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**FILED**

**JAN 28 2014**

**BUREAU OF REAL ESTATE**

By *Norma Simms*

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8 **BEFORE THE BUREAU OF REAL ESTATE**  
9 **STATE OF CALIFORNIA**

10 \* \* \*

11 In the Matter of the Accusation of ) CalBRE No. H-38742 LA  
12 )  
13 EVA CORREA & ASSOCIATES, INC.; ) OAH No. 2013040743  
TEUL CORPORATION; )  
14 EVA CORREA, individually, and as )  
designated officer of Eva Correa & ) FIRST AMENDED ACCUSATION  
15 Associates, Inc. and Teul Corporation; )  
16 JACINTO, a California corporation; )  
and TONY REYNOSO, individually, and )  
17 as former designated officer of )  
Eva Correa & Associates, Inc., )  
18 Teul Corporation, and Jacinto, )  
19 Respondents. )  
20 )

21 The Complainant, Maria Suarez, a Deputy Real Estate Commissioner of the State  
22 of California, for cause of Accusation against EVA CORREA & ASSOCIATES, INC.; TEUL  
23 CORPORATION; EVA CORREA, individually and as designated officer of Eva Correa &  
24 Associates and Teul Corporation; JACINTO, a California corporation; and TONY REYNOSO,  
25 individually and as former designated officer of Eva Correa & Associates, Teul Corporation and  
26 Jacinto ("Respondents"), is informed and alleges as follows:

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1.

The Complainant, Maria Suarez, a Deputy Real Estate Commissioner of the State of California, makes this Accusation in her official capacity.

2.

From July 13, 2005, through October 11, 2013, Respondent EVA CORREA & ASSOCIATES, INC. ("ECAI") was licensed by the Bureau of Real Estate ("Bureau") as a corporate real estate broker, License ID 01502216. ECAI's license expired on October 11, 2013. ECAI has renewal rights pursuant to Business and Professions Code ("Code") section 10201. The Bureau retains jurisdiction over a lapsed license pursuant to Code section 10103.

3.

From November 18, 2005, through November 17, 2013, Respondent TEUL CORPORATION ("TEUL") was licensed by the Bureau as a corporate real estate broker, License ID 01519456. TEUL's license expired on November 17, 2013. TEUL has renewal rights pursuant to Code section 10201. The Bureau retains jurisdiction over a lapsed license pursuant to Code section 10103.

4.

From February 22, 2010, through the present, Respondent EVA CORREA ("CORREA") has been licensed by the Bureau of Real Estate ("Bureau") as a real estate broker, License ID 01272173. Respondent CORREA's license shall expire on February 21, 2014. CORREA has renewal rights pursuant to Code section 10201. The Bureau retains jurisdiction over a lapsed license pursuant to Code section 10103.

5.

From August 18, 2005, through the present, Respondent TONY REYNOSO ("REYNOSO") has been licensed by the Bureau as a real estate broker, License ID 01362086. REYNOSO has been licensed to do business as Palm Vista Properties and El Camino Realty since October 10, 2011.

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6.

From April 1, 2006, through March 31, 2010, Respondent JACINTO was licensed by the Bureau as a corporate real estate broker, License ID 01523673. JACINTO's license expired on March 31, 2010. JACINTO has renewal rights pursuant to Code section 10201. The Bureau retains jurisdiction over a lapsed license pursuant to Code section 10103.

7.

From October 4, 2005, through February 16, 2010, Respondent ECAI was acting by and through Respondent REYNOSO as its designated officer pursuant to Code Section 10159.2 to be responsible for ensuring compliance with the Real Estate Law.

8.

From October 18, 2005, through February 16, 2010, Respondent TEUL was acting by and through Respondent REYNOSO as its designated officer pursuant to Code Section 10159.2 to be responsible for ensuring compliance with the Real Estate Law.

9.

From April 1, 2006, through March 31, 2010, Respondent JACINTO was acting by and through Respondent REYNOSO as its designated officer pursuant to Code Section 10159.2 to be responsible for ensuring compliance with the Real Estate Law.

10.

Respondents ECAI, TEUL are California corporations that are owned and operated by Respondent CORREA. From April 12, 2010, through the present, Respondents ECAI and TEUL have been acting by and through Respondent CORREA as their designated officer pursuant to Code Section 10159.2 to be responsible for ensuring compliance with the Real Estate Law.

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1 FIRST CAUSE OF ACCUSATION

2 (Suspended Corporate Status/

3 Material Misstatement of Fact on License Renewal Application)

4 11.

