

Flag - facts

1 Julie L. To (SBN 219482)
2 Bureau of Real Estate
3 320 West 4th Street, Suite. 350
4 Los Angeles, California 90013-1105

5 Telephone: (213) 576-6916 (direct)
6 -or- (213) 576-6982 (office)

FILED
OCT 19 2016
BUREAU OF REAL ESTATE
By *Suzanne Danner*

7
8 **BEFORE THE BUREAU OF REAL ESTATE**
9 **STATE OF CALIFORNIA**

10 * * *

11 In the Matter of the Accusation of)
12) No. H-40211 LA
13) **FIRST AMENDED**
14) **ACCUSATION**
15)
16 Respondents.)

17
18 The Accusation filed on April 20, 2016 in CalBRE Case No. H-40211 LA is
19 hereby amended in its entirety as follows:

20 The Complainant, Veronica Kilpatrick, a Supervising Special Investigator of the
21 State of California, for cause of Accusation against MIGUEL ANGEL SANCHEZ, a.k.a. Miguel
22 Angele Sanchez, and SALVADOR ESCALANTE, JR., alleges as follows:

23 1.

24 The Complainant, Veronica Kilpatrick, a Supervising Special Investigator of the
25 State of California, makes this Accusation in her official capacity.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

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.

RESPONDENT MIGUEL ANGEL SANCHEZ

3.

Respondent MIGUEL ANGEL SANCHEZ ("SANCHEZ" or "Respondent SANCHEZ") is presently licensed and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Code) as a real estate salesperson, license ID 01346994. Respondent SANCHEZ was originally licensed as a real estate salesperson by the Bureau (then "Department") of Real Estate ("Bureau" or "BRE") on or about January 6, 2003.

A. From January 7, 2014 to January 13, 2015, SANCHEZ was employed by real estate corporation Ticomo Valley Corp ("Ticomo"), BRE license ID 01064901, subject to the terms of the December 12, 2013 Independent Contractor Agreement (California Association of Realtors Form ICA, Rev. 4/09) he signed with RE/MAX Masters.

B. Ticomo holds three DBAs under its BRE license, for "American Mortgage Co," "Masters Real Estate Network," and "Re/Max Masters Realty."

C. From January 14, 2015 to December 7, 2015, and from December 21, 2015 through and including the present, SANCHEZ has been employed by real estate broker SALVADOR ESCALANTE, JR.

RESPONDENT SALVADOR ESCALANTE, JR.

4.

Respondent SALVADOR ESCALANTE, JR. ("ESCALANTE" or "Respondent ESCALANTE") is presently licensed and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Code) as a real broker, license ID 01341215. Respondent ESCALANTE

1 was originally licensed as a real estate salesperson by the Bureau (then "Department") of Real
2 Estate on or about May 29, 2002.

3 A. ESCALANTE holds one licensed DBA under his BRE license, for "Innovate
4 Realty," active since June 16, 2014.

5 B. As of April 11, 2016, ESCALANTE employs five (5) real estate salespersons
6 under his BRE license.

7 FACTS

8 5.

9 The Mariana Property

10 A. On or about August 23, 2014, SALVADOR ESCALANTE/E Real Estate
11 signed a residential listing agreement with seller Jose M. Ramirez of B & J Real Estate
12 Investments to list the property located at 853 W. Mariana Street, ("Mariana property") for a
13 listing price of three hundred thirty-nine thousand, nine hundred dollars (\$339,900).

14 B. On or about August 30, 2014, an offer to purchase the Mariana property was
15 submitted by the buyer's agent, Cherie Pondoff, for the listing price of \$339,900. The offer listed
16 E Real Estate as the listing firm and SALVADOR ESCALANTE, JR. as the listing agent.

17 C. On or about September 1, 2014, a counteroffer ("First Counter Offer") for the
18 Mariana property was drafted and signed that stated, "Listing Brokerage will be E Real Estate."
19 ESCALANTE's name did not appear on the First Counter Offer. The footer of the First Counter
20 Offer listed "Agent: MIGUEL SANCHEZ" and "Broker: RE/MAX Masters 10707 Town Center
21 Drive, Rancho Cucamonga, CA 91740."

