through 14, above, with the same force and effect as if herein fully set forth.

16.

The activities described in Paragraph 11, supra, require a real estate license under Code Sections 10131(d) and 10131.2. Use of a fictitious business name for activities requiring the issuance of a real estate license requires the filing of an application for the use of such name with the Department in accordance with the provisions of Code Section 10159.5.

17.

Respondents acted without Department authorization in using the fictitious business name "America Investors LLC" and "Associates United, Inc." to engage in activities requiring the issuance of a real estate license.

18.

The conduct, acts and/or omissions of Respondents, as set forth in Paragraphs 16 and 17 above, violate Code Section 10159.5 and Regulation 2731, and are cause for the suspension or revocation of the licenses and license rights of Respondents AARI and SANTILLIAN pursuant to Code Sections 10177(d) and /or 10177(g).

THIRD CAUSE OF ACCUSATION
(Unlawful Employment/Fraud/Dishonest Dealing)

19.

There is hereby incorporated in this Third, separate Cause of Accusation, all of the allegations contained in Paragraphs 1 through 18, above, with the same force and effect as if herein fully set forth.

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20.

On or about February 10, 2009, Respondent AARI submitted an advance fee agreement and accounting format to the Department for approval. On March 3, 2009, the Department issued a "no objection" letter of approval of the advance fee agreement and accounting format submitted by Respondent AARI. Said advance fee agreement included a provision that if the principal cancelled the agreement before the agreed completion date or before the agreed upon services are completed, all unearned advance fees would be refunded to the principal within 5 business days. Thereafter, borrowers including, but not necessarily limited to those noted below, submitted complaints to the Department of Real Estate against Respondents for their business practices and dealings including misrepresentations, fraud and/or dishonest dealing.

21.

On or about March 6, 2009, Maria Edith Vazquez-Acevedo paid an advance fee of \$2,500 to Respondent AARI. The advance fee was collected pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation, and modification services to be provided by Respondent AARI with respect to a loan secured by the real property located in the city of Orange, California. Maria Edith Vazquez-Acevedo received solicitation from and initially dealt exclusively with Carlos Landaveri who was handling her loan modification transaction on behalf of Respondent AARI. Carlos Landaveri has never been licensed in any capacity by the Department. After several months of not receiving any status or results from AARI, Maria Edith Vazquez-Acevedo was informed that Carlos Landaveri was no longer employed by Respondent AARI. Maria Edith Vazquez-Acevedo cancelled her agreement with Respondent AARI and demanded a refund of her advance fee which Respondent AARI refused. On November 5, 2009, the Department received a complaint against Respondent AARI from consumer-borrower Maria Edith Vazquez-Acevedo regarding AARI's mishandling and failure to perform loan negotiation and modification services as promised and Respondents' refusal to refund all or part of her advance fee.

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22.

On or about May 18, 2009, Antonio Villanueva paid an advance fee of \$2,500 to Respondent AARI. The advance fee was collected pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation, and modification services to be provided by Respondent AARI with respect to a loan secured by the real property located in the city of Bell Gardens, California. On November 18, 2009, the Department received a complaint against Respondent AARI from consumer-borrower Antonio Villanueva regarding AARI's mishandling and failure to perform loan negotiation and modification services as promised and Respondents' refusal to refund all or part of his advance fee.

23.

On or about April 3, 2009, Respondents charged Manuel Samano an advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation, and modification services to be provided by Respondent AARI with respect to a loan secured by the real property located in the city of Compton, California. Manuel Samano cancelled his agreement with Respondent AARI and demanded a refund of his advance fee which Respondent AARI refused. On December 28, 2009, the Department received a complaint against Respondent AARI from consumer-borrower Manuel Samano regarding AARI's mishandling and failure to perform loan negotiation and modification services as promised and Respondents' refusal to refund all or part of his advance fee.

24.

On or about May 29, 2009, Respondents charged Ignacio Venegas an advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation, and modification services to be provided by Respondent AARI with respect to a loan secured by the real property located in the city of Hawthorne, California. Ignacio Venegas cancelled his agreement with Respondent AARI and demanded a refund of his advance fee which Respondent AARI refused. On July 8, 2010, the Department received a complaint against Respondent AARI from consumer-borrower Ignacio Venegas regarding AARI's mishandling and failure to perform

1 loan negotiation and modification services as promised and Respondents' refusal to refund all or
2 part of his advance fee.

3 25.

4 On or about June 2, 2009, and July 16, 2009, Respondents charged Gerardo
5 Pedroza advance fees totaling \$5,000 pursuant to the provisions of agreements pertaining to loan
6 solicitation, negotiation, and modification services to be provided by Respondent AARI with
7 respect to loans secured by real properties located in the city of La Puente, California. Gerardo
8 Pedroza cancelled his agreements with Respondent AARI and demanded a refund of his advance
9 fees which Respondent AARI refused all or part of said refund. On July 26, 2010, the
10 Department received a complaint against Respondent AARI from consumer-borrower Gerardo
11 Pedroza regarding AARI's mishandling and failure to perform loan negotiation and modification
12 services as promised and Respondents' refusal to refund all or part of his advance fee.

13 26.

14 On or about June 4, 2009, Respondents charged Nuria Perdomo an advance fee of
15 \$2,700 pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation, and
16 modification services to be provided by Respondent AARI with respect to a loan secured by the
17 real property located in the city of South Gate, California. Nuria Perdomo cancelled her
18 agreement with Respondent AARI and demanded a refund of her advance fee which Respondent
19 AARI refused. On July 6, 2010, the Department received a complaint against Respondent AARI
20 from consumer-borrower Nuria Perdomo regarding AARI's mishandling and failure to perform
21 loan negotiation and modification services as promised and Respondents' refusal to refund all or
22 part of her advance fee.

23 27.

24 On or about June 17, 2009, Respondents charged Juan Miranda Martinez an
25 advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation,
26 negotiation, and modification services to be provided by Respondent AARI with respect to a
27 loan secured by real property located in the city of Lynwood, California. Juan Miranda Martinez

1 initially dealt with Milagros Mundo who solicited Respondents' loan modification services to
2 Juan Miranda Martinez. Milagros Mundo has never been licensed in any capacity by the
3 Department. Juan Miranda Martinez cancelled his agreements with Respondent AARI and
4 demanded a refund of his advance fees which Respondent AARI refused all or part of said
5 refund. On or about July 26, 2010, the Department received a complaint against Respondent
6 AARI from consumer-borrower Gerardo Pedroza regarding AARI's mishandling and failure to
7 perform loan negotiation and modification services as promised and Respondents' refusal to
8 refund all or part of his advance fee.

9 28.

10 On or about July 6, 2009, Respondents charged Domingo Venegas Ramirez. an
11 advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation,
12 negotiation, and modification services to be provided by Respondent AARI with respect to a
13 loan secured by the real property located in the city of Long Beach, California. Domingo
14 Venegas Ramirez cancelled his agreement with Respondent AARI and demanded a refund of his
15 advance fee which Respondent AARI refused all or a part of said refund. On or about December
16 17, 2009, the Department received a complaint against Respondent AARI from consumer-
17 borrower Domingo Venegas Ramirez regarding AARI's mishandling and failure to perform loan
18 negotiation and modification services as promised and Respondents' refusal to refund all or part
19 of his advance fee.

20 29.

21 On or about July 9, 2009, Respondents charged Mario Anorve an advance fee of
22 \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation, and
23 modification services to be provided by Respondent AARI with respect to a loan secured by the
24 real property located in the city of Fontana, California. Mario Anorve initially dealt with
25 Milagros Mundo who solicited Respondents' loan modification services to Mario Anorve.
26 Milagros Mundo has never been licensed in any capacity by the Department. Mario Anorve
27 cancelled his agreement with Respondent AARI and demanded a refund of his advance fee

1 which Respondent AARI refused all or a part of said refund. On or about March 16, 2010, the
2 Department received a complaint against Respondent AARI from consumer-borrower Mario
3 Anorve regarding AARI's mishandling and failure to perform loan negotiation and modification
4 services as promised and Respondents' refusal to refund all or part of his advance fee.

5 30.

6 On or about July 10, 2009, Respondents charged Ramon Hernandez an advance
7 fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation,
8 negotiation, and modification services to be provided by Respondent AARI with respect to a
9 loan secured by the real property located in the city of Bakersfield, California. Ramon
10 Hernandez cancelled his agreement with Respondent AARI and demanded a refund of his
11 advance fee which Respondent AARI refused. On or about February 25, 2010, the Department
12 received a complaint against Respondent AARI from consumer-borrower Ramon Hernandez
13 regarding AARI's mishandling and failure to perform loan negotiation and modification services
14 as promised and Respondents' refusal to refund all or part of his advance fee.

15 31.

