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FILED

APR 30 2018

BUREAU OF REAL ESTATE

By 

BEFORE THE BUREAU OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of

No. H-41021 LA

LIDIA E. FRANSIS,

ACCUSATION

Respondent.

The Complainant, Maria Suarez, a Supervising Special Investigator of the State of California, for cause of Accusation against Respondent LIDIA E. FRANSIS ("FRANSIS") dba "Alliance One Real Estate" and "Bridgeport Services," 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.

2.

Unless otherwise specified, 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.

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1 3.

2 Whenever acts referred to below are attributed to Respondent FRANSIS, those
3 acts are alleged to have been done by Respondent FRANSIS, acting by herself, or by and/or
4 through one or more agents, associates, affiliates, and/or co-conspirators.

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6 (REAL ESTATE LICENSE HISTORY)

7 4.

8 Respondent FRANSIS is presently licensed and/or has license rights under the
9 Real Estate Law, Part 1 of Division 4 of the Code, with a real estate broker license (license no.
10 01489147). From on or about March 24, 2011 through the present, FRANSIS has had a real
11 estate broker license. Previously, from on or about May 27, 2005 to May 26, 2009, FRANSIS
12 had a real estate salesperson license. FRANSIS has had the DBA of "Alliance One Real
13 Estate" from on or about July 1, 2011 through the present and the DBA of "Bridgeport
14 Services" from on or about December 7, 2012 through the present.

15
16 FIRST CAUSE OF ACCUSATION

17 (SHORT SALE OF GLEN ARRAN LN. PROPERTY)

18
19 *Wells Fargo Bank*

20 5.

21 On or about June 19, 2014, Respondent FRANSIS and seller, Deborah A.,
22 entered into a Residential Listing Agreement granting FRANSIS DBA Alliance One Real
23 Estate the exclusive right to sell the property at 5121 E. Glen Arran Ln., Orange, CA 92869 (the
24 "Property") from June 19, 2014 to June 19, 2015, and listing the price as \$599,900.

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6.

On or about August 15, 2014, Respondent FRANSIS, Deborah A., and others signed a Wells Fargo Short Sale Affidavit declaring, "None of the signatories would receive any proceeds or other remuneration from this transaction except as set forth on the Settlement Statement," and, "None of the signatories have knowledge of any offer to purchase the Mortgage Premises for a higher purchase price than the purchase price contained in the certain real estate purchase contract referenced above that has not been presented to the lender(s)." The signature of the alleged selling agent, Georgina Esquivel ("Esquivel") of Palmas Realty Group Corporation, was forged on this Wells Fargo Short Sale Affidavit. On or about October 28, 2014, Respondent FRANSIS submitted this Wells Fargo Short Sale Affidavit to Wells Fargo Bank.

7.

On or about October 28, 2014, Wells Fargo Bank also received a false California Residential Purchase Agreement and Joint Escrow Instructions dated July 2, 2014 alleging a \$550,000 offer was made by a "Moises O." with Respondent FRANSIS DBA Alliance One Real Estate as the listing agent and Esquivel as the selling agent. However, the agent and broker fields in the footer, which indicates who created the offer (normally the selling agent), were blank and/or redacted. Esquivel did not make an offer on behalf of a "Moises O." for the Property, did not claim or receive a commission for the sale of the Property, and was not even aware of this short sale transaction until after the close of escrow.

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8.

On or about October 28, 2014, Respondent FRANSIS submitted an Estimated Settlement Statement (HUD-1) dated September 11, 2014 to Wells Fargo Bank. This Estimated Settlement Statement (HUD-1) states:

Buyer/Borrower	Moises O.
Purchase price	\$550,000
Payoff of first loan to American Servicing Co. ("ASC") ¹	\$488,525.08
Commission to FRANSIS DBA Alliance One Real Estate	\$16,500
Commission to Palmas Realty	\$16,500
Seller to Credit Buyer for Closing Costs	\$16,500
HAFA Relocation/Incentive to Seller	N/A
Settlement Charges to Seller (includes commission)	\$44,974.92

9.