5 On May 1, 2008, the corporate powers, rights and privileges of Respondent ECAI  
6 were suspended with the Office of the Secretary of State of California pursuant to the provisions  
7 of the California Revenue and Taxation Code. ECAI's corporate status remains suspended.

8 12.

9 On March 3, 2008, the corporate powers, rights and privileges of Respondent  
10 TEUL were suspended with the Office of the Secretary of State of California pursuant to the  
11 provisions of the California Revenue and Taxation Code. TEUL's corporate status remains  
12 suspended.

13 13.

14 The corporate powers, rights and privileges of Respondent JACINTO are  
15 currently suspended by the Office of the Secretary of State of California.

16 14.

17 On September 30, 2009, Respondent REYNOSO signed the officer certification  
18 of ECAI's officer renewal application certifying that the statements on the application were true  
19 and correct under penalty of perjury. In response to Question 17, to wit, "[I]s the corporation  
20 currently in good standing with the Office of the Secretary of State?", Respondents ECAI and  
21 REYNOSO marked the answer box "Yes" and failed to disclose that ECAI's corporate status had  
22 been suspended on May 1, 2008.

23 15.

24 The suspension of Respondents ECAI's, TEUL's, and JACINTO's corporate  
25 status is in violation of Regulation 2742(c) of the Regulations of the Real Estate Commissioner,  
26 Title 10, Chapter 6, California Code of Regulations ("Regulations") and constitutes grounds to  
27 suspend or revoke Respondents ECAI, TEUL, and JACINTO's corporate real estate broker  
28 licenses pursuant to Code Sections 10177(f), 10177(d) and/or 10177(g). Respondents ECAI and

1 JACINTO further violated Regulation 2742(c) by engaging in the activities described below in  
2 Paragraphs 19, 20, 24, and 25.

3 16.

4 Respondents ECAI and REYNOSO's failure to disclose the suspended corporate  
5 status of ECAI on ECAI's officer renewal application as set forth in Paragraph 14, above,  
6 constitutes the procurement of a real estate license by fraud, misrepresentation or deceit, or by  
7 making a material misstatement of fact, knowing misrepresentation of a material fact, or by  
8 knowingly omitting to state a material fact, which constitutes cause for the suspension or  
9 revocation of Respondents ECAI and REYNOSO's licenses and license rights of under the Real  
10 Estate Law pursuant to Code Sections 498, 10177(a), and/or 10177(g) .

11 17.

12 The conduct, acts and/or omissions of Respondent REYNOSO as set forth in  
13 Paragraphs 11, 13, and 15, above, in failing to adequately supervise the activities of  
14 Respondents ECAI and JACINTO to ensure compliance with the Real Estate Law, is in  
15 violation of Section 10159.2 of the Code and constitutes grounds to discipline the license and/or  
16 license rights of Respondent REYNOSO pursuant to Code Sections 10177(h), 10177(d) and/or  
17 10177(g).

18 SECOND CAUSE OF ACCUSATION

19 (9926 Anzac Avenue and 1961 E. Century Blvd.)

20 18.

21 There is hereby incorporated in this Second, separate, Cause of Accusation, all of  
22 the allegations contained in Paragraphs 1 through 17 above, with the same force and effect as if  
23 herein fully set forth.

24 19.

25 On July 28, 2011, Francisco V. entered into a California residential purchase  
26 income agreement ("purchase agreement") with seller Rosalina H. to purchase through a short  
27 sale a property described as 9926 Anzac Avenue and 1961 E. Century Blvd., Los Angeles,  
28 California 90002. ECAI was listed as the listing agent representing seller Rosalina H. and Palm

1 Vista Properties was listed as the selling agent representing buyer Francisco V. on the purchase  
2 agreement. Buyer Francisco V. dealt exclusively with Respondent CORREA who represented to  
3 Francisco V. that she was acting as his broker in the transaction. Buyer Francisco V. never met  
4 REYNOSO. REYNOSO subsequently admitted to signing the purchase agreement at  
5 CORREA's request and never met Francisco V. nor acted as his broker.

6 20.

7 Las Flores Escrow handled the escrow transaction which closed on November 1,  
8 2011. REYNOSO instructed Las Flores Escrow to forward a commission check for \$6,600 made  
9 out to Palm Vista Properties to CORREA. The check was altered to include TEUL as a payee  
10 and was cashed by CORREA. Las Flores Escrow submitted a separate commission check to  
11 ECAI for \$6,541. The check was altered to include TEUL as a payee and was cashed by  
12 CORREA. Las Flores Escrow forwarded a refund check made out to Francisco V. for \$509.12  
13 as a refund. The refund check was altered to include TEUL as a payee and was cashed by  
14 CORREA. The seller's lender approved the short sale based on a misrepresentation of material  
15 facts and omissions as to the true distribution of proceeds from the short sale.