16 On or about July 29, 2009, Respondents charged Francisco Jimenez an advance
17 fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation,
18 negotiation, and modification services to be provided by Respondent AARI with respect to a
19 loan secured by the real property located in the city of South Gate, California. Francisco
20 Jimenez cancelled his agreement with Respondent AARI and demanded a refund of his advance
21 fee which Respondent AARI refused all or a part of said refund. On or about January 5, 2010,
22 the Department received a complaint against Respondent AARI from consumer-borrower
23 Francisco Jimenez regarding AARI's mishandling and failure to perform loan negotiation and
24 modification services as promised and Respondents' refusal to refund all or part of his advance
25 fee.

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32.

On or about August 22, 2009, Respondents charged Jose Alejandro Mendez an advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation, and modification services to be provided by Respondent AARI with respect to a loan secured by the real property located in the city of Long Beach, California. Jose Alejandro Mendez cancelled his agreement with Respondent AARI and demanded a refund of his advance fee which Respondent AARI refused all or a part of said refund. On July 12, 2010, the Department received a complaint against Respondent AARI from consumer-borrower Jose Alejandro Mendez regarding AARI's mishandling and failure to perform loan negotiation and modification services as promised and Respondents' refusal to refund all or part of his advance fee.

33.

On or about September 25, 2009, Respondents charged Antonio Ramirez. an advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation, and modification services to be provided by Respondent AARI with respect to a loan secured by the real property located in the city of San Bernardino, California. Antonio Ramirez cancelled his agreement with Respondent AARI and demanded a refund of his advance fee which Respondent AARI refused all or a part of said refund. On December 31, 2009, the Department received a complaint against Respondent AARI from consumer-borrower Antonio Ramirez regarding AARI's mishandling and failure to perform loan negotiation and modification services as promised and Respondents' refusal to refund all or part of his advance fee.

34.

From in or around October 2009 through April 23, 2010, Respondents employed or compensated Maria Isabel Arguello to solicit and offer to perform loan negotiation and modification services and short sales for borrowers including, but not limited to, Juan Garcia and Jose Hernandez. Maria Isabel Arguello has never been licensed in any capacity by the Department.

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35.

The conduct, acts and/or omissions of Respondents as set forth above, in employing or compensating unlicensed persons including, but not limited to, Ricardo Devivo, Carlos Landaveri, Milagros Mundo and Maria Isabel Arguello to perform activities requiring a real estate license is a violation of Code Section 10137 and constitutes grounds to discipline the licenses and/or license rights of Respondents pursuant to Code Sections 10137, 10177(d), 10177(g) and/or 10177(j).

36.

The conduct, acts and/or omissions of Respondents as set forth in Paragraphs 21 through 34, above, of making false and/or misleading representations in order to induce borrowers to enter into a loan modification or refinance agreement with AARI, and in otherwise engaging in fraudulent and dishonest dealing, constitutes cause for the suspension or revocation of the licenses and license rights of Respondent AARI pursuant to Code Sections 10176(a), 10176(b), 10176(i), and/or 10177(j).

FOURTH CAUSE OF ACCUSATION

(Audit)

37.

There is hereby incorporated in this Fourth, separate Cause of Accusation, all of the allegations contained in Paragraphs 1 through 36, above, with the same force and effect as if herein fully set forth.

38.

On January 13, 2010, the Department completed an audit examination of the books and records of Respondent AARI pertaining to the mortgage loan, advance fee and loan negotiation and modification service activities described in Paragraph 9, which require a real estate license. The audit examination covered a period of time beginning on October 6, 2008 to August 31, 2009. The audit examination revealed violations of the Code and the Regulations as set forth in the following paragraphs, and more fully discussed in Audit Report LA 090010 and

1 the exhibits and work papers attached to said Audit Report.

2 39.

3 Violations

4 In the course of activities described in Paragraph 26, above, and during the
5 examination period described in Paragraph 38, Respondents AARI and SANTILLAN, acted in
6 violation of the Code and the Regulations as follows:

7 (a) From October 6, 2008, through August 31, 2009, Respondent AARI
8 maintained three (3) general Bank of America bank accounts (herein referred to as
9 BA1 #04024-75752, BA2 #153493852070 and BA3 #04027-16337)¹ for handling of the receipt
10 and disbursement of advance fees collected. Respondents AARI and SANTILLAN failed to
11 obtain written consent of every beneficiary prior to every disbursement that resulted in a shortage
12 of account funds, in violation of Code Section 10145 and Regulation 2832.1.

13 (b) From January 15, 2009, through March 3, 2009, Respondent AARI collected
14 advance fees within the meaning of Code Section 10026 from homeowners seeking loan
15 modification services wherein AARI failed to provide homeowner-borrowers, a pre-approved
16 advance fee agreement from the Department in the form of a no objection letter, in violation of
17 Code Section 10085 and Regulation 2970.

18 (c) Failed to furnish a verified copy of accounting content which includes
19 identification of the trust fund account into which the advance fee has been deposited,
20 description of services rendered, the amount allocated or disbursed from the advance fee at the
21 end of each calendar quarter and when the contract has been completely performed by the
22 licensee, in violation of 10146 and Regulation 2972.

23 (d) Failed to establish and/or maintain a trust account at a bank or other
24 recognized financial institution in the name of the broker for deposit of advance fees collected by
25 AARI totaling \$1,193,407.69, thereby depositing trust funds in AARI's general accounts BA2
26

27 ¹ BA1 had a shortage of \$41,818.87, BA2 had a shortage of \$95,900.01, and BA3 had a shortage of \$125,113.72.

1 and BA3 and thus commingling trust funds with AARI's funds, in violation of Code Sections
2 10145, 10146, 10176(e) and Regulations 2832 and 2835.

3 (e) Respondent AARI used advance fees deposited into AARI's general accounts
4 BA1, BA2 and BA3 to pay for AARI's operating expenses and payrolls prior to completion of
5 loan negotiation and modification services; therefore, reducing the balances of AARI's general
6 accounts to an amount less than the amount of advance fees deposited, in violation of Code
7 Sections 10145, 10176(i) and 10177(j).

8 (f) Failed to maintain a complete and accurate columnar record for each general
9 account, thereby failing to reflect dates of receipts, amounts of deposit, accurate disbursements
10 related to loan negotiation and modification activity, and a running daily balance, in violation of
11 Code Section 10145 and Regulation 2831.

12 (g) Failed to maintain a separate record for each beneficiary or transaction,
13 thereby failing to account for all advance fees collected, dates of receipts, amounts of deposit,
14 accurate disbursements related to loan negotiation and modification activity, and a running daily
15 balance, in violation of Code Section 10145 and Regulation 2831.1.

16 (h) Failed to maintain a written monthly reconciliation of the receipts and
17 disbursements record and the total balance of separate beneficiary records for bank account used
18 to handle advance fees, in violation of Code Section 10145 and Regulation 2831.2.

19 (i) Respondent AARI conducted mortgage loan activities by using fictitious
20 business names "America Associates," "America Associates, LLC," "America Associates
21 Realty," "America Associates, Inc.," and "Associates United, Inc.," without first obtaining a
22 license from the Department bearing such fictitious business names, in violation of Code Section
23 10159.5 and Regulation 2731.

24 (j) After being given reasonable notice, Respondent AARI failed to retain records
25 in connection with its mortgage loan activities requested by the Department, in violation of Code
26 Section 10148.

27

1 Disciplinary Statutes

2 40.

3 The conduct of Respondent AARI described in Paragraph 39, above, violated the
4 Code and the Regulations as set forth below:

PARAGRAPH	PROVISIONS VIOLATED
39(a)	Code Section 10145 and Regulation 2832.1
39(b)	Code Section 10085 and Regulation 2970
39(c)	Code Section 10146 and Regulation 2972
39(d)	Code Sections 10145, 10146, 10176(e) and Regulations 2832 and 2835
39(e)	Code Sections 10145, 10176(i) and 10177(j)
39(f)	Code Section 10145 and Regulation 2831
39(g)	Code Section 10145 and Regulation 2831.1
39(h)	Code Section 10145 and Regulation 2831.2
39(i)	Code Section 10159.5 and Regulation 2731
39(j)	Code Section 10148

19 The foregoing violations constitute cause for the suspension or revocation of the
20 real estate license and license rights of Respondent AARI, as aforesaid, under the provisions of
21 Code Sections 10176(e) for commingling, 10177(d) for violation of the Real Estate Law and/or
22 10177(g) for negligence.

23 41.

24 The overall conduct of Respondent AARI constitutes negligence. This conduct
25 and violations are cause for the suspension or revocation of the real estate license and license
26 rights of said Respondent pursuant to the provisions of Code Section 10177(g).
27

FIFTH CAUSE OF ACCUSATION

(Failure to Supervise)

(SANTILLAN)

42.

