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FILED

AUG 10 2017

BUREAU OF REAL ESTATE

By John C. Smith

BEFORE THE BUREAU OF REAL ESTATE
STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation of	)	No. H – 40746 LA
	)	
ANNA SADOWSKA and	)	<u>ACCUSATION</u>
WEI ZHANG ALARID,	)	
	)	
Respondents.	)	

The Complainant, Maria Suarez, a Supervising Special Investigator, for cause of Accusation against ANNA SADOWSKA and WEI ZHANG ALARID, a.k.a. Wei Zhang a.k.a. Wei Zhang Garza a.k.a. Wei Garza, is informed and alleges as follows:

1.

The Complainant, Maria Suarez, a Supervising Special Investigator of the State of California, makes this Accusation in her official capacity.

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Age Group	Percentage of Respondents
18-29	~65%
30-49	~75%
50-69	~80%
70+	~85%

1 7.

2 WEI ZHANG ALARID

3 WEI ZHANG ALARID ("ALARID"), has been licensed by the BRE as a REB
4 since November 19, 2016, BRE license ID 01885589. Prior to her licensure by the BRE as a
5 REB, ALARID had been licensed as a RES since August 9, 2010. ALARID's REB license will
6 expire on November 18, 2020.

7 8.

8 From April 1, 2011 through February 4, 2015 and from March 3, 2015 through
9 November 18, 2016, ALARID was employed by Highland Investment Group Inc, BRE license
10 ID 01889182.

11 9.

12 ALARID's BRE mailing and main address of record, as of November 19, 2016,
13 are the same: 17128 Colima Rd., #203, Hacienda Heights, California 91745.¹

14 10.

15 ALARID has one DBA under her BRE license, for AZ Investments ("AZ"),
16 active as of January 23, 2017.

17 11.

18 An entity named "Cornerstone Network" has on file with the Los Angeles
19 County Recorder a Fictitious Business Name ("FBN") Statement, filed September 18, 2014,
20 that names ALARID (Wei Zhang) and Steve Alarid as the registered owners and lists
21 ALARID's BRE mailing and main address of record as its principal place of business. An
22 entity named "A-Z Investments" has on file with the Los Angeles County Recorder a FBN
23 Statement that names ALARID (Wei Zhang) as the registered owner, filed October 21, 2011.

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26 ¹ The BRE has since discovered, through a subpoena duces tecum of The UPS Store located at 17128 Colima Rd.,
27 Hacienda Heights, California 91745, that this address belongs to a post office box within a business resource center
28 that offers postal services.

1 An entity named "Home Legal Group" has on file with the Los Angeles County Recorder a
2 FBN Statement that names ALARID (Wei Garza) as the registered owner, filed June 17, 2010.

3 12.

4 Crissanna Luxury Real Estate Inc.

5 Crissanna Luxury Real Estate Inc. has been licensed by the BRE as a real estate
6 corporation ("REC") since December 21, 2015, BRE license ID 01994411. CLREI's BRE
7 mailing and main address of record are the same as SADOWSKA's mailing and main address
8 off record: 1351 N. Orange Dr., #102, Los Angeles, California 90028. CLREI's license will
9 expire on December 20, 2019.

10 13.

11 American Financial Realty and Mortgage Company and Alen Aivazian (Not
12 licensed by the BRE.)

13 American Financial Realty and Mortgage Company ("American") was licensed
14 by the BRE as a REC on or about March 15, 2006, BRE license ID 01522899. American's
15 designated officer of record was REB Alen Aivazian ("Aivazian"), BRE license ID 01365057.
16 On or about October 7, 2015, both American and Aivazian surrendered their respective BRE
17 licenses in connection with BRE Case No. H-39972 LA. Prior to its license surrender,
18 American had three DBAs under its license, all active since March 22, 2006: Amerifi Home
19 Loans, Amerifi Mortgage, and Amerifi Realty.

20 14.

21 Ideal Financial Inc.

22 Ideal Financial Inc. ("Ideal") was licensed by BRE as a REC on or about January
23 27, 1998, BRE license ID 01232726. Ideal's designated officer of record is REB Kenneth
24 Martin Adler ("Adler"), BRE license ID 01216608. Ideal had one DBA under its license, for
25 American Financial Resolution, active from February 4, 2014 to June 24, 2014.

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15.

Cornerstone Network (Not licensed by the BRE.)

Cornerstone Network is not now, and has never been, licensed by the BRE in any capacity. Cornerstone Network ("CN") has on file with the Los Angeles County Recorder a Fictitious Business Name Statement that names ALARID and Steve Alarid as the registered owners and lists ALARID's BRE mailing and main address of record as its principal place of business, filed September 18, 2014.

16.

Cornerstone Mediation Network (Not licensed by the BRE.)

Cornerstone Mediation Network is not now, and has never been, licensed by the BRE in any capacity.

17.

Cornerstone Legal (Not licensed by the BRE.)

Cornerstone Legal is not now, and has never been, licensed by the BRE in any capacity.

18.

Cornerstone Law (Not licensed by the BRE.)

Cornerstone Law is not now, and has never been, licensed by the BRE in any capacity.

19.

Cornerstone Law Group (Not licensed by the BRE.)

Cornerstone Law Group is not now, and has never been, licensed by the BRE in any capacity.

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2 FACTS DISCOVERED BY THE BUREAU

3 20.