On or about April 29, 2015, ASC on behalf of Wells Fargo Bank approved the short sale of the Property under the following terms and conditions:

Buyer/Borrower	Moises O.
Approved purchase price	\$550,000
Acceptable Sales Proceeds	\$485,025.08
Real Estate Commission	\$33,000
Total fees paid for seller closing costs	\$21,974.92
HAFA Incentive to Seller	\$10,000
Unpaid Principal Balance on loan 1100231530	\$511,379.74
Excess funds to be paid to:	ASC

¹ ASC serviced this loan on behalf of Wells Fargo Bank.

10.

On or about June 15, 2015, Respondent FRANSIS submitted a Final Settlement Statement (HUD-1) dated September 11, 2014 with a settlement/close-of-escrow date of June 12, 2015 to Wells Fargo. This Final Settlement Statement (HUD-1) states the following:

Buyer/Borrower	Moises O.
Purchase price	\$550,000
Payoff of first loan to ASC	\$485,025.08
Commission to FRANSIS DBA Alliance One Real Estate	\$16,500
Commission to Palmas Realty	\$16,500
Seller to Credit Buyer for Closing Costs	\$10,000
HAFA Relocation/Incentive to Seller	\$10,000
Settlement Charges to Seller (includes commission)	\$44,974.92

Lawyers Title Company

11.

On or about April 29, 2015, the same day that Wells Fargo approved the short sale, FRANSIS DBA Bridgeport Services requested Lawyers Title Company ("LTC") open a new order for the Property for a purchase price of \$610,000 for buyer, David R.

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12.

On or about June 12, 2015, Respondent FRANSIS drafted and submitted a fraudulent Final Settlement Statement (HUD-1) with a settlement/close-of-escrow date of June 12, 2015 to LTC. This Final Settlement Statement (HUD-1) states the following:

Buyer/Borrower	David R.
Purchase price	\$690,000
Payoff of first loan to ASC	\$485,025.08
Commission to FRANSIS DBA Alliance One Real Estate	\$41,400
Commission to Palmas Realty	N/A
Seller to Credit Buyer for Closing Costs	N/A
HAFA Relocation/Incentive to Seller	\$10,000
Settlement Charges to Seller (includes commission)	\$194,974.92

13.

Prior to close of escrow on June 12, 2015, Respondent FRANSIS drafted and submitted a fraudulent short sale approval letter allegedly from ASC dated May 27, 2015 for the Property with loan number 110231530 to LTC. This letter alleges the following terms and conditions:

Buyer/Borrower	David R.
Approved purchase price	\$690,000
Acceptable Sales Proceeds	\$485,025.08
Real Estate Commission	\$41,400
Total fees paid for seller closing costs	\$153,574.92
HAFA Relocation/Incentive to Seller	\$10,000
Unpaid Principal Balance on loan 1100231530	\$811,379.74
Excess funds to be paid to:	ASC

1 *Buyer David R.*

2 14.

3 On or about May 13, 2015, Respondent FRANSIS drafted and signed a
4 California Residential Purchase Agreement and Joint Escrow Instructions wherein David R.
5 made an offer of \$690,000 for the Property. This California Residential Purchase Agreement
6 and Joint Escrow Instructions also named FRANSIS as both the listing agent and selling agent.

7 15.

8 Prior to close of escrow on June 12, 2015, Respondent FRANSIS drafted and
9 provided a fraudulent short sale approval letter allegedly from ASC dated May 27, 2015 for the
10 Property with loan number 1200231530 to David R. This letter alleges the following terms and
11 conditions:

12 Buyer/Borrower	David R.
13 Approved purchase price	\$690,000
14 Acceptable Sales Proceeds	\$639,538.32
15 Real Estate Commission	\$34,500
16 Total fees paid for seller closing costs	\$5,961.68
17 HAFA Relocation/Incentive to Seller	\$10,000
18 Unpaid Principal Balance on loan 1200231530	\$811,379.74
19 Excess funds to be paid to:	ASC

20 16.

21 Prior to close of escrow on June 12, 2015, Respondent FRANSIS drafted and
22 provided to David R. a fraudulent short sale approval letter dated May 27, 2015 allegedly from
23 ASC for the Property with loan number 1200231530.

24 17.