There is hereby incorporated in this Fifth, separate Cause of Accusation, all of the allegations contained in Paragraphs 1 through 41, above, with the same force and effect as if herein fully set forth.

43.

The conduct, acts and/or omissions of Respondent SANTILLAN, in allowing Respondent AARI to violate the Real Estate Law, as set forth above, constitutes a failure by Respondent SANTILLAN, as the officer designated by the corporate broker licensee, to exercise the supervision and control over the activities of Respondent AARI, as required by Code Section 10159.2, and is cause to suspend or revoke the real estate licenses and license rights of Respondent SANTILLAN under Code Sections 10177(d), 10177(g) and/or 10177(h).

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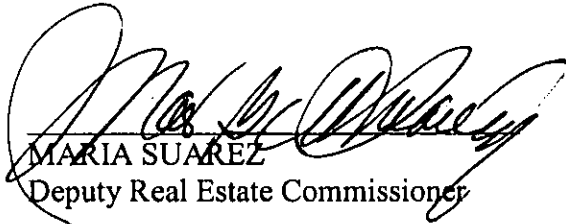
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1 WHEREFORE, Complainant prays that a hearing be conducted on the allegations
2 of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary
3 action against the license and license rights of Respondents AMERICA ASSOCIATES
4 REALTY, INC., RUBEN FLORES SANTILLAN, individually and as designated officer of
5 America Associates Realty, Inc., JUAN ROBERTO ROMERO ASCENCIO, and ALBERTO A.
6 ROMERO, under the Real Estate Law (Part 1 of Division 4 of the Business and Professions
7 Code) and for such other and further relief as may be proper under other applicable provisions of
8 law.

9 Dated at Los Angeles, California
10 this 5th day of January, 2011.

11
12
13 
14 MARIA SUAREZ
Deputy Real Estate Commissioner

15 cc: America Associates Realty, Inc.
16 Ruben Flores Santillan
17 Juan Roberto Romero Ascencio
18 Alberto A. Romero
19 OAH
20 Maria Suarez
21 Sacto
22 Audits – Chona T. Soriano
23 Maxima Realty, Inc.
24 Nu Vision Real Estate, Inc.
25 Marisol Ocampo, Esq.
26 Alexis Galindo, Esq.
27

1 LISSETE GARCIA, SBN 211522
2 Department of Real Estate
3 320 West 4th Street, Ste. 350
4 Los Angeles, California 90013-1105

5 Telephone: (213) 576-6914 (direct)
6 -or- (213) 576-6982 (office)

FILED
NOV - 5 2010
DEPARTMENT OF REAL ESTATE

By *[Signature]*

7
8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of

12 AMERICA ASSOCIATES REALTY, INC.,
13 RUBEN FLORES SANTILLAN, individually
14 and as designated officer of America Associates
15 Realty, Inc., JUAN ROBERTO ROMERO
16 ASCENCIO, and ALBERTO A. ROMERO,
Respondents.

) No. H-36774 LA

) FIRST AMENDED

) ACCUSATION

17 This First Amended Accusation amends the Accusation filed on August 25, 2010.

18 The Complainant, Maria Suarez, a Deputy Real Estate Commissioner of the State of California,
19 for cause of Accusation against AMERICA ASSOCIATES REALTY, INC., RUBEN FLORES
20 SANTILLAN, individually and as designated officer of America Associates Realty, Inc., JUAN
21 ROBERTO ROMERO ASCENCIO, and ALBERTO A. ROMERO, alleges as follows:

22 1.

23 The Complainant, Maria Suarez, acting in her official capacity as a Deputy Real
24 Estate Commissioner of the State of California, makes this First Amended Accusation against
25 AMERICA ASSOCIATES REALTY, INC., RUBEN FLORES SANTILLAN, individually and
26 as designated officer of America Associates Realty, Inc., JUAN ROBERTO ROMERO
27 ASCENCIO, and ALBERTO A. ROMERO (collectively "Respondents").

1 2.

2 All references to the "Code" are to the California Business and Professions Code
3 and all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

4 3.

5 From on December 31, 2008 through the present, Respondent AMERICA
6 ASSOCIATES REALTY, INC. ("AARI") has been licensed or has license rights issued by the
7 Department of Real Estate ("Department") as a real estate corporation. At all times relevant
8 herein, Respondent AARI was authorized to act by and through Respondent RUBEN FLORES
9 SANTILLAN as its broker designated pursuant to Code Section 10159.2 to be responsible for
10 ensuring compliance with the Real Estate Law.

11 4.

12 From April 15, 1991 through the present, Respondent RUBEN FLORES
13 SANTILLAN ("SANTILLAN") has been licensed or has license rights issued by the Department
14 as a real estate broker.

15 5.

16 From January 14, 2008 through the present, Respondent JUAN ROBERTO
17 ROMERO ASCENCIO, also known as Roberto Romero ("J. ROBERTO ROMERO") has been
18 licensed or has license rights issued by the Department of as a real estate salesperson.

19 6.

20 From September 23, 2005 through the present, Respondent ALBERTO A.
21 ROMERO ("ALBERTO ROMERO") has licensed or has license rights issued by the Department
22 as a real estate salesperson.

23 7.

24 AARI is a California corporation. Respondent J. ROBERTO ROMERO is a
25 corporate director, chief financial officer and agent for service of process for Respondent AARI.
26 Respondent J. ROBERTO ROMERO has owned or controlled more than 10% of Respondent
27 AARI's stock. Respondent ALBERTO ROMERO is a corporate director and chief executive

1 officer for Respondent AARI. Respondent ALBERTO ROMERO has owned or controlled more
2 than 10% of Respondent AARI's stock. Laura Guerrero is a corporate director for Respondent
3 AARI and has owned or controlled more than 10% of Respondent AARI's stock. Laura
4 Guerrero is not now and has never been licensed in any capacity by the Department. Respondent
5 SANTILLAN is the corporate secretary for Respondent AARI.

6 8.

7 All further references to "Respondents" include the parties listed in Paragraphs 3
8 through 7, above, as well as the officers, agents and employees of the parties listed in Paragraphs
9 3 through 7, above.

10 9.

11 At all times mentioned herein, in the city of Paramount, County of Los Angeles,
12 Respondents engaged in the business of a real estate broker conducting activities requiring a real
13 estate license within the meaning of Code Sections 10131(a), 10131(d), and 10131.2.
14 Respondents engaged in operating a residential resale, mortgage loan, advance fee and loan
15 modification service brokerage. For compensation or in expectation of compensation and for
16 fees often collected in advance, Respondents contacted lenders on behalf of distressed
17 homeowners seeking modification or forbearance of the terms of their home loans.

18 FIRST CAUSE OF ACCUSATION
19 (Advance Fee Violation)

20 10.

21 At no time mentioned herein was America Investors LLC licensed by the
22 Department as a real estate corporation or a fictitious business name of any Respondent.
23 America Investors LLC is a California corporation. Respondent J. ROBERTO ROMERO is a
24 managing member of America Investors LLC.

25 11.

26 At all times mentioned herein, in the State of California, Respondents engaged in
27 the business of claiming, demanding, charging receiving, collecting or contracting for the
collection of advance fees, within the meaning of Code Section 10026 including, but not limited

1 to, the following loan activities with respect to loans which were secured by liens on real
2 property:

3 a. In or around February, 2008, Maria Najera paid an advance fee of \$2,500 to
4 Respondents pursuant to the provisions of an agreement pertaining to loan solicitation,
5 negotiation, and modification services to be provided by Respondents with respect to a loan
6 secured by real property located in the city of Paramount, California. Respondents failed to
7 perform the services promised or obtain a modification of Maria Najera's mortgage loan. Maria
8 Najera requested a refund of her advance fee from Respondents which Respondents refused.

9 b. On or about June 20, 2008, Martin Granados paid an advance fee of \$2,500 to
10 Respondents who were doing business as "America Investors LLC." The advance fee was
11 collected pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation,
12 and modification services to be provided by Respondents with respect to a loan secured by real
13 property located in the city of Ventura, California.

14 c. On or about October 28, 2008, Primitivo and Juana Delgado paid an advance
15 fee of \$2,500 to Respondents who were doing business as "Associates United, Inc." The
16 advance fee was collected pursuant to the provisions of an agreement pertaining to loan
17 solicitation, negotiation, and modification services to be provided by Respondents with respect to
18 a loan secured by real property located in the city of La Puente, California.

19 d. On or about November 1, 2008, Jose De La Paz paid an advance fee of \$2,500
20 to Respondents who were using the name "America Investors LLC." The advance fee was
21 collected pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation,
22 and modification services to be provided by Respondents with respect to a loan secured by real
23 property located in the city of Bell Gardens, California.