4 At all times mentioned, in the County of Los Angeles, California, SADOWSKA
5 and ALARID engaged in the performance of activities requiring a real estate license pursuant to
6 Business and Professions Code ("Code") Sections 10131 and 10131.2. Said activities require
7 that Respondents SADOWSKA and ALARID be employed by a real estate broker(s) and that
8 they act under the supervision and control of the real estate broker to whom they are licensed.
9 Respondents SADOWSKA and ALARID carried out acts, as set forth below, without the
10 knowledge and supervision of their respective real estate broker(s) of record. Respondents
11 SADOWSKA and ALARID, with and as entities utilizing such names including, but not limited
12 to: Amerifi Mortgage, Amerifi Realty, Amerifi Lending, Amerifi Home Loans, American
13 Financial Realty and Mortgage Company, American Financial Resolutions, Cornerstone Law
14 Group, and Cornerstone Network, Inc., acted as real estate brokers and ordered, caused,
15 authorized or participated in conducting licensed activities within the meaning of:

16 A. Code Section 10131(d): Respondents SADOWSKA and ALARID solicited
17 borrowers and negotiated loans secured directly or collaterally by liens on real property,
18 wherein such loans were arranged, negotiated, processed and consummated on behalf of others
19 for compensation or in expectation of compensation and for fees often collected in advance as
20 well as at the conclusion of transactions; and

21 B. Code Section 10131.2: Respondents SADOWSKA and ALARID engaged in
22 the business of claiming, demanding, charging, receiving, collecting or contracting for the
23 collection of an advance fee in connection with any employment undertaken to promote the sale
24 or lease of real property or of a business opportunity by advance fee listing, advertisement or
25 other offering to sell, lease, exchange or rent property or a business opportunity, or to obtain a
26 loan or loans thereon.
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1 21.

2 Respondents SADOWSKA and ALARID offered loss mitigation and loan
3 modification services under one or more business names, including, but not limited to: Amerifi
4 Mortgage, Amerifi Realty, Amerifi Lending, Amerifi Home Loans, American Financial Realty
5 and Mortgage Company, American Financial Resolutions, Cornerstone Law Group, and
6 Cornerstone Network, Inc., as listed on its letterhead, agreements, invoices, and e-mail
7 communications with the public.

8 22.

9 Code Section 10026

10 At all times mentioned, in Los Angeles County, California, Respondents
11 SADOWSKA and ALARID, with and using names including, but not limited to: Amerifi
12 Mortgage, Amerifi Realty, Amerifi Lending, Amerifi Home Loans, American Financial Realty
13 and Mortgage Company, American Financial Resolutions, Cornerstone Law Group, and
14 Cornerstone Network, Inc., engaged in the business of claiming, demanding, charging,
15 receiving, collecting or contracting for the collection of advance fees, within the meaning of
16 Code Section 10026, including, but not limited to, the following loan activities with respect to
17 loans which were secured by liens on real property.

18 23.

19 Marilyn P.'s Transaction

20 A. In or about May 2014, Marilyn P. ("M.P.") anticipated an inability to meet
21 her \$2,730 per month mortgage obligation and sought a loan modification on her real property
22 located in Corona,, California ("Corona property"). M.P. was not delinquent on her loan at that
23 time, and her sister, Barbara M. had recently obtained a loan modification through the services
24 of SADOWSKA.

25 B. M.P. contacted SADOWSKA at Amerifi Mortgage. SADOWSKA
26 represented to M.P. that she was a "Senior Account Manager and Realtor," and that she was
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1 working with an attorney by the name of Alen Aivazian², and with a foreclosure expert by the
2 name of Rodger Mansourian³. M.P. utilized the email address Anna@AmerifiUSA.com to
3 communicate with SADOWSKA, who represented to M.P. that she could obtain a loan
4 modification at a "2% interest rate and a potential principal reduction," and promised that if she
5 could not obtain a reduction, she could definitely obtain lower payments.

6 C. SADOWSKA indicated to M.P. that either a cash deposit or cashier's check in
7 the amount of \$7,910.00 was needed, and that she would later provide the timing as to when
8 payment should be rendered.

9 D. On May 23, 2014, M.P. and her husband signed a one-page "Authorization to
10 Represent Form" ("Authorization") printed on Amerifi Mortgage letterhead. SADOWSKA
11 then instructed M. P. to cease making mortgage payments to the bank and to not answer any
12 telephone calls from the bank. Additionally, SADOWSKA instructed M.P. not to contact the
13 lender, or to open or reply to any mail that came from the lender. SADOWSKA instructed M.P.
14 to forward to SADOWSKA any and all correspondence that arrived in the mail from her bank.

15 E. In the subsequent months, SADOWSKA informed M.P. that the company
16 (Amerifi and/or Amerifi USA and/or Amerifi Mortgage) was changing and had new names,
17 including: Amerifi Realty, Amerifi Lending, Amerifi Mortgage, Amerifi Home Loans,
18 American Financial Realty and Mortgage Company, American Financial Resolutions, and
19 Cornerstone Law Group and Cornerstone Network, Inc.; M.P. received emails from
20 SADOWSKA from different email addresses and fax numbers associated with these entity
21 names. SADOWSKA also informed M.P. that new individuals would work on M.P.'s loan
22 modification at times, including Mansourian and an individual named Steven Po.⁴

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24 ² An "Attorney Search" on the State Bar of California website for Alen Aviazian showed no results:
<http://members.calbar.ca.gov/fal/MemberSearch/QuickSearch?FreeText=alen%20aviazian>

25 ³ A search of BRE records resulted in one REB licensee named Roger Vache Mansourian, BRE license ID
26 01766463, affiliated with one corporation, Vantage Realty Inc., BRE ID 01984669:
http://www2.dre.ca.gov/PublicASP/pplinfo.asp?License_id=01766463