22 D. On or about September 1, 2014, a second counteroffer ("Second Counter
23 Offer") for the Mariana property was drafted and signed that listed E Real Estate/SALVADOR
24 ESCALANTE, JR. as the listing brokerage. The footer of the Second Counter Offer listed
25
26
27

1 "Agent: SALVADOR ESCALANTE, JR." and "Broker: E Real Estate, 12564 Terra Bella Street,
2 Pacoima, CA 91331."

3 E. On or about October 10, 2014, escrow closed on the Mariana property. The
4 Commission Disbursement Authorization of October 13, 2014 instructed commission to be paid
5 to MIGUEL ANGEL SANCHEZ (\$5,178) and SALVADOR ESCALANTE, JR. (\$1,294.50),
6 and in a handwritten notation allocated \$400.00 of the "AC Bill Split" to "LA." The instructions
7 provided that payments should be forwarded to "Sal Escalante, JR., 19725 Sherman Way [sic]
8 Suite #285, Winnetka CA 91306." The Commission Disbursement Authorization was signed by
9 ESCALANTE as broker and made no mention of Ticomo. The Final Settlement Statement of
10 October 14, 2014 listed \$6,872.50 in commissions to E Real Estate and made no mention of
11 Ticomo.

12 F. On or about October 14, 2014, Monte Carlo Escrow issued check number
13 54184 in the amount \$1,294.50 payable to ESCALANTE for "Agent1-Listing" fees. Also on or
14 about October 14, 2014, Monte Carlo Escrow issued check number 54193 in the amount \$5,178
15 payable to SANCHEZ for "Listing-Commission" fees.

16 G. The Mariana property was listed, sold and escrow closed during a period of
17 time when SANCHEZ was employed by real estate broker Ticomo. On or about
18 October 14, 2014, when SANCHEZ received his commission check for \$5,178 "Listing-
19 Commission" fees, SANCHEZ was employed not by ESCALANTE, but by Ticomo. Ticomo
20 and/or RE/Max Masters had no knowledge of the Mariana property transaction or of SANCHEZ'
21 commission from the Mariana property transaction.

22 H. SANCHEZ received compensation from ESCALANTE for the performance of
23 licensed activities in the Mariana property transaction during a period of time when he was
24 employed by another real estate broker, Ticomo.

25 ///

6.

The Brissac Property

A. On or about July 25 2014, SALVADOR ESCALANTE, JR. signed a residential listing agreement with sellers Gary McNelly and David Rivero to list the property located at 6622 Brissac Place ("Brissac property") for a listing price of three hundred sixty-nine thousand, nine hundred dollars (\$369,900).

B. On or about October 10, 2014, an offer to purchase the Brissac property was submitted by the buyer's agent, Michelle Esparza, for the price of \$350,000. The offer listed E Real Estate as the listing firm and SALVADOR ESCALANTE, JR. as the listing agent.

C. On or about October 10, 2014, a counteroffer ("Counter Offer") for the Brissac property was drafted and signed that stated, "Listing office to be E Real Estate BRE #01341215." ESCALANTE's name did not appear on the First Counter Offer. The footer of the Counter Offer listed "Agent: MIGUEL SANCHEZ" and "Broker: RE/MAX Masters 10707 Town Center Drive, Rancho Cucamonga, CA 91740."

D. On or about November 14, 2014, escrow closed on the Brissac Property. The Commission Disbursement Authorization of November 13, 2014 instructed commission to be paid to MIGUEL ANGEL SANCHEZ (\$7,554.38) and SALVADOR ESCALANTE, JR. (\$1,333.12). The Commission Disbursement Authorization was signed by ESCALANTE as broker and made no mention of Ticomo.

E. On or about November 17, 2014, Monte Carlo Escrow issued check number 54969 in the amount \$1,333.20 payable to ESCALANTE for "Agent1-Listing" fees. Also on or about November 17, 2014, Monte Carlo Escrow issued check number 54970 in the amount \$7,554.38 payable to SANCHEZ for "Listing-Commission" fees.

F. The Brissac property was listed, sold and escrow closed during a period of time when SANCHEZ was employed by real estate broker Ticomo. On or about November 17

1 2014, when SANCHEZ received his commission check for \$5,178 “Listing-Commission” fees,
2 SANCHEZ was employed not by ESCALANTE, but by Ticomo. Ticomo and/or RE/Max
3 Masters had no knowledge of the Brissac property transaction or of SANCHEZ’ commission
4 from the Brissac property transaction.