24 e. At all times mentioned herein, America Investors LLC operated out of the
25 same main office address as Respondent AARI at 15718 Paramount Blvd., Paramount,
26 California 90723. America Investors LLC solicited loan negotiation and modification services
27

1 on the website URL address: <http://www.americaloanmodification.com>. Respondent J.
2 ROBERTO ROMERO represented himself as the office manager of America Investors LLC.

3 12.

4 Respondents charged and collected the advance fees described in Paragraph 11,
5 above, for soliciting borrowers or lenders or negotiating loans secured by real property, which
6 constitute an advance fee within the meaning of Code Section 10026.

7 13.

8 Respondents failed to submit a written agreement or any written solicitation for
9 loan negotiation and modification services described in Paragraph 11, above, to the
10 Commissioner ten days before using it, in violation of Code Section 10085 and Regulation 2970.

11 14.

12 The conduct, acts and/or omissions of Respondents, as set forth above, are cause
13 for the suspension or revocation of the licenses and license rights of Respondents pursuant to
14 Code Sections 10085, 10177(d) and/or 10177(g).

15 SECOND CAUSE OF ACCUSATION
16 (Unlicensed Activity and
17 (Use of Unauthorized Fictitious Business Name)

18 15.

19 There is hereby incorporated in this Second, separate Cause of Accusation, all of
20 the allegations contained in Paragraphs 1 through 14, above; with the same force and effect as if
21 herein fully set forth.

22 16.

23 The activities described in Paragraph 11, supra, require a real estate license under
24 Code Sections 10131(d) and 10131.2. Use of a fictitious business name for activities requiring
25 the issuance of a real estate license requires the filing of an application for the use of such name
26 with the Department in accordance with the provisions of Code Section 10159.5.

27 ///

///

1. 17.

2 Respondents acted without Department authorization in using the fictitious
3 business name "America Investors LLC" to engage in activities requiring the issuance of a real
4 estate license.

5 18.

6 The conduct, acts and/or omissions of Respondents, as set forth in Paragraphs 16
7 and 17 above, violate Code Section 10159.5 and Regulation 2731, and are cause for the
8 suspension or revocation of the licenses and license rights of Respondents AARI and
9 SANTILLIAN pursuant to Code Sections 10177(d) and /or 10177(g).

10 THIRD CAUSE OF ACCUSATION
11 (Unlawful Employment/Fraud/Dishonest Dealing)

12 19.

13 There is hereby incorporated in this Third, separate Cause of Accusation, all of
14 the allegations contained in Paragraphs 1 through 18, above, with the same force and effect as if
15 herein fully set forth.

16 20.

17 On or about February 10, 2009, Respondent AARI submitted an advance fee
18 agreement and accounting format to the Department for approval. On March 3, 2009, the
19 Department issued a "no objection" letter of approval of the advance fee agreement and
20 accounting format submitted by Respondent AARI. Said advance fee agreement included a
21 provision that if the principal cancelled the agreement before the agreed completion date or
22 before the agreed upon services are completed, all unearned advance fees would be refunded to
23 the principal within 5 business days.

24 21.

25 On or about March 6, 2009, Maria Edith Vazquez-Acevedo paid an advance fee
26 of \$2,500 to Respondent AARI. The advance fee was collected pursuant to the provisions of an
27 agreement pertaining to loan solicitation, negotiation, and modification services to be provided
by Respondent AARI with respect to a loan secured by the real property located in the city of

1 Orange, California. Maria Edith Vazquez-Acevedo received solicitation from and initially dealt
2 exclusively with Carlos Landaveri who was handling her loan modification transaction on behalf
3 of Respondent AARI. Carlos Landaveri has never been licensed in any capacity by the
4 Department. After several months of not receiving any status or results from AARI, Maria Edith
5 Vazquez-Acevedo was informed that Carlos Landaveri was no longer employed by Respondent
6 AARI. Maria Edith Vazquez-Acevedo cancelled her agreement with Respondent AARI and
7 demanded a refund of her advance fee which Respondent AARI refused. On November 5, 2009,
8 the Department received a complaint against Respondent AARI from consumer-borrower Maria
9 Edith Vazquez-Acevedo regarding AARI's mishandling and failure to perform loan negotiation
10 and modification services as promised and Respondents' refusal to refund all or part of her
11 advance fee.

12 22.

13 On or about May 18, 2009, Antonio Villanueva paid an advance fee of \$2,500 to
14 Respondent AARI. The advance fee was collected pursuant to the provisions of an agreement
15 pertaining to loan solicitation, negotiation, and modification services to be provided by
16 Respondent AARI with respect to a loan secured by the real property located in the city of Bell
17 Gardens, California. On November 18, 2009, the Department received a complaint against
18 Respondent AARI from consumer-borrower Antonio Villanueva regarding AARI's mishandling
19 and failure to perform loan negotiation and modification services as promised and Respondents'
20 refusal to refund all or part of his advance fee.

21 23.

22 On or about April 3, 2009, Respondents charged Manuel Samano an advance fee
23 of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation,
24 and modification services to be provided by Respondent AARI with respect to a loan secured by
25 the real property located in the city of Compton, California. Manuel Samano cancelled his
26 agreement with Respondent AARI and demanded a refund of his advance fee which Respondent
27 AARI refused. On December 28, 2009, the Department received a complaint against
Respondent AARI from consumer-borrower Manuel Samano regarding AARI's mishandling and

1 failure to perform loan negotiation and modification services as promised and Respondents'
2 refusal to refund all or part of his advance fee.

3 24.

4 On or about May 29, 2009, Respondents charged Ignacio Venegas an advance fee
5 of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation,
6 and modification services to be provided by Respondent AARI with respect to a loan secured by
7 the real property located in the city of Hawthorne, California. Ignacio Venegas cancelled his
8 agreement with Respondent AARI and demanded a refund of his advance fee which Respondent
9 AARI refused. On July 8, 2010, the Department received a complaint against Respondent AARI
10 from consumer-borrower Ignacio Venegas regarding AARI's mishandling and failure to perform
11 loan negotiation and modification services as promised and Respondents' refusal to refund all or
12 part of his advance fee.

13 25.

14 On or about June 2, 2009, and July 16, 2009, Respondents charged Gerardo
15 Pedroza advance fees totaling \$5,000 pursuant to the provisions of agreements pertaining to loan
16 solicitation, negotiation, and modification services to be provided by Respondent AARI with
17 respect to loans secured by real properties located in the city of La Puente, California. Gerardo
18 Pedroza cancelled his agreements with Respondent AARI and demanded a refund of his advance
19 fees which Respondent AARI refused all or part of said refund. On July 26, 2010, the
20 Department received a complaint against Respondent AARI from consumer-borrower Gerardo
21 Pedroza regarding AARI's mishandling and failure to perform loan negotiation and modification
22 services as promised and Respondents' refusal to refund all or part of his advance fee.

23 26.

24 On or about June 4, 2009, Respondents charged Nuria Perdomo an advance fee of
25 \$2,700 pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation, and
26 modification services to be provided by Respondent AARI with respect to a loan secured by the
27 real property located in the city of South Gate, California. Nuria Perdomo cancelled her

1 agreement with Respondent AARI and demanded a refund of her advance fee which Respondent
2 AARI refused. On July 6, 2010, the Department received a complaint against Respondent AARI
3 from consumer-borrower Nuria Perdomo regarding AARI's mishandling and failure to perform
4 loan negotiation and modification services as promised and Respondents' refusal to refund all or
5 part of her advance fee.

6 27.

7 On or about June 17, 2009, Respondents charged Juan Miranda Martinez an
8 advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation,
9 negotiation, and modification services to be provided by Respondent AARI with respect to a
10 loan secured by real property located in the city of Lynwood, California. Juan Miranda Martinez
11 initially dealt with Milagros Mundo who solicited Respondents' loan modification services to
12 Juan Miranda Martinez. Milagros Mundo has never been licensed in any capacity by the
13 Department. Juan Miranda Martinez cancelled his agreements with Respondent AARI and
14 demanded a refund of his advance fees which Respondent AARI refused all or part of said
15 refund. On or about July 26, 2010, the Department received a complaint against Respondent
16 AARI from consumer-borrower Gerardo Pedroza regarding AARI's mishandling and failure to
17 perform loan negotiation and modification services as promised and Respondents' refusal to
18 refund all or part of his advance fee.

19 28.

20 On or about July 6, 2009, Respondents charged Domingo Venegas Ramirez, an
21 advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation,
22 negotiation, and modification services to be provided by Respondent AARI with respect to a
23 loan secured by the real property located in the city of Long Beach, California. Domingo
24 Venegas Ramirez cancelled his agreement with Respondent AARI and demanded a refund of his
25 advance fee which Respondent AARI refused all or a part of said refund. On or about December
26 17, 2009, the Department received a complaint against Respondent AARI from consumer-
27 borrower Domingo Venegas Ramirez regarding AARI's mishandling and failure to perform loan

1 negotiation and modification services as promised and Respondents' refusal to refund all or part
2 of his advance fee.