27 ⁴ A search of BRE records for Steven Po or Stephen Po showed no results.
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1 E. In June 2014, SADOWSKA asked M.P. to sign a three-page "Terms and
2 Conditions – Fee Agreement" ("Fee Agreement") between M.P. (CLIENT) and "Ideal Financial
3 Inc. dba American Financial Resolution "AFR" (COMPANY) and explained that although the
4 company was the same, the name change required a new contract. SADOWSKA's title on this
5 Fee Agreement was "Customer Assistance Specialist." On or about June 13, 2014, M.P. and
6 her husband signed the Fee Agreement, which included as paragraph 2. "Fees Due" the
7 condition that "CLIENT agrees to pay COMPANY \$7,910 for the successful closing of the loan
8 modification. The fee will be paid by CLIENT to COMPANY upon receipt, review and
9 acceptance of a change in terms/loan modification offer."

10 F. In August 2014, SADOWSKA asked M.P. to sign a four-page set of
11 documents on Cornerstone Law Group letterhead that included a "Retainer Fee Agreement" and
12 an "Authorization to Represent." On or about August 25, 2014, M.P. and her husband signed
13 the "Retainer Fee Agreement," which included as paragraph 2. "Payment for Services" the
14 condition that "Cornerstone shall be entitled to \$7,910.00 for the successful Loan Restructure
15 performance as described in Scope of Services (Stage 5. above). Cornerstone shall not receive
16 any compensation until after the Client accepts a Loan Restructure Offer. If Client does not
17 accept a Loan Restructure Offer, than no fee shall be due to Cornerstone." Also on or about
18 August 25, 2014, M.P. and her husband signed the "Authorization to Represent," also on
19 Cornerstone Law Group letterhead. No attorney name or California State Bar Number appeared
20 on any of the pages of the August 2014 Cornerstone Law Group documents.

21 G. On or about October 21, 2014, M.P. received via fax from Amerifi Mortgage
22 the "Conditional Approval" letter signed by "The Cornerstone Team" and an invoice dated
23 October 21, 2014 for the amount \$7,910.00 for "Loan Modification Contingency Services
24 Agreement," with instructions to either make a direct deposit to Citibank account number ###-
25 ##2-109 or to mail a certified or cashier's check to Cornerstone Network to: 17128 Colima
26 Road #512, Hacienda Heights, CA 91754 ("CN address"). The bottom of the invoice stated:
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1 "In the event the 3 month trial modification is not converted into a final loan modification and
2 Cornerstone is unable to obtain any other loan modification offer that the Client chooses to
3 accept, Cornerstone shall offer Client a 100% full refund within 3 days of Client written
4 request. How-ever [sic] if the Client defaults on the 3 month trial offer, then it shall be deemed
5 that the loan modification contracted fee shall be considered earned by Cornerstone and no
6 refund shall be due." SADOWSKA explained to M.P. that the payee for check payments had to
7 be "Cornerstone Network" because that was the trust account for Amerifi, and assured that if
8 the loan modification was not satisfactory to M.P. that the money would be returned to her.
9 SADOWSKA indicated to M.P. that the attorney needed the money before the loan
10 modification package would be forwarded to her.

11 H. On or about November 4, 2014, M.P. received from Amerifi Mortgage a
12 second "Conditional Approval" letter signed by "The Cornerstone Team" and another invoice
13 dated October 28, 2014 for the amount \$7,910.00 for "Loan Modification Contingency Services
14 Agreement," with instructions to either make a direct deposit to Citibank account number ###-
15 ##2-109 or mail a certified or cashier's check to Cornerstone Network to: 17128 Colima Road
16 #512, Hacienda Heights, CA 91754.

17 I. On or about October 27, 2014, pursuant to SADOWSKA's representations and
18 instructions, M.P. sent to the CN address listed on the October 21, 2014 and October 28, 2014
19 invoices, Chase Bank cashier's check number 1143622690 ("cashier's check") in the amount of
20 \$7,910.00 payable to Cornerstone Network.

21 J. After M.P. submitted her \$7,910.00 cashier's check, SADOWSKA verbally
22 informed her that her new payment amount on the Corona property would be \$3,300.00 and that
23 she needed to pay a new down payment of \$10,000; SADOWSKA did not provide M.P. with a
24 copy of the loan modification reflecting the new payment or down payment amounts. M.P.
25 declined this verbal offer. SADOWSKA responded that she would resubmit the package, and
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1 informed M.P. that if she was unhappy with the package, that she could submit a formal request
2 for a return of her full deposit within three (3) days. M.P.

3 K. By September 2015, M.P. received a foreclosure notice from her bank. When
4 M.P. contacted SADOWSKA about the foreclosure, SADOWSKA asked M.P. to forward any
5 bank or foreclosure correspondence and by November 2015, and asked to list M.P.'s Corona
6 property for short sale instead of continuing the loan modification efforts.

7 L. In or about November 2015, SADOWSKA sent M.P. a Residential Listing
8 Agreement ("RLA") for Crissanna Real Estate Group to list the Corona property for sale from
9 November 2015 to November 2016. M.P. declined to sign the RLA or to list the Corona
10 property for short sale, and again, requested that SADOWSKA return her cashier's check.

11 M. Subsequent to filing a complaint against SADOWSKA with the BRE, M.P.
12 learned that her cashier's check was cashed on October 31, 2014, four (4) days after she
13 submitted it to Cornerstone Network.