16 21.

17 Respondents ECAI, TEUL, CORREA and REYNOSO's conduct, acts and/or  
18 omissions as set forth above constitute grounds for the suspension or revocation of the licenses  
19 and license rights of Respondents ECAI, TEUL, CORREA and REYNOSO pursuant to  
20 Regulation 2742(c) and Code Sections 10176(a) (making any substantial misrepresentation),  
21 10176(b) (making any false promises of a character likely to influence, persuade or induce),  
22 10176(i) (conduct...which constitutes fraud or dishonest dealing), 10177(d) (violation of the  
23 Real Estate Law), and/or 10177(g) (negligence).

24 22.

25 The conduct, acts and/or omissions of Respondent CORREA, in allowing  
26 Respondents ECAI and TEUL to violate the Real Estate Law, as set forth above, constitutes a  
27 failure by Respondent CORREA, as the officer designated by the corporate broker licensees, to  
28 exercise the supervision and control over the activities of Respondents ECAI and TEUL, as

1 required by Code Section 10159.2 and Regulation 2725, and is cause to suspend or revoke the  
2 real estate license and license rights of Respondent CORREA under Code Sections 10177(h),  
3 10177(d) and/or 10177(g).

4 THIRD CAUSE OF ACCUSATION

5 (6912 San Luis Ave.)

6 23.

7 There is hereby incorporated in this Third, separate, Cause of Accusation, all of  
8 the allegations contained in Paragraphs 1 through 22 above, with the same force and effect as if  
9 herein fully set forth.

10 24.

11 On March 29, 2012, Edward R., acting as durable power-of-attorney for his  
12 father- in-law Roberto T., entered into an exclusive residential listing agreement with  
13 Respondents ECAI acting as broker and CORREA as agent for the sale of a residential property  
14 located at 6912 San Luis Avenue, Bell, California ("San Luis property"). A Notice of Trustee's  
15 Sale against the San Luis property was recorded on January 3, 2012. On March 30, 2012,  
16 Respondent CORREA prepared a residential purchase agreement for the purchase of the San  
17 Luis property by prospective purchasers: Leticia C., Sergio G., and Petra G. The purchase price  
18 was listed as \$255,000. Respondent CORREA is listed as the agent for listing broker ECAI.  
19 Respondent REYNOSO is listed as the agent for selling broker Palm Vista Properties, a fictitious  
20 business name used by Respondent JACINTO. According to a statement prepared and signed by  
21 Respondent REYNOSO, he had an agreement with Respondent CORREA whereby REYNOSO  
22 would be "selling agent in name only" and REYNOSO had never met with the prospective  
23 purchasers of the San Luis property. Sergio G. acknowledged that he in fact was represented by  
24 Respondent CORREA as his agent in his attempt to purchase the San Luis property.

25 25.

26 The San Luis property was scheduled to be sold at a non-judicial foreclosure sale.  
27 Respondent CORREA advised and induced Edward R. to execute a grant deed on behalf of his  
28 father-in-law, Roberto T., that conveyed a fifty-percent interest in the San Luis property to Erika

1 T., an individual unknown to Edward R. Respondent CORREA advised Edward R., who had  
2 little or no experience in real estate transactions, that adding Erika T. to the title of the San Luis  
3 property would stop or delay the foreclosure proceedings on the property since Erika T. would  
4 file a bankruptcy petition prior to the scheduled foreclosure sale. Respondent CORREA caused  
5 the grant deed to be recorded with the intent of ensuring sufficient time for escrow to close on  
6 the sale of the San Luis property to Leticia C., Sergio G., and Petra G, and thereby obtaining the  
7 estimated \$12,750 in dual commissions that CORREA expected to earn from the transaction.  
8 The grant deed was recorded with errors including, but not limited to, failure to state that the  
9 property was being granted to Roberto T. and Erika T, as grantees. There was also a failure to  
10 record a transfer or disposition of the interest in the San Luis property on behalf of Belma T.,  
11 Roberto T.'s deceased spouse. Finally, the foreclosure trustee discovered that Erika T. had filed  
12 three bankruptcies within a one-year period and two of the previous bankruptcy petitions had  
13 been dismissed. Therefore, a stay did not go into effect and the San Luis property was sold at a  
14 non-judicial foreclosure sale on September 19, 2012. The sale netted a surplus in proceeds. The  
15 surplus proceeds were deposited by the foreclosure trustee with the Los Angeles County  
16 Treasurer pursuant to California Civil Code section 2924j(c). Payment of an estimated  
17 \$23,771.26 of the surplus proceeds that were owed to Roberto T., the actual owner of the San  
18 Luis property, was withheld as a result of the fraudulent grant deed conveying an interest in the  
19 San Luis property to Erika T.