3 29.

4 On or about July 9, 2009, Respondents charged Mario Anorve an advance fee of
5 \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation, and
6 modification services to be provided by Respondent AARI with respect to a loan secured by the
7 real property located in the city of Fontana, California. Mario Anorve initially dealt with
8 Milagros Mundo who solicited Respondents' loan modification services to Mario Anorve.
9 Milagros Mundo has never been licensed in any capacity by the Department. Mario Anorve
10 cancelled his agreement with Respondent AARI and demanded a refund of his advance fee
11 which Respondent AARI refused all or a part of said refund. On or about March 16, 2010, the
12 Department received a complaint against Respondent AARI from consumer-borrower Mario
13 Anorve regarding AARI's mishandling and failure to perform loan negotiation and modification
14 services as promised and Respondents' refusal to refund all or part of his advance fee.

15 30.

16 On or about July 10, 2009, Respondents charged Ramon Hernandez an advance
17 fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation,
18 negotiation, and modification services to be provided by Respondent AARI with respect to a
19 loan secured by the real property located in the city of Bakersfield, California. Ramon
20 Hernandez cancelled his agreement with Respondent AARI and demanded a refund of his
21 advance fee which Respondent AARI refused. On or about February 25, 2010, the Department
22 received a complaint against Respondent AARI from consumer-borrower Ramon Hernandez
23 regarding AARI's mishandling and failure to perform loan negotiation and modification services
24 as promised and Respondents' refusal to refund all or part of his advance fee.

25 31.

26 On or about July 29, 2009, Respondents charged Francisco Jimenez an advance
27 fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation,

1 negotiation, and modification services to be provided by Respondent AARI with respect to a
2 loan secured by the real property located in the city of South Gate, California. Francisco
3 Jimenez cancelled his agreement with Respondent AARI and demanded a refund of his advance
4 fee which Respondent AARI refused all or a part of said refund. On or about January 5, 2010,
5 the Department received a complaint against Respondent AARI from consumer-borrower
6 Francisco Jimenez regarding AARI's mishandling and failure to perform loan negotiation and
7 modification services as promised and Respondents' refusal to refund all or part of his advance
8 fee.

9 32.

10 On or about August 22, 2009, Respondents charged Jose Alejandro Mendez an
11 advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation,
12 negotiation, and modification services to be provided by Respondent AARI with respect to a
13 loan secured by the real property located in the city of Long Beach, California. Jose Alejandro
14 Mendez cancelled his agreement with Respondent AARI and demanded a refund of his advance
15 fee which Respondent AARI refused all or a part of said refund. On July 12, 2010, the
16 Department received a complaint against Respondent AARI from consumer-borrower Jose
17 Alejandro Mendez regarding AARI's mishandling and failure to perform loan negotiation and
18 modification services as promised and Respondents' refusal to refund all or part of his advance
19 fee.

20 33.

21 On or about September 25, 2009, Respondents charged Antonio Ramirez, an
22 advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation,
23 negotiation, and modification services to be provided by Respondent AARI with respect to a
24 loan secured by the real property located in the city of San Bernardino, California. Antonio
25 Ramirez cancelled his agreement with Respondent AARI and demanded a refund of his advance
26 fee which Respondent AARI refused all or a part of said refund. On December 31, 2009, the
27 Department received a complaint against Respondent AARI from consumer-borrower Antonio

1 Ramirez regarding AARI's mishandling and failure to perform loan negotiation and modification
2 services as promised and Respondents' refusal to refund all or part of his advance fee.

3 34.

4 From in or around October 2009 through April 23, 2010, Respondents employed
5 or compensated Maria Isabel Arguello to solicit and offer to perform loan negotiation and
6 modification services and short sales for borrowers including, but not limited to, Juan Garcia and
7 Jose Hernandez. Maria Isabel Arguello has never been licensed in any capacity by the
8 Department.

9 35.

10 The conduct, acts and/or omissions of Respondents as set forth above, in
11 employing or compensating unlicensed persons including, but not limited to, Carlos Landaveri,
12 Milagros Mundo and Maria Isabel Arguello to perform activities requiring a real estate license is
13 a violation of Code Section 10137 and constitutes grounds to discipline the licenses and/or
14 license rights of Respondents pursuant to Code Sections 10137, 10177(d), 10177(g) and/or
15 10177(j).

16 36.

17 The conduct, acts and/or omissions of Respondents as set forth in Paragraphs 21
18 through 34, above, of making false and/or misleading representations in order to induce
19 borrowers to enter into a loan modification or refinance agreement with AARI, and in otherwise
20 engaging in fraudulent and dishonest dealing, constitutes cause for the suspension or revocation
21 of the licenses and license rights of Respondent AARI pursuant to Code Sections 10176(a),
22 10176(b), 10176(i), and/or 10177(j).

23 FOURTH CAUSE OF ACCUSATION
24 (Audit)

25 37.

26 There is hereby incorporated in this Fourth, separate Cause of Accusation, all of
27 the allegations contained in Paragraphs 1 through 36, above, with the same force and effect as if
herein fully set forth.

1 38.

2 On January 13, 2010, the Department completed an audit examination of the
3 books and records of Respondent AARI pertaining to the mortgage loan, advance fee and loan
4 negotiation and modification service activities described in Paragraph 9, which require a real
5 estate license. The audit examination covered a period of time beginning on October 6, 2008 to
6 August 31, 2009. The audit examination revealed violations of the Code and the Regulations as
7 set forth in the following paragraphs, and more fully discussed in Audit Report LA 090010 and
8 the exhibits and work papers attached to said Audit Report.

9 39.

10 Violations

11 In the course of activities described in Paragraph 26, above, and during the
12 examination period described in Paragraph 38, Respondents AARI and SANTILLAN, acted in
13 violation of the Code and the Regulations as follows:

14 (a) From October 6, 2008, through August 31, 2009, Respondent AARI
15 maintained three (3) general Bank of America bank accounts (herein referred to as
16 BA1 #04024-75752, BA2 #153493852070 and BA3 #04027-16337)¹ for handling of the receipt,
17 and disbursement of advance fees collected. Respondents AARI and SANTILLAN failed to
18 obtain written consent of every beneficiary prior to every disbursement that resulted in a shortage
19 of account funds, in violation of Code Section 10145 and Regulation 2832.1.

20 (b) From January 15, 2009, through March 3, 2009, Respondent AARI collected
21 advance fees within the meaning of Code Section 10026 from homeowners seeking loan
22 modification services wherein AARI failed to provide homeowner-borrowers, a pre-approved
23 advance fee agreement from the Department in the form of a no objection letter, in violation of
24 Code Section 10085 and Regulation 2970.

25 (c) Failed to furnish a verified copy of accounting content which includes
26

27 ¹ BA1 had a shortage of \$41,818.87, BA2 had a shortage of \$95,900.01, and BA3 had a shortage of \$125,113.72.

1 identification of the trust fund account into which the advance fee has been deposited,
2 description of services rendered, the amount allocated or disbursed from the advance fee at the
3 end of each calendar quarter and when the contract has been completely performed by the
4 licensee, in violation of 10146 and Regulation 2972.

5 (d) Failed to establish and/or maintain a trust account at a bank or other
6 recognized financial institution in the name of the broker for deposit of advance fees collected by
7 AARI totaling \$1,193,407.69, thereby depositing trust funds in AARI's general accounts BA2
8 and BA3 and thus commingling trust funds with AARI's funds, in violation of Code Sections
9 10145, 10146, 10176(c) and Regulations 2832 and 2835.

10 (c) Respondent AARI used advance fees deposited into AARI's general accounts
11 BA1, BA2 and BA3 to pay for AARI's operating expenses and payrolls prior to completion of
12 loan negotiation and modification services; therefore, reducing the balances of AARI's general
13 accounts to an amount less than the amount of advance fees deposited, in violation of Code
14 Sections 10145, 10176(i) and 10177(j).

15 (f) Failed to maintain a complete and accurate columnar record for each general
16 account, thereby failing to reflect dates of receipts, amounts of deposit, accurate disbursements
17 related to loan negotiation and modification activity, and a running daily balance, in violation of
18 Code Section 10145 and Regulation 2831.

19 (g) Failed to maintain a separate record for each beneficiary or transaction,
20 thereby failing to account for all advance fees collected, dates of receipts, amounts of deposit,
21 accurate disbursements related to loan negotiation and modification activity, and a running daily
22 balance, in violation of Code Section 10145 and Regulation 2831.1.