14 N. When M.P. called the telephone number on the Cornerstone Law Group
15 documents to request a copy of her file, the telephone number was disconnected.

16 O. To date, M.P. has neither received a loan modification on her Corona property
17 nor a return of the \$7,910.00 paid to Cornerstone Network.

18 24.

19 Subpoena Duces Tecum to Citibank

20 On or about April 14, 2017, the BRE served a *subpoena duces tecum* on the
21 Custodian of Records at Citibank in Beverly Hills, California, to command for inspection and
22 copying on May 5, 2017 the records, papers, books, accounts and documents in its possession
23 and control pertaining to Citibank Account Number ###-##2-109, for the period January 1,
24 2014 through May 15, 2015, and pertaining to Chase Bank cashier's check number
25 1143622690, in the amount \$7,910.00, deposited/cashed through Citibank Account Number
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1 ###-##2-109, on October 31, 2014. On or about May 19, 2017, the Citibank Custodian of
2 Records responded and provided the requested records ("May 2017 SDT").

3 25.

4 According to the May 2017 SDT records from Citibank:

5 A. the account holder of Citibank Account Number ###-##2-109 is Cornerstone
6 Network (business start date: 09/18/2014), whose business is described as, "process and correct
7 legal documents [sic] and real estate documents" at 411 E. Huntington Dr., Unit 107, Arcadia
8 California 91006;

9 B. ALARID is listed an owner/partner of Cornerstone Network;

10 C. Steve Alarid is listed as ALARID's 50/50 partner in Cornerstone Network;

11 D. ALARID is listed as the primary contact and sole signator; and

12 E. On or about October 31, 2017, Citibank Account Number ###-##2-109
13 received a deposit in the amount \$7,910.00, through Chase Bank cashier's check 1143622690,
14 Remitter: Marilyn P.

15 26.

16 Also according to the May 2017 SDT records from Citibank, multiple checks,
17 cashier's checks and money orders deposited to Citibank Account Number ###-##2-109 were
18 made payable to entity names including, but not limited to:

19 A. Cornerstone Mediation Network;

20 B. Cornerstone Network;

21 C. Corner Stone Network;

22 D. Cornerstone Legal;

23 E. Cornerstone Law;

24 F. Cornerstone;

25 G. Cornerstone Law Group;

26 H. Cornerstone Mediation Network Inc.;

1 I. Cornerstone Network;

2 J. Intake Cornerstone Mediation Network; and

3 K. Cornerstone Mediation.

4 On some of the checks deposited to Citibank Account Number ###-##2-109 were notations in
5 the Memo section such as "Loan Modification Services," "1st Installment," "Loan Modification
6 Svcs," and "Approved Loan Modification Service Fee."

7 27.

8 Also according to the May 2017 SDT records from Citibank, during the
9 subpoenaed period, there were multiple cash withdrawals, checks, and debits from Citibank
10 Account Number ###-##2-109 by and for the benefit of ALARID.

11 28.

12 Subpoena Duces Tecum to The UPS Store

13 On or about April 17, 2017, the BRE served a *subpoena duces tecum* on the
14 Custodian of Records at The UPS Store located at 17128 Colima Rd. in Hacienda Heights,
15 California, to command for inspection and copying on May 10, 2017 the records, papers, books,
16 accounts and documents in its possession and control pertaining to Box Numbers 203; 512; and
17 515, for the period January 1, 2014 through the present date, and pertaining to ANNA
18 SADOWSKA; WEI ALARID ZHANG a.k.a. Wei Zhang; Cornerstone Network; AZ
19 Investments; AWK Investments Management LLC; and Palmbay Enterprise Inc. On or about
20 April 24, 2017, The UPS Store Custodian of Records responded and provided the requested
21 records ("April 2017 SDT").

22 29.

23 According to the April 2017 SDT records from The UPS Store:

24 A. The Application for Delivery of Mail Through Agent, United States Postal
25 Service Form 1583 ("USPS 1583"), December 2004, dated July 31, 2013, for Box 203 listed
26 ALARID (Wei Zhang) and Steven E. Alarid as the Names for which mail would be received;

1 “Home Legal Group, AZ Investment” as the Firm/Corporation; and “Cornerstone Network” as
2 the Business Type. Attached to the Box 203 USPS 1583 were: ALARID’s BRE salesperson
3 identification card (Wei Zhang); ALARID’s BRE broker identification card (Wei Zhang);
4 ALARID’s California Driver’s License; Steven Earnest Alarid’s California Driver’s License;
5 and a FBN Statement for Cornerstone Network, filed September 18, 2014 with the Los Angeles
6 County Clerk that listed ALARID and Steve Alarid as the registered owners.

7 B. The USPS 1583 for Box 512, dated September 19, 2014, was hand-marked
8 “Terminated” and showed ALARID (Wei Zhang) as the Name for which mail would be
9 received; “Cornerstone Network” as the Firm/Corporation; and no information as to the
10 Business Type. Attached to the Box 512 USPS 1583 were: ALARID’s (Wei Zhang) California
11 Automobile Liability Insurance Card; ALARID’s (Wei Zhang) California Driver’s License;
12 ALARID’s BRE salesperson identification card (Wei Zhang); a FBN Statement for “A-Z
13 Investments,” filed October 21, 2011 with the Los Angeles County Clerk that listed ALARID
14 (Wei Zhang) as the registered owner; a Proof of Publication in the San Gabriel Valley Examiner
15 of a FBN Statement filed January 9, 2012; and a FBN Statement for “Home Legal Group,” filed
16 June 17, 2010 with the Los Angeles County Clerk that listed ALARID (Wei Garza) as the
17 registered owner.