25 On or about June 3, 2015, David R. requested Respondent FRANSIS provide a
26 letter from Wells Fargo Bank indicating it granted an extension for the short sale of the
27

1 Property to close on or before June 12, 2015. In response, on or about June 9, 2015,
2 Respondent FRANSIS drafted and provided a fraudulent letter with Wells Fargo Home
3 Mortgage letterhead to David R. stating such as extension was granted.

4 18.

5 On or about June 15, 2015, Respondent FRANSIS provided a Final Settlement
6 Statement (HUD-1) to David R. This Final Settlement Statement (HUD-1) states:

7 Buyer/Borrower	David R.
8 Approved purchase price	\$690,000

9
10 *Sum-Up*

11 19.

12 At no time prior to close of escrow did Respondent FRANSIS notify Wells
13 Fargo Bank/ASC that the buyer was David R. rather than Moises O., the purchase price was
14 \$690,000 rather than \$550,000, Respondent FRANSIS was a dual agent that received the entire
15 commission, Respondent FRANSIS received a commission greater than the amount approved
16 by Wells Fargo Bank/ASC, and Respondent charged and collected other various fees and
17 monies that amounted to at least \$153,574.92.

18 20.

19 Respondent FRANSIS misrepresented to both LTC and David R. that Wells
20 Fargo Bank had approved a purchase price of \$690,000 when in fact the approved purchase
21 price was \$550,000.

22 21.

23 As a result of this short sale, Wells Fargo Bank had an estimated short sale loss
24 of \$88,124.65.

25 22.

26 As a result of this short sale, Respondent FRANSIS profited more than \$150,000
27 when Wells Fargo Bank only approved her to receive a commission of \$16,500.

23.

Respondent FRANSIS' conduct, acts, and/or omissions as described above constitute making substantial misrepresentations, false promises, and fraud and/or dishonest dealing, and are cause for the suspension or revocation of all real estate licenses and license rights of Respondent under the provisions of Code sections 10176(a), 10176(b), 10176(d), 10176(g), 10176(i), 10177(d), 10177(g), and/or 10177(j).

SECOND CAUSE OF ACCUSATION

(FAILURE TO RETAIN AND PRODUCE DOCUMENTS)

24.

Respondent FRANSIS failed to retain and produce the documents to the Bureau of Real Estate. These documents include, but not limited to:

- Sales and escrow file for the Property;
- Listing agreement for 10051 Hidden Village Rd., Garden Grove, CA 92840 with close of escrow on or about September 1, 2017;
- Sales transaction file for 3243 Silver Maple Dr., Yorba Linda, CA 92886 with close of escrow on or about January 17, 2017; and
- Employment agreement with John Abraham Perez III.

Respondent FRANSIS' failure to retain and produce documents to the Bureau of Real Estate is a violation of Code section 10148.

THIRD CAUSE OF ACCUSATION

(REAL ESTATE LICENSE NUMBER)

25.

From an unknown date to at least February 27, 2017 and April 10, 2018, Respondent FRANSIS DBA Alliance One Real Estate advertised as a real estate agent on its

1 Facebook webpage, but failed to provide her real estate license number, in violation of Code
2 section 10140.6 and Regulations section 2773.

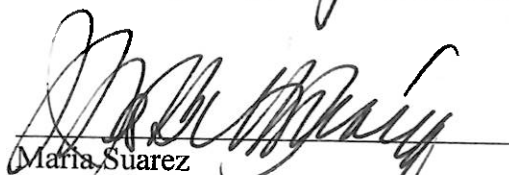
3
4 COSTS

5 26.

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

10 WHEREFORE, Complainant prays that a hearing be conducted on the
11 allegations of this Accusation and that upon proof thereof, a decision be rendered imposing
12 disciplinary action against all licenses and/or license rights under the Real Estate Law (Part 1 of
13 Division 4 of the California Business and Professions Code) of Respondent LIDIA E.
14 FRANSIS, for penalties pursuant to Code section 10139, for the cost of investigation and
15 enforcement as permitted by law, and for such other and further relief as may be proper under
16 applicable provisions of law.

17 Dated at Los Angeles, California: 18, April, 2018.

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21 Maria Suarez
22 Supervising Special Investigator
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24

25 cc: Lidia E. Fransis
26 Maria Suarez
27 Sacto.