23 (h) Failed to maintain a written monthly reconciliation of the receipts and
24 disbursements record and the total balance of separate beneficiary records for bank account used
25 to handle advance fees, in violation of Code Section 10145 and Regulation 2831.2.

26 (i) Respondent AARI conducted mortgage loan activities by using fictitious
27 business names "America Associates," "America Associates, LLC," "America Associates

1 Realty," "America Associates, Inc.," and "Associates United, Inc.," without first obtaining a
2 license from the Department bearing such fictitious business names, in violation of Code Section
3 10159.5 and Regulation 2731.

4 (j) After being given reasonable notice, Respondent AARI failed to retain records
5 in connection with its mortgage loan activities requested by the Department, in violation of Code
6 Section 10148.

7 Disciplinary Statutes

8 40.

9 The conduct of Respondent AARI described in Paragraph 39, above, violated the
10 Code and the Regulations as set forth below:

11 PARAGRAPH	PROVISIONS VIOLATED
12 39(a)	Code Section 10145 and Regulation 2832.1
13 39(b)	Code Section 10085 and Regulation 2970
14 39(c)	Code Section 10146 and Regulation 2972
15 39(d)	Code Sections 10145, 10146, 10176(c) and 16 Regulations 2832 and 2835
17 39(e)	Code Sections 10145, 10176(i) and 10177(j)
18 39(f)	Code Section 10145 and Regulation 2831
19 39(g)	Code Section 10145 and Regulation 2831.1
20 39(h)	Code Section 10145 and Regulation 2831.2
21 39(i)	Code Section 10159.5 and Regulation 2731
22 39(j)	Code Section 10148

23
24
25 The foregoing violations constitute cause for the suspension or revocation of the
26 real estate license and license rights of Respondent AARI, as aforesaid, under the provisions of
27 Code Sections 10176(c) for commingling, 10177(d) for violation of the Real Estate Law and/or

1 10177(g) for negligence.

2 41.

3 The overall conduct of Respondent AARI constitutes negligence. This conduct
4 and violations are cause for the suspension or revocation of the real estate license and license
5 rights of said Respondent pursuant to the provisions of Code Section 10177(g).

6 FIFTH CAUSE OF ACCUSATION
7 (Failure to Supervise)
8 (SANTILLAN)

9 42.

10 There is hereby incorporated in this Fifth, separate Cause of Accusation, all of the
11 allegations contained in Paragraphs 1 through 41, above, with the same force and effect as if
12 herein fully set forth.

13 43.

14 The conduct, acts and/or omissions of Respondent SANTILLAN, in allowing
15 Respondent AARI to violate the Real Estate Law, as set forth above, constitutes a failure by
16 Respondent SANTILLAN, as the officer designated by the corporate broker licensee, to exercise
17 the supervision and control over the activities of Respondent AARI, as required by Code Section
18 10159.2, and is cause to suspend or revoke the real estate licenses and license rights of
19 Respondent SANTILLAN under Code Sections 10177(d), 10177(g) and/or 10177(h).

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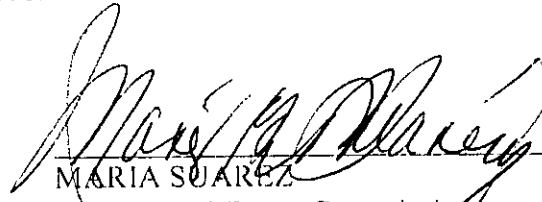
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1 WHEREFORE, Complainant prays that a hearing be conducted on the allegations
2 of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary
3 action against the license and license rights of Respondents AMERICA ASSOCIATES
4 REALTY, INC., RUBEN FLORES SANTILLAN, individually and as designated officer of
5 America Associates Realty, Inc., JUAN ROBERTO ROMERO ASCENCIO, and ALBERTO A.
6 ROMERO, under the Real Estate Law (Part 1 of Division 4 of the Business and Professions
7 Code) and for such other and further relief as may be proper under other applicable provisions of
8 law.

9 Dated at Los Angeles, California

10 this 4th day of November, 2010.

11
12
13 
14 MARIA SUAREZ
15 Deputy Real Estate Commissioner
16
17
18
19

20 cc: America Associates Realty, Inc.
21 Ruben Flores Santillan
22 Juan Roberto Romero Ascencio
23 Alberto A. Romero
24 OAH
25 Maria Suarez
26 Sacto
27 Audits – Chona T. Soriano
Maxima Realty, Inc.
Nu Vision Real Estate, Inc.

1 LISSETE GARCIA, SBN 211522
2 Department of Real Estate
3 320 West 4th Street, Ste. 350
4 Los Angeles, California 90013-1105

5 Telephone: (213) 576-6914 (direct)
6 -or- (213) 576-6982 (office)

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FILED
AUG 25 2010
DEPARTMENT OF REAL ESTATE

By C

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

In the Matter of the Accusation of

AMERICA ASSOCIATES REALTY, INC.,
RUBEN FLORES SANTILLAN, individually
and as designated officer of America Associates
Realty, Inc., JUAN ROBERTO ROMERO
ASCENCIO, and ALBERTO A. ROMERO,

Respondents.

No. H-36774 LA

ACCUSATION

The Complainant, Maria Suarez, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against AMERICA ASSOCIATES REALTY, INC., RUBEN FLORES SANTILLAN, individually and as designated officer of America Associates Realty, Inc., JUAN ROBERTO ROMERO ASCENCIO, and ALBERTO A. ROMERO, alleges as follows:

1.

The Complainant, Maria Suarez, acting in her official capacity as a Deputy Real Estate Commissioner of the State of California, makes this Accusation against AMERICA ASSOCIATES REALTY, INC., RUBEN FLORES SANTILLAN, individually and as designated officer of America Associates Realty, Inc., JUAN ROBERTO ROMERO ASCENCIO, and ALBERTO A. ROMERO (collectively "Respondents").

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2.

All references to the "Code" are to the California Business and Professions Code and all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

3.

At all times mentioned herein, Respondent AMERICA ASSOCIATES REALTY, INC. ("AARI") was licensed or had license rights issued by the Department of Real Estate ("Department") as a real estate corporation. Respondent AARI was originally licensed as a real estate corporation on December 31, 2008. At all times relevant herein, Respondent AARI was authorized to act by and through Respondent RUBEN FLORES SANTILLAN as its broker designated pursuant to Code Section 10159.2 to be responsible for ensuring compliance with the Real Estate Law.

4.

At all times mentioned herein, Respondent RUBEN FLORES SANTILLAN ("SANTILLAN") was licensed or had license rights issued by the Department as a real estate broker. Respondent SANTILLAN was originally licensed as a real estate broker on April 15, 1991.

5.

At all times mentioned herein, Respondent JUAN ROBERTO ROMERO ASCENCIO, also known as Roberto Romero ("J. ROBERTO ROMERO") was licensed or had license rights issued by the Department of as a real estate salesperson. Respondent J. ROBERTO ROMERO was originally licensed as a real estate salesperson on January 14, 2008.

6.

At all times mentioned herein, Respondent ALBERTO A. ROMERO ("ALBERTO ROMERO") was licensed or had license rights issued by the Department as a real estate salesperson. Respondent ALBERTO ROMERO was originally licensed as a real estate salesperson on September 23, 2005.

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7.

At all times mentioned herein, AARI is and was a California corporation. Respondent J. ROBERTO ROMERO is a corporate director, chief financial officer and agent for service of process for Respondent AARI. Respondent J. ROBERTO ROMERO has owned or controlled more than 10% of Respondent AARI's stock. Respondent ALBERTO ROMERO is a corporate director and chief executive officer for Respondent AARI. Respondent ALBERTO ROMERO has owned or controlled more than 10% of Respondent AARI's stock. Laura Guerrero is a corporate director for Respondent AARI and has owned or controlled more than 10% of Respondent AARI's stock. Laura Guerrero is not now and has never been licensed in any capacity by the Department. Respondent SANTILLAN is the corporate secretary for Respondent AARI.

8.

All further references to "Respondents" include the parties listed in Paragraphs 3 through 7, above, as well as the officers, agents and employees of the parties listed in Paragraphs 3 through 7, above.

9.

At all times mentioned herein, in the city of Paramount, County of Los Angeles, Respondents engaged in the business of a real estate broker conducting activities requiring a real estate license within the meaning of Code Sections 10131(a), 10131(d), and 10131.2. Respondents engaged in operating a residential resale, mortgage loan, advance fee and loan modification service brokerage. For compensation or in expectation of compensation and for fees often collected in advance, Respondents contacted lenders on behalf of distressed homeowners seeking modification or forbearance of the terms of their home loans.

FIRST CAUSE OF ACCUSATION
(Advance Fee Violation)

10.