18 C. The BRE did not receive any documents from The UPS Store Custodian of
19 Records pertaining to Box 515 in the April 2017 SDT.

20 30.

21 BRE Interview of SADOWSKA, March 7, 2017

22 On or about March 7, 2017, BRE Special Investigator Catherine Russell (“SI
23 Russell”) interviewed SADOWSKA, who affirmed, among other information:

24 A. that while she worked with Amerifi Realty and Mortgage Company from
25 approximately 2011 and 2014, she did work in the business of loan modifications;

26 B. that she worked on a successful loan modification for M.P.’s sister;
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1 C. that she did meet M.P. by telephone in 2014 through the loan modification for
2 M.P.'s sister;

3 D. that she did work on the "structure" of M.P.'s loan modification submission;

4 E. that she did recall M.P. signing three (3) different agreements and paying one
5 (1) fee due to the Amerifi files being transferred to "sister" companies; and

6 F. that she did leave Amerifi Realty and Mortgage Company shortly after it
7 became Cornerstone.

8 APPLICABLE SECTIONS OF THE REAL ESTATE LAW

9 Advance Fee Agreements and Materials – Code Section 10085 and Section 2970 of Title 10,

10 Chapter 6, California Code of Regulations ("Regulations")

11 31.

12 Pursuant to Code Section 10085, "The commissioner may require that any or all
13 materials used in obtaining advance fee agreements, including but not limited to the contract
14 forms, letters or cards used to solicit prospective sellers, and radio and television advertising be
15 submitted to him or her at least 10 calendar days before they are used. Should the commissioner
16 determine that any such matter, when used alone or with any other matter, would tend to
17 mislead he or she may, within 10 calendar days of the date he or she receives same, order that it
18 not be used, disseminated, nor published. Any person or entity using, disseminating, or
19 publishing any matter which the commissioner has ordered, pursuant to this section, not to be
20 used, published, or disseminated shall be guilty of a misdemeanor punishable by a fine not
21 exceeding two thousand five hundred dollars (\$2,500) or by imprisonment in the county jail not
22 exceeding six months, or both, for each such use, dissemination, or publication. The
23 commissioner may determine the form of the advance fee agreements, and all material used in
24 soliciting prospective owners and sellers shall be used in the form and manner which he or she
25 determines is necessary to carry out the purposes and intent of this part. Any violation of any of
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1 the provisions of this part or of the rules, regulations, orders or requirements of the
2 commissioner thereunder shall constitute grounds for disciplinary action against a licensee, or
3 for proceedings under Section 10081 of this code, or both. These sanctions are in addition to the
4 criminal proceedings hereinbefore provided.”

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6 32.

7 Pursuant to Regulation 2970:

8 “(a) A person who proposes to collect an advance fee as defined in Section
9 10026 in the Code shall submit to the Commissioner not less than ten calendar days before
10 publication or other use, all materials to be used in advertising, promoting, soliciting and
11 negotiating an agreement calling for the payment of an advance fee including the form of
12 advance fee agreement proposed for use.

13 (b) Material used in advertising, promoting, soliciting and negotiating an
14 advance fee agreement shall not be approved if it:

- 15 (1) Includes any representation which is false, misleading or deceptive.
16 (2) Does not set forth a specific, complete description of the services to
17 be rendered for the advance fee.
18 (3) Does not set forth the total amount of the advance fee along with the
19 date on which the fee shall become due and payable.
20 (4) Contains any provision which purports to relieve or exempt the
21 person collecting the advance fee from an obligation to fulfill verbal
22 commitments and representations made by employees and agents of the
23 person contracting for the advance fee.
24 (5) Contains any provision which purports to give a guarantee that the
25 real property or business opportunity in question will be purchased,
26 leased or exchanged or that a loan secured by real property will be
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1 obtained as a result of the services rendered by the person collecting the
2 advance fee.”

3 (6) Does not set forth a definite date for full performance of the services promised under the
4 advance fee agreement.

5 (c) Not less than 10-point type shall be used in advance fee agreements.”

6 License Required – Code Section 10130⁵

7 33.

8 Pursuant to Code Section 10130, “It is unlawful for any person to engage in the
9 business of, act in the capacity of, advertise as, or assume to act as a real estate broker or a real
10 estate salesperson within this state without first obtaining a real estate license from the
11 department, or to engage in the business of, act in the capacity of, advertise as, or assume to act
12 as a mortgage loan originator within this state without having obtained a license endorsement.
13 The commissioner may prefer a complaint for violation of this section before any court of
14 competent jurisdiction, and the commissioner and his or her counsel, deputies, or assistants may
15 assist in presenting the law or facts at the trial. It is the duty of the district attorney of each
16 county in this state to prosecute all violations of this section in their respective counties in
17 which the violations occur.”

18 Broker Defined – Code Section 10131

19 34.

20 Pursuant to Code Section 10131, “A real estate broker within the meaning of this
21 part is a person who, for a compensation or in expectation of a compensation, regardless of the
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26 ⁵ Pursuant to Code Section 10139, penalties for unlicensed persons “acting as a real estate broker, real estate
27 salesperson, or mortgage loan originator without a license or license endorsement...shall be guilty of a public
28 offense punishable by a fine not exceeding twenty thousand dollars (\$20,000), or by imprisonment in the county
jail for a term not to exceed six months, or by both fine and imprisonment...”

1 form or time of payment, does or negotiates to do one or more of the following acts for another
2 or others...