20 26.

21 Respondents ECAI, CORREA, JACINTO, and REYNOSO's conduct, acts and/or  
22 omissions as set forth above constitute grounds for the suspension or revocation of the licenses  
23 and license rights of Respondents ECAI, CORREA, JACINTO, and REYNOSO pursuant to  
24 Regulation 2742(c) and Code Sections 10130 (as to Respondent JACINTO only), 10176(a)  
25 (making any substantial misrepresentation), 10176(b) (making any false promises of a character  
26 likely to influence, persuade or induce), 10176(i) (conduct...which constitutes fraud or dishonest  
27 dealing), 10177(d) (violation of the Real Estate Law), and/or 10177(g) (negligence).



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27.

The conduct, acts and/or omissions of Respondent CORREA, in allowing Respondent ECAI to violate the Real Estate Law, as set forth above, constitutes a failure by Respondent CORREA, as the officer designated by the corporate broker licensees, to exercise the supervision and control over the activities of Respondent ECAI, as required by Code Section 10159.2 and Regulation 2725, and is cause to suspend or revoke the real estate license and license rights of Respondent CORREA under Code Sections 10177(h), 10177(d) and/or 10177(g).

28.

The conduct, acts and/or omissions of Respondent REYNOSO, in allowing Respondent JACINTO to violate the Real Estate Law, as set forth above, constitutes a failure by Respondent REYNOSO, as the officer designated by the corporate broker licensees, to exercise the supervision and control over the activities of Respondent JACINTO, as required by Code Section 10159.2 and Regulation 2725, and is cause to suspend or revoke the real estate license and license rights of Respondent REYNOSO under Code Sections 10177(h), 10177(d) and/or 10177(g).

FOURTH CAUSE OF ACCUSATION

(Failure to Disclose Pending License Disciplinary Action)

29.

There is hereby incorporated in this Fourth, separate, Cause of Accusation, all of the allegations contained in Paragraphs 1 through 28 above, with the same force and effect as if herein fully set forth.

30.

On August 19, 2013, the Bureau received a Broker Renewal Application from Respondent REYNOSO for renewal of his real estate broker license. In response to question 7 of the application, to wit: "[A]RE THERE ANY LICENSE DISCIPLINARY ACTIONS PENDING AGAINST A BUSINESS OR PROFESSIONAL LICENSE YOU HOLD AT THIS

1 TIME?”, REYNOSO checked the box marked “No” and failed to disclose the Accusation in this  
2 matter which was filed and served on February 28, 2013.

3 31.

4 Respondent REYNOSO’s failure to disclose the pending license disciplinary  
5 action on his Broker Renewal Application constitutes the procurement of a real estate license by  
6 fraud, misrepresentation, deceit, or misstatement of a material fact, which constitutes cause to  
7 suspend or revoke the real estate license and license rights of Respondent REYNOSO pursuant  
8 to Code Sections 10177(a).

9 32.

10 Code Section 10106 provides, in pertinent part, that in any order issued in  
11 resolution of a disciplinary proceeding before the Bureau of Real Estate, the Commissioner may  
12 request the administrative law judge to direct a licensee found to have committed a violation of  
13 this part to pay a sum not to exceed the reasonable costs of the investigation and enforcement of  
14 the case.

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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 all licenses and/or license rights of Respondents EVA CORREA &  
4 ASSOCIATES, INC.; TEUL CORPORATION; EVA CORREA, individually and as designated  
5 officer of Eva Correa & Associates and Teul Corporation; JACINTO, a California corporation;  
6 and TONY REYNOSO, individually and as former designated officer of Eva Correa &  
7 Associates, Teul Corporation, and JACINTO, under the Real Estate Law (Part 1 of Division 4 of  
8 the Business and Professions Code), for the cost of investigation and enforcement as permitted  
9 by law, and for such other and further relief as may be proper under other provisions of law.

10 Dated at Los Angeles, California

11 this 24th day of January, 2014.

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14   
15 MARIA SUAREZ  
16 Deputy Real Estate Commissioner  
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19  
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21

22 cc: Eva Correa & Associates, Inc.  
23 Teul Corporation  
24 Eva Correa  
25 Jacinto  
26 Tony Reynoso  
27 Maria Suarez  
28 Sacto  
OAH