At no time mentioned herein was America Investors LLC licensed by the

1 Department as a real estate corporation or a fictitious business name of any Respondent.
2 America Investors LLC is a California corporation. Respondent J. ROBERTO ROMERO is a
3 managing member of America Investors LLC.

4 11.

5 At all times mentioned herein, in the State of California, Respondents engaged in
6 the business of claiming, demanding, charging receiving, collecting or contracting for the
7 collection of advance fees, within the meaning of Code Section 10026 including, but not limited
8 to, the following loan activities with respect to loans which were secured by liens on real
9 property:

10 a. On or about June 20, 2008, Martin G.M. paid an advance fee of \$2,500 to
11 Respondents, who were doing business as "America Investors LLC." The advance fee was
12 collected pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation,
13 and modification services to be provided by Respondents with respect to a loan secured by the
14 real property located in the city of Ventura, California.

15 b. On or about October 28, 2008, Juana D. paid an advance fee of \$2,500 to
16 Respondents who were doing business as "Associates United, Inc." The advance fee was
17 collected pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation,
18 and modification services to be provided by Respondents with respect to a loan secured by real
19 property located in the city of La Puente, California.

20 c. On or about November 1, 2008, Jose P. paid an advance fee of \$2,500 to
21 Respondents, who were using the name "America Investors LLC." The advance fee was
22 collected pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation,
23 and modification services to be provided by Respondents with respect to a loan secured by the
24 real property located in the city of Bell Gardens, California.

25 d. At all times mentioned herein, America Investors LLC operated out of the
26 same main office address as Respondent AARI at 15718 Paramount Blvd., Paramount,
27 California 90723. America Investors LLC solicited loan negotiation and modification services

1 on the website URL address: <http://www.americaloanmodification.com>. Respondent J.

2 ROBERTO ROMERO represented himself as the office manager of America Investors LLC.

3 12.

4 Respondents charged and collected the advance fees described in Paragraph 11,
5 above, for soliciting borrowers or lenders or negotiating loans secured by real property, which
6 constitute an advance fee within the meaning of Code Section 10026.

7 13.

8 Respondents failed to submit a written agreement or any written solicitation for
9 loan negotiation and modification services described in Paragraph 11, above, to the
10 Commissioner ten days before using it, in violation of Code Section 10085 and Regulation 2970.

11 14.

12 The conduct, acts and/or omissions of Respondents, as set forth above, are cause
13 for the suspension or revocation of the licenses and license rights of Respondents pursuant to
14 Code Sections 10085, 10177(d) and/or 10177(g).

15 SECOND CAUSE OF ACCUSATION
16 (Unlicensed Activity and
17 (Use of Unauthorized Fictitious Business Name)

18 15.

19 There is hereby incorporated in this Second, separate Cause of Accusation, all of
20 the allegations contained in Paragraphs 1 through 14, above, with the same force and effect as if
21 herein fully set forth.

22 16.

23 The activities described in Paragraph 11, supra, require a real estate license under
24 Code Sections 10131(d) and 10131.2. Use of a fictitious business name for activities requiring
25 the issuance of a real estate license requires the filing of an application for the use of such name
26 with the Department in accordance with the provisions of Code Section 10159.5.

27 ///

1 17.

2 Respondents acted without Department authorization in using the fictitious
3 business name "America Investors LLC" to engage in activities requiring the issuance of a real
4 estate license.

5 18.

6 The conduct, acts and/or omissions of Respondents AARI and SANTILLIAN, as
7 set forth in Paragraphs 16 and 17 above, violate Code Section 10159.5 and Regulation 2731, and
8 are cause for the suspension or revocation of the licenses and license rights of Respondents
9 AARI and SANTILLIAN pursuant to Code Sections 10177(d) and /or 10177(g).

10 THIRD CAUSE OF ACCUSATION
11 (Unlawful Employment/Fraud/Dishonest Dealing)

12 19.

13 There is hereby incorporated in this Third, separate Cause of Accusation, all of
14 the allegations contained in Paragraphs 1 through 18, above, with the same force and effect as if
15 herein fully set forth.

16 20.

17 On or about February 10, 2009, Respondent AARI submitted an advance fee
18 agreement and accounting format to the Department for approval. On March 3, 2009, the
19 Department issued a "no objection" letter of approval of the advance fee agreement and
20 accounting format submitted by Respondent AARI. Said advance fee agreement included a
21 provision that if the principal cancelled the agreement before the agreed completion date or
22 before the agreed upon services are completed, all unearned advance fees would be refunded to
the principal within 5 business days.

23 21.

24 On or about November 5, 2009, the Department received a complaint against
25 Respondent AARI from consumer-borrower Maria V.A. regarding AARI's mishandling and
26 failure to perform loan negotiation and modification services as promised. On or about March 6,
27 2009, Maria V.A. paid an advance fee of \$2,500 to Respondent AARI. The advance fee was

1 collected pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation,
2 and modification services to be provided by Respondent AARI with respect to a loan secured by
3 the real property located in the city of Orange, California. Maria V.A. initially dealt exclusively
4 with Carlos Landaveri who was handling her loan modification transaction on behalf of
5 Respondent AARI. Carlos Landaveri, has never been licensed in any capacity by the
6 Department. After several months of not receiving any status or results from AARI, Maria V.A.
7 was informed that Carlos Landaveri was no longer employed by Respondent AARI. Maria V.A.
8 cancelled her agreement with Respondent AARI and demanded a refund of her advance fee
9 which Respondent AARI refused.

10 22.

11 On or about November 18, 2009, the Department received a complaint against
12 Respondent AARI from consumer-borrower Antonio V. regarding AARI's mishandling and
13 failure to perform loan negotiation and modification services as promised. On or about May 18,
14 2009, Antonio V. paid an advance fee of \$2,500 to Respondent AARI. The advance fee was
15 collected pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation,
16 and modification services to be provided by Respondent AARI with respect to a loan secured by
17 the real property located in the city of Bell Gardens, California.

18 23.

19 On or about December 28, 2009, the Department received a complaint against
20 Respondent AARI from consumer-borrower Manuel S. regarding AARI's mishandling and
21 failure to perform loan negotiation and modification services as promised. On or about April 3,
22 2009, Respondents charged Manuel S. an advance fee of \$2,500 pursuant to the provisions of an
23 agreement pertaining to loan solicitation, negotiation, and modification services to be provided
24 by Respondent AARI with respect to a loan secured by the real property located in the city of
25 Compton, California. Manuel S. cancelled his agreement with Respondent AARI and demanded
26 a refund of his advance fee which Respondent AARI refused.

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24.

On or about February 25, 2010, the Department received a complaint against Respondent AARI from consumer-borrower Ramon H. regarding AARI's mishandling and failure to perform loan negotiation and modification services as promised. On or about July 10, 2009, Respondents charged Ramon H. an advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation, and modification services to be provided by Respondent AARI with respect to a loan secured by the real property located in the city of Bakersfield, California. Ramon H. cancelled his agreement with Respondent AARI and demanded a refund of his advance fee which Respondent AARI refused.

25.

On or about December 17, 2009, the Department received a complaint against Respondent AARI from consumer-borrower Domingo R. regarding AARI's mishandling and failure to perform loan negotiation and modification services as promised. On or about July 6, 2009, Respondents charged Domingo R. an advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation, and modification services to be provided by Respondent AARI with respect to a loan secured by the real property located in the city of Long Beach, California. Domingo R. cancelled his agreement with Respondent AARI and demanded a refund of his advance fee which Respondent AARI refused all or a part of said refund.

26.

On or about March 16, 2010, the Department received a complaint against Respondent AARI from consumer-borrower Mario A. regarding AARI's mishandling and failure to perform loan negotiation and modification services as promised. On or about July 9, 2009, Respondents charged Mario A. an advance fee of \$2,500 pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation, and modification services to be provided by Respondent AARI with respect to a loan secured by the real property located in the city of

1 Fontana, California. Mario A. cancelled his agreement with Respondent AARI and demanded a
2 refund of his advance fee which Respondent AARI refused all or a part of said refund.

3 27.

4 On or about January 5, 2010, the Department received a complaint against
5 Respondent AARI from consumer-borrower Francisco J. regarding AARI's mishandling and
6 failure to perform loan negotiation and modification services as promised. On or about July 29,
7 2009, Respondents charged Francisco J. an advance fee of \$2,500 pursuant to the provisions of
8 an agreement pertaining to loan solicitation, negotiation, and modification services to be
9 provided by Respondent AARI with respect to a loan secured by the real property located in the
10 city of South Gate, California. Francisco J. cancelled his agreement with Respondent AARI and
11 demanded a refund of his advance fee which Respondent AARI refused all or a part of said
12 refund.

13 28.