3 (d) Solicits borrowers or lenders for or negotiates loans or collects payments or
4 performs services for borrowers or lenders or note owners in connection with
5 loans secured directly or collaterally by liens on real property or on a business
6 opportunity..."

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8 Broker Definition Continued – Advance Fees – Code Section 10131.2

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10 35.

11 Pursuant to Code Section 10131.2, "A real estate broker within the meaning of
12 this part is also a person who engages in the business of claiming, demanding, charging,
13 receiving, collecting or contracting for the collection of an advance fee in connection with any
14 employment undertaken to promote the sale or lease of real property or of a business
15 opportunity by advance fee listing, advertisement or other offering to sell, lease, exchange or
16 rent property or a business opportunity, or to obtain a loan or loans thereon."

17 Unlawful Employment or Payment of Compensation – Code Section 10137

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19 36.

20 Pursuant to Code Section 10137, "It is unlawful for any licensed real estate
21 broker to employ or compensate, directly or indirectly, any person for performing any of the
22 acts within the scope of this chapter who is not a licensed real estate broker, or a real estate
23 salesperson licensed under the broker employing or compensating him or her, or to employ or
24 compensate, directly or indirectly, any licensee for engaging in any activity for which a
25 mortgage loan originator license endorsement is required, if that licensee does not hold a
26 mortgage loan originator license endorsement; provided, however, that a licensed real estate
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1 broker may pay a commission to a broker of another state. No real estate salesperson shall be
2 employed by or accept compensation for activity requiring a real estate license from any person
3 other than the broker under whom he or she is at the time licensed. It is unlawful for any
4 licensed real estate salesperson to pay any compensation for performing any of the acts within
5 the scope of this chapter to any real estate licensee except through the broker under whom he or
6 she is at the time licensed. For a violation of any of the provisions of this section, the
7 commissioner may temporarily suspend or permanently revoke the license of the real estate
8 licensee, in accordance with the provisions of this part relating to hearings.”
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1 financial responsibility that is sufficient to protect members of the public against a loss
2 subject to the deductible amount.

3 Evidence of financial responsibility shall include one or more of the following:
4

5 (i) Separate fidelity bond coverage adequate to cover the amount of the
6 fidelity bond deductible.

7 (ii) A cash deposit held in a separate account, apart from other funds of
8 the broker, the broker's employees, or the broker's principals, in a bank or
9 recognized depository in this state adequate to cover the amount of the fidelity
10 bond deductible and held exclusively and solely for the purpose of paying the
11 fidelity bond deductible amount.

12 (iii) Any other evidence of financial responsibility approved by the
13 commissioner.
14

15 (3) An arrangement under which a person enumerated in subparagraph (A), (B),
16 or (C) of paragraph (2) is authorized to make withdrawals from a trust fund account of a broker
17 shall not relieve an individual broker, nor the broker-officer of a corporate broker licensee, from
18 responsibility or liability as provided by law in handling trust funds in the broker's custody."
19

20 38.

21 Pursuant to Code Section 10145(c):

22 "A real estate sales person who accepts trust funds from others on behalf of the
23 broker under whom he or she is licensed shall immediately deliver the funds to the broker or, if
24 so directed by the broker, shall deliver the funds into the custody of the broker s principal or a
25 neutral escrow depository or shall deposit the funds into the broker s trust fund account."
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Fictitious Name – Code Section 10159.5

39.

Pursuant to Code Section 10159.5:

“(a) (1) Every person applying for a license under this chapter who desires to have the license issued under a fictitious business name shall file with his or her application a certified copy of his or her fictitious business name statement filed with the county clerk pursuant to Chapter 5 (commencing with Section 17900) of Part 3 of Division 7.

(2) A responsible broker may, by contract, permit a salesperson to do all of the following:

(A) File an application on behalf of a responsible broker with a county clerk to obtain a fictitious business name.

(B) Deliver to the bureau an application, signed by the responsible broker, requesting the bureau’s approval to use a county approved fictitious business name that shall be identified with the responsible broker’s license number.

(C) Pay for any fees associated with filing an application with a county or the bureau to obtain or use a fictitious business name.

(D) Maintain ownership of a fictitious business name, as defined in paragraph (2) of subdivision (a) of Section 10159.7, that may be used subject to the control of the responsible broker.

(b) (1) A salesperson using a fictitious business name authorized by subdivision (a), shall use that name only as permitted by his or her responsible broker.

1 (2) This section does not change a real estate broker's duties under this division
2 to supervise a salesperson.

3 (c) A person applying to a county for a fictitious business name pursuant to
4 subdivision (a) may file his or her application in the county or counties where the
5 fictitious business name will be used.
6

7 (d) Advertising and solicitation materials, including business cards, print or
8 electronic media and "for sale" signage, using a fictitious business name obtained in
9 accordance with paragraph (2) of subdivision (a) shall include the responsible broker's
10 identity, as defined in paragraph (1) of subdivision (a) of Section 10159.7, in a manner
11 equally as prominent as the fictitious business name.

12 (e) Notwithstanding subdivision (b) of Section 10140.6, advertising and
13 solicitation materials, including print or electronic media and "for sale" signage,
14 containing a fictitious business name obtained in accordance with paragraph (2) of
15 subdivision (a) shall include the name and license number of the salesperson who is
16 using the fictitious business name.
17

18 (f) Notwithstanding Section 10185, a violation of this section is not a
19 misdemeanor."

20 Place of Business: Contact Information – Code Section 10162 and Regulation 2715

21 40.