5 G. SANCHEZ received compensation from ESCALANTE for the performance of
6 licensed activities in the Brissac property transaction during a period of time when he was
7 employed by another real estate broker, Ticomo. Both ESCALANTE’s issuance of
8 compensation to SANCHEZ and SANCHEZ’ receipt of such compensation from ESCALANTE,
9 are in violation of **Code Section 10137**.

10 CAUSES OF ACTION/GROUNDS FOR DISCIPLINE

11 (Unlawful Employment or Payment of Compensation)

12 7.

13 A. In communications with BRE Special Investigator (“SI”) Sara Knapton
14 between May 2015 and June 2015, Respondents **MIGUEL ANGEL SANCHEZ** and
15 **SALVADOR ESCALANTE, JR.** indicated that they had a verbal agreement that SANCHEZ
16 would assist ESCALANTE with the closing of the Mariana and Brissac properties, that
17 SANCHEZ would manage “the clerical side” of the transactions, including reviewing
18 transactions documentation and signature execution, and contacting agents, lenders and escrow
19 for status updates. When SI Knapton inquired as to the commission differential between
20 SANCHEZ and ESCALANTE on the Mariana and Brissac transactions, SANCHEZ indicated that
21 it was “more convenient for all parties to have me manage communications, the full execution of
22 documents and keep track of deadlines...SALVADORA ESCALANTE handled listing agent
23 tasks and I handled all of the aforementioned which justified my larger pay for work performed.”

24 B. In her February 22, 2015 letter to the BRE, Sharon Bowler (BRE license ID
25 00579598) of RE/Max Masters indicated that SANCHEZ was licensed under Ticomo DBA
26

1 RE/Max Masters from December 12, 2013 to January 14, 2015, and that the Mariana and Brissac
2 properties were listed, sold and escrow closed during the period of time under which SANCHEZ
3 was employed by Ticomo. Ms. Bowler indicated that RE/Max had no record of these
4 transactions. When SANCHEZ received his commission checks in October 2014 and November
5 2014, for "Listing-Commission" fees, SANCHEZ was employed by Ticomo, and not by
6 ESCALANTE.

7 C. ESCALANTE's employ of SANCHEZ for the performance of real estate
8 activities within the scope of the Real Estate Law when SANCHEZ was not licensed under
9 ESCALANTE, is in violation of **Code Section 10137**.

10 D. Both ESCALANTE's issuance of compensation to SANCHEZ and
11 SANCHEZ' receipt of such compensation from ESCALANTE, are in violation of **Code Section**
12 **10137**.

13 Additional Violations of the Real Estate Law

14 8.

15 The overall conduct of Respondents is violative of the Real Estate Law and
16 constitutes cause for the suspension or revocation of the real estate licenses and license rights of
17 **MIGUEL ANGEL SANCHEZ** and **SALVADOR ESCALANTE, JR.** under the provisions of
18 **Code Sections 10177(j)** for fraud or dishonest dealing, and **10177(d)** for violation of the Real
19 Estate Law.

20 Aggravation (SANCHEZ)

21 9.

22 On or about August 15, 2016, in the Superior Court of the State of California, in
23 San Bernardino County Case No. 16CR-016286, Respondent was convicted for violation of
24 California Vehicle Code Section 23152(B) (driving under the influence with blood alcohol 0.8%
25 or greater), a misdemeanor. Respondent was sentenced to 36 months probation; four (4) days in
26

1 jail; ordered to pay fines and assessments; and ordered to complete the AB541 alcohol education
2 program.

3 COSTS

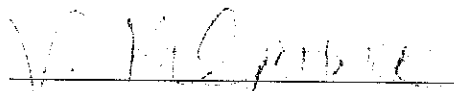
4 10.

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

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 licenses and license rights of Respondents MIGUEL ANGEL SANCHEZ and
12 SALVADOR ESCALANTE, JR. under the Real Estate Law (Part 1 of vision 4 of the Business
13 and Professions Code), for the cost of investigation and enforcement as permitted by law, and for
14 such other and further relief as may be proper under other provisions of law.

15 Dated at San Diego, California

16 this 19th day of October, 2016.

17
18 
19 Veronica Kilpatrick
20 Deputy Real Estate Commissioner

21
22
23 cc: Miguel Angel Sanchez
24 Salvador Escalante, Jr.
25 Sacto.