14 On or about December 31, 2009, the Department received a complaint against
15 Respondent AARI from consumer-borrower Ricardo A. R. regarding AARI's mishandling and
16 failure to perform loan negotiation and modification services as promised. On or about
17 September 25, 2009, Respondents charged Ricardo A. R. an advance fee of \$2,500 pursuant to
18 the provisions of an agreement pertaining to loan solicitation, negotiation, and modification
19 services to be provided by Respondent AARI with respect to a loan secured by the real property
20 located in the city of San Bernardino, California. Ricardo A. R. cancelled his agreement with
21 Respondent AARI and demanded a refund of his advance fee which Respondent AARI refused
22 all or a part of said refund.

23 29.

24 The conduct, acts and/or omissions of Respondents, as set forth in Paragraph 21,
25 above, in employing or compensating unlicensed persons including, but not limited to, Carlos
26 Landaveri, to perform activities requiring a real estate license is a violation of Code Section
27 10137 and constitutes grounds to discipline the licenses and/or license rights of Respondent
AARI pursuant to Code Sections 10137, 10177(d), 10177(g) and/or 10177(j).

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The conduct, acts and/or omissions of Respondents as set forth in Paragraphs 21 through 28, above, of making false and/or misleading representations in order to induce borrowers to enter into a loan modification or refinance agreement with AARI, and in otherwise engaging in fraudulent and dishonest dealing, constitutes cause for the suspension or revocation of the licenses and license rights of Respondent AARI pursuant to Code Sections 10176(a), 10176(b), 10176(i), and/or 10177(j).

FOURTH CAUSE OF ACCUSATION
(Audit)

31.

There is hereby incorporated in this Fourth, separate Cause of Accusation, all of the allegations contained in Paragraphs 1 through 30, above, with the same force and effect as if herein fully set forth.

32.

On January 13, 2010, the Department completed an audit examination of the books and records of Respondent AARI pertaining to the mortgage loan, advance fee and loan negotiation and modification service activities described in Paragraph 9, which require a real estate license. The audit examination covered a period of time beginning on October 6, 2008 to August 31, 2009. The audit examination revealed violations of the Code and the Regulations as set forth in the following paragraphs, and more fully discussed in Audit Report LA 090010 and the exhibits and work papers attached to said Audit Report.

33.

Violations

In the course of activities described in Paragraph 26, above, and during the examination period described in Paragraph 26, Respondents AARI and SANTILLAN, acted in violation of the Code and the Regulations as follows:

(a) From October 6, 2008, through August 31, 2009, Respondent AARI maintained three (3) general Bank of America bank accounts (herein referred to as

1 BA1 #04024-75752, BA2 #153493852070 and BA3 #04027-16337)¹ for handling of the receipt
2 and disbursement of advance fees collected. Respondents AARI and SANTILLAN failed to
3 obtain written consent of every beneficiary prior to every disbursement that resulted in a shortage
4 of account funds, in violation of Code Section 10145 and Regulation 2832.1.

5 (b) From January 15, 2009, through March 3, 2009, Respondent AARI collected
6 advance fees within the meaning of Code Section 10026 from homeowners seeking loan
7 modification services wherein AARI failed to provide homeowner-borrowers, a pre-approved
8 advance fee agreement from the Department in the form of a no objection letter, in violation of
9 Code Section 10085 and Regulation 2970.

10 (c) Failed to furnish a verified copy of accounting content which includes
11 identification of the trust fund account into which the advance fee has been deposited,
12 description of services rendered, the amount allocated or disbursed from the advance fee at the
13 end of each calendar quarter and when the contract has been completely performed by the
14 licensee, in violation of 10146 and Regulation 2972.

15 (d) Failed to establish and/or maintain a trust account at a bank or other
16 recognized financial institution in the name of the broker for deposit of advance fees collected by
17 AARI totaling \$1,193,407.69, thereby depositing trust funds in AARI's general accounts BA2
18 and BA3 and thus commingling trust funds with AARI's funds, in violation of Code Sections
19 10145, 10146, 10176(e) and Regulations 2832 and 2835.

20 (e) Respondent AARI used advance fees deposited into AARI's general accounts
21 BA1, BA2 and BA3 to pay for AARI's operating expenses and payrolls prior to completion of
22 loan negotiation and modification services; therefore, reducing the balances of AARI's general
23 accounts to an amount less than the amount of advance fees deposited, in violation of Code
24 Sections 10145, 10176(i) and 10177(j).

25
26
27 ¹ BA1 had a shortage of \$41,818.87, BA2 had a shortage of \$95,900.01, and BA3 had a shortage of \$125,113.72.

1 (f) Failed to maintain a complete and accurate columnar record for each general
2 account, thereby failing to reflect dates of receipts, amounts of deposit, accurate disbursements
3 related to loan negotiation and modification activity, and a running daily balance, in violation of
4 Code Section 10145 and Regulation 2831.

5 (g) Failed to maintain a separate record for each beneficiary or transaction,
6 thereby failing to account for all advance fees collected, dates of receipts, amounts of deposit,
7 accurate disbursements related to loan negotiation and modification activity, and a running daily
8 balance, in violation of Code Section 10145 and Regulation 2831.1.

9 (h) Failed to maintain a written monthly reconciliation of the receipts and
10 disbursements record and the total balance of separate beneficiary records for bank account used
11 to handle advance fees, in violation of Code Section 10145 and Regulation 2831.2.

12 (i) Respondent AARI conducted mortgage loan activities by using fictitious
13 business names "America Associates," "America Associates, LLC.," "America Associates
14 Realty," "America Associates, Inc.," and "Associates United, Inc.," without first obtaining a
15 license from the Department bearing such fictitious business names, in violation of Code Section
16 10159.5 and Regulation 2731.

17 (j) After being given reasonable notice, Respondent AARI failed to retain records
18 in connection with its mortgage loan activities requested by the Department, in violation of Code
19 Section 10148.

20 Disciplinary Statutes

21 34.

22 The conduct of Respondent AARI described in Paragraph 33, above, violated the
23 Code and the Regulations as set forth below:

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26

27

PARAGRAPH	PROVISIONS VIOLATED
33(a)	Code Section 10145 and Regulation 2832.1
33(b)	Code Section 10085 and Regulation 2970
33(c)	Code Section 10146 and Regulation 2972
33(d)	Code Sections 10145, 10146, 10176(e) and Regulations 2832 and 2835
33(e)	Code Sections 10145, 10176(i) and 10177(j)
33(f)	Code Section 10145 and Regulation 2831
33(g)	Code Section 10145 and Regulation 2831.1
33(h)	Code Section 10145 and Regulation 2831.2
33(i)	Code Section 10159.5 and Regulation 2731
33(j)	Code Section 10148

The foregoing violations constitute cause for the suspension or revocation of the real estate license and license rights of Respondent AARI, as aforesaid, under the provisions of Code Sections 10176(e) for commingling, 10177(d) for violation of the Real Estate Law and/or 10177(g) for negligence.

35.

The overall conduct of Respondent AARI constitutes negligence. This conduct and violations are cause for the suspension or revocation of the real estate license and license rights of said Respondent pursuant to the provisions of Code Section 10177(g).

FIFTH CAUSE OF ACCUSATION

(Failure to Supervise)

(SANTILLAN)

36.

There is hereby incorporated in this Fifth, separate Cause of Accusation, all of the allegations contained in Paragraphs 1 through 35, above, with the same force and effect as if


1 herein fully set forth.

2 37.

3 The conduct, acts and/or omissions of Respondent SANTILLAN, in allowing
4 Respondent AARI to violate the Real Estate Law, as set forth above, constitutes a failure by
5 Respondent SANTILLAN, as the officer designated by the corporate broker licensee, to exercise
6 the supervision and control over the activities of Respondent AARI, as required by Code Section
7 10159.2, and is cause to suspend or revoke the real estate licenses and license rights of
8 Respondent SANTILLAN under Code Sections 10177(d), 10177(g) and/or 10177(h).

9 WHEREFORE, Complainant prays that a hearing be conducted on the allegations
10 of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary
11 action against the license and license rights of Respondents AMERICA ASSOCIATES
12 REALTY, INC., RUBEN FLORES SANTILLAN, individually and as designated officer of
13 America Associates Realty, Inc., JUAN ROBERTO ROMERO ASCENCIO, and ALBERTO A.
14 ROMERO, under the Real Estate Law (Part 1 of Division 4 of the Business and Professions
15 Code) and for such other and further relief as may be proper under other applicable provisions of
16 law.

17 Dated at Los Angeles, California
18 this 23rd day of August, 2010.

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21 
22 MARIA SUAREZ
23 Deputy Real Estate Commissioner

24 cc: America Associates Realty, Inc.
25 Ruben Flores Santillan
26 Juan Roberto Romero Ascencio
27 Alberto A. Romero
Sacto
Audits – Chona T. Soriano
Maxima Realty, Inc.
Nu Vision Real Estate, Inc.