22 Pursuant to Code Section 10162:

23 "(a) Every licensed real estate broker shall have and maintain a definite place of
24 business in the State of California that serves as his or her office for the transaction of business.
25 This office shall be the place where his or her license is displayed and where personal
26 consultations with clients are held.
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1 (b) A real estate license does not authorize the licensee to do business except
2 from the location stipulated in the real estate license as issued or as altered pursuant to Section
3 10161.8.

4 (c)(1) Every real estate broker and salesperson licensee shall provide to the
5 commissioner his or her current office or mailing address, a current telephone number, and a
6 current electronic mail address that he or she maintains or uses to perform any activity that
7 requires a real estate license, at which the bureau may contact the licensee.

8 (2) Every real estate broker and salesperson licensee shall inform the
9 commissioner of any change to his or her office or mailing address, telephone number, or
10 electronic mail address no later than 30 days after making the change.

11 (d) Notwithstanding Section 10185, a violation of this section is not a
12 misdemeanor.”

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14 41.

15 Pursuant to Regulation 2715, “Every broker, except a broker acting in the
16 capacity of a salesperson to another broker under written agreement, shall maintain on file with
17 the commissioner the address of his principal place of business for brokerage activities, the
18 address of each branch business office and his current mailing address, if different from the
19 business address. Every broker who is acting in the capacity of a salesperson to another broker
20 under written agreement shall maintain on file with the commissioner the address of the
21 business location where he expects to conduct most of the activities for which a license is
22 required and his current mailing address... Whenever there is a change in the location or address
23 of the principal place of business or of a branch office of a broker, he shall notify the
24 commissioner thereof not later than the next business day following the change. This section
25 shall apply to the holder of a real estate license who fails to renew it prior to the period for
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1 which it was issued and who is otherwise qualified for such license as set forth in Section 10201
2 of the Code.”

3 Branch Offices – Code Section 10163

4 42.

5 Pursuant to Code Section 10163, “If the applicant for a real estate broker’s
6 license maintains more than one place of business within the State he shall apply for and
7 procure an additional license for each branch office so maintained by him. Every such
8 application shall state the name of the person and the location of the place or places of business
9 for which such license is desired. The commissioner may determine whether or not a real estate
10 broker is doing a real estate brokerage business at or from any particular location which requires
11 him to have a branch office license.”

12 Grounds for Revocation or Suspension – Code Section 10176

13 43.

14 Pursuant to Code Section 10176, “The commissioner may, upon his or her own
15 motion, and shall, upon the verified complaint in writing of any person, investigate the actions
16 of any person engaged in the business or acting in the capacity of a real estate licensee within
17 this state, and he or she may temporarily suspend or permanently revoke a real estate license at
18 any time where the licensee, while a real estate licensee, in performing or attempting to perform
19 any of the acts within the scope of this chapter has been guilty of any of the following:

20 (a) Making any substantial misrepresentation.

21 (b) Making any false promises of a character likely to influence, persuade, or
22 induce.

23 (c) A continued and flagrant course of misrepresentation or making of false
24 promises through real estate agents or salespersons.
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1 (i) Any other conduct, whether of the same or a different character than specified
2 in this section, which constitutes fraud or dishonest dealing...”

3 Further Grounds for Disciplinary Action – Code Section 10177

4 44.

5 Pursuant to Code Section 10177, “The commissioner may suspend or revoke the
6 license of a real estate licensee, delay the renewal of a license of a real estate licensee, or deny
7 the issuance of a license to an applicant, who has done any of the following:

8 ...

9 (d) Willfully disregarded or violated the Real Estate Law (Part 1 (commencing
10 with Section 10000)) or Chapter 1 (commencing with Section 11000) of Part 2 or the rules and
11 regulations of the commissioner for the administration and enforcement of the Real Estate Law
12 and Chapter 1 (commencing with Section 11000) of Part 2.

13 ...

14 (j) Engaged in any other conduct, whether of the same or a different character
15 than specified in this section, that constitutes fraud or dishonest dealing...”

16 **VIOLATIONS OF THE REAL ESTATE LAW - CAUSES FOR DISCIPLINE**

17 45.

18 **Advance Fees**

19 Respondents ANNA SADOWSKA and WEI ZHANG ALARID, while using the
20 names Amerifi Mortgage, Amerifi Realty, Amerifi Lending, , Amerifi Home Loans, American
21 Financial Realty and Mortgage Company, American Financial Resolutions, and Cornerstone
22 Law Group, and Cornerstone Network, Inc.” and any other names or fictitious names unknown
23 at this time, collected the advance fees described in Paragraphs 23 through 26, above, pursuant
24 to the provisions of a written agreement which constitutes an advance fee agreement within the
25 meaning of Code Section 10085.
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Respondents ANNA SADOWSKA and WEI ZHANG ALARID, while using the names Amerifi Mortgage, Amerifi Realty, Amerifi Lending, Amerifi Home Loans, American Financial Realty and Mortgage Company, American Financial Resolutions, and Cornerstone Law Group, and Cornerstone Network, Inc.” or other names or fictitious names unknown at this time, failed to submit the written agreements referred to in Paragraph 23 above, to the Commissioner ten (10) days before using them, in violation of **Code Section 10085 and Regulation 2970.**

47.

Unlicensed Activities

Respondents ANNA SADOWSKA and WEI ZHANG ALARID, while using the names Amerifi Mortgage, Amerifi Realty, Amerifi Lending, Amerifi Home Loans, American Financial Realty and Mortgage Company, American Financial Resolutions, and Cornerstone Law Group, and Cornerstone Network, Inc.” or other names or fictitious names unknown at this time, acted outside of the scope of their employ with their respective REB of record, and solicited borrowers and performed and/or participated in services for those borrowers and/or those borrowers’ lenders in connection with loans secured directly or collaterally by one or more liens on real property, and charged, demanded or collected advance fees for the services to be provided, including but not limited to loan modification and negotiation activities as described in Paragraphs 23 through 26, which acts require a real estate broker license under the provisions of Code Section 10131(d) and 10131.2 during a period of time when neither Respondent SADOWSKA nor Respondent ALARID was licensed by the Bureau as a real estate broker or mortgage loan originator, nor employed as a real estate salesperson by a broker on whose behalf the activities were performed, in violation of **Code Sections 10130, 10166.02, and 10176(a).**

1 48.

2 **Unlawful Employment or Payment of Compensation**

3 At all times mentioned, Respondents ANNA SADOWSKA and WEI ZHANG
4 ALARID received compensation for activities requiring a real estate license from a source other
5 than the broker(s) under which they were at the time licensed, in violation of Code Section
6 10137.

7 49.

8 **Trust Fund Handling**

9 Respondent WEI ZHANG ALARID received funds belonging to others in
10 connection with transactions for which a real estate broker license is required and failed to
11 deposit the funds into a trust fund account, in violation of Code Section 10145(a)(1).
12 Respondent WEI ZHANG ALARID made unauthorized withdrawals of funds belonging to
13 others in connection with transactions for which a real estate broker license is required, in
14 violation of Code Section 10145(a)(2). Respondent WEI ZHANG ALARID received funds
15 belonging to others and failed to immediately deliver said funds to either: the broker under
16 whom she was licensed; the broker's principal; a neutral escrow depository; or the broker's trust
17 fund account, in violation of Code Section 10145(c).
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20 50.

21 **Fictitious Business Names**

22 At all times mentioned herein, Respondent WEI ZHANG ALARID used the
23 names Cornerstone Mediation Network; Cornerstone Network; Corner Stone Network;
24 Cornerstone Legal; Cornerstone Law; Cornerstone; Cornerstone Law Group; Cornerstone
25 Mediation Network Inc.; Cornerstore Network; Intake Cornerstone Mediation Network;
26 Cornerstone Mediation; and any other name(s) or fictitious name(s) not known to the BRE at
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1 this time, without first obtaining a license from the Bureau bearing such fictitious business
2 names, in violation of **Code Section 10159.5 and Regulation 2731.**

3 51.

4 **Place of Business**

5 Respondent WEI ZHANG ALARID's mailing and main office address of record
6 on file with the BRE is a business resource center that offers postal services, including post
7 office boxes for rent, and is not a definite place of business that serves as Respondent
8 ALARID's office, nor is it a place where her license is displayed and where personal
9 consultations with clients are held. Respondent **WEI ZHANG ALARID** does not maintain an
10 office at the current addresses of record maintained with the BRE, and/or Respondent has failed
11 to inform the BRE Commissioner of any new definite place of business, a violation of **Code**
12 **Section 10162 and Regulation 2715.**

13 52.

14 **Branch Offices**

15 Respondent **WEI ZHANG ALARID** performed activities for which a real estate
16 license is required, including, but not limited to the locations whose addresses are: 17128
17 Colima Road, #512, Hacienda Heights, CA 91754 and 411 E. Huntington Drive, Unit 107,
18 Arcadia, California 91006, but failed to apply for and procure a license from the BRE for these
19 branch office address, a violation of **Code Section 10163.**

20 53.

21 **Substantial Misrepresentations**

22 Respondent **ANNA SAWDOSKA** has, while engaging in the business of or
23 acting in the capacity of a real estate broker, made substantial misrepresentations, a violation of
24 **Code Section 10176(a).**

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1 54.

2 **False Promises**

3 Respondent ANNA SADOWSKA has, while engaging in the business of or
4 acting in the capacity of a real estate broker, made false promises to influence, persuade, or
5 induce, a violation of **Code Section 10176(b)**.

6 55.

7 **Fraud or Dishonest Dealing**

8 Respondent ANNA SADOWSKA has, while engaging in the business of or
9 acting in the capacity of a real estate broker, engaged in conduct which constitutes fraud or
10 dishonest dealing, a violation of **Code Section 10176(i) and 10177(j)**.

11 56.

12 **Willful Disregard of the Real Estate Law**

13 Respondents ANNA SADOWSKA and WEI ZHANG ALARID have willfully
14 disregarded or violated the Real Estate Law, a violation of **Code Section 10177(d)**.

15 57.

16 The conduct, acts and/or omissions of Respondent ANNA SADOWSKA, as set
17 forth above, are cause for the suspension or revocation of the licenses and license rights of
18 Respondent SADOWSKA pursuant to **Code Sections 10085; 10130; 10137; 10139; 10148;**
19 **10176(a); 10176(b); 10176(c); 10176(i); 10177(d); and 10177(j)**.

20 58.

21 The conduct, acts and/or omissions of Respondent WEI ZHANG ALARID, as
22 set forth above, are cause for the suspension or revocation of the licenses and license rights of
23 Respondent ALARID pursuant to **Code Sections 10085; 10130; 10137; 10139; 10145; 10159.5**
24 **and Regulation 2715; 10162; 10163; and 10177(d)**.

COSTS

59.

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

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 all the licenses and license rights of Respondent ANNA SADOWSKA and WEI ZHANG ALARID 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 2nd day of August, 2017.



Maria Suarez
Supervising Special Investigator

cc: ANNA SADOWSKA
WEI ZHANG ALARID
Maria Suarez
Sacto.

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