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FILED

OCT 26 2018

DEPT. OF REAL ESTATE

By John Cozart

8
9 BEFORE THE DEPARTMENT OF REAL ESTATE
10 STATE OF CALIFORNIA

11 * * *

12 In the Matter of the Accusation of) No. H-41193 LA
13)
14 GERALD VERDE DIZA, doing business)
15 as Pacific Restaurant Brokers, and) ACCUSATION
16 STEVE SOHEIL TORABI,)
17 Respondents.)

18 The Complainant, Maria Suarez, a Supervising Special Investigator of the State
19 of California, for cause of Accusation against GERALD VERDE DIZA, doing business as
20 Pacific Restaurant Brokers, and STEVE SOHEIL TORABI, ("Respondents") alleges as
21 follows:

22 1.

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

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All references to the "Code" are to the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code and all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

LICENSE HISTORY
(GERALD VERDE DIZA)

3.

a. Respondent GERALD VERDE DIZA ("DIZA") is presently licensed and/or has license rights under the Code, as a real estate broker, Department of Real Estate ("Department") license ID 01113651.

b. Respondent DIZA's broker license was originally issued on March 24, 2001, and is scheduled to expire on March 23, 2021, unless renewed.

c. According to the Department's records to date, Respondent DIZA's main office address is 17011 Beach Boulevard, Unit 550, Huntington Beach, California.

e. Respondent DIZA maintains the fictitious business names "Irvine Real Estate and Mortgage Group" and "Pacific Restaurant Brokers" under his real estate broker license.

f. Respondent DIZA's website is <http://www.pacificrestaurantbrokers.com>.

g. Respondent DIZA is the designated officer of PRB Sales, Inc, a corporate real estate broker, Department license ID 02023864. PRB Sales, Inc was originally issued a license on January 13, 2017.

(STEVE SOHEIL TORABI)

4.

a. Respondent STEVE SOHEIL TORABI ("TORABI") is presently licensed and/or has license rights under the Code, as a real estate salesperson, Department license ID 02022773.

b. Respondent TORABI's salesperson license was originally issued on December 7, 2016, and is scheduled to expire on December 6, 2020, unless renewed.

1 c. According to the Department's records to date, Respondent TORABI's
2 employing broker is PRB Sales, Inc.

3 REAL ESTATE ACTIVITY

4 5.

5 At all times relevant herein Respondent DIZA was engaged in the business of,
6 acted in the capacity of, advertised or assumed to act as a real estate broker, within the meaning
7 of Code section 10131(a) by selling or offering to sell, buying or offering to buy, soliciting
8 prospective sellers or purchasers of, soliciting or obtaining listings of, or negotiating the
9 purchase, sale or exchange of real property or a business opportunity ("real estate sales") and
10 section 10131(b) by leasing or renting or offering to lease or rent, or place for rent, or soliciting
11 listings of places for rent, or soliciting for prospective tenants, or negotiating the sale, purchase,
12 or exchange of leases on real property, or on a business opportunity ("real estate leasing").

13 6.

14 According to Respondent DIZA's website
15 <http://www.pacificrestaurantbrokers.com> ("website"), he "specializes in the sales and leasing of
16 restaurants and food [and] beverage related businesses." Respondent DIZA "sell[s] fine dining,
17 casual and quick service restaurants...bars [and] lounges," "assist[s] in site location and
18 negotiate[s]] leases on second generation restaurant space," and "represent[s] sellers/owners
19 and buyers looking for businesses to sell or purchase."

20 CAUSES FOR ACCUSATION

21 (BURGER RESTAURANT TRANSACTION)

22 7.

23 On or about May 22, 2016, a Purchase Agreement was executed for the sale of a
24 burger restaurant in Ladera Ranch, California ("burger restaurant"). The Purchase Agreement
25 listed the agent for both the buyer and seller as Pacific Restaurant Brokers, a fictitious business
26 name for Respondent DIZA. "Jerry Diza" was listed as the broker agent. The Purchase
27

1 Agreement for the burger restaurant did not disclose any Department license identification
2 number.

3 (LADERA RANCH RESTAURANT TRANSACTION)

4 8.

5 On or around June 11, 2016, S.K.¹ contacted Respondent DIZA to inquire about
6 an online posting regarding a sale of a restaurant. Later that same day, Respondent TORABI
7 sent S.K. a text message instructing S.K. to complete a confidentiality agreement on the website
8 and to “include [his] name in the team member area before submitting.” On that same day,
9 Respondent TORABI sent S.K. an email stating, in part, the following:

10 Attached is the overview of the business. I will follow up with
11 you shortly to see if you have any questions.

12 Respondent TORABI attached a one page informational sheet on a Mexican restaurant located
13 in Ladera Ranch, California (“Ladera Ranch restaurant”). At the bottom of the attachment it
14 stated, “Offered at only: \$695,000” and listed the contact information, the Department license
15 ID of Respondent DIZA, and the email address “steve@PacificRB.com,” which is Respondent
16 TORABI’s e-mail address.

17 9.

18 On or around July 28, 2016, Respondent TORABI sent an e-mail to S.K. with
19 the financials of the Ladera Ranch restaurant. In response, S.K. sent an email to Respondent
20 TORABI that S.K. would like to write an offer for \$450,000.00.

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26 ¹ Initials are used in place of individuals’ full names to protect their privacy. Documents containing individuals’
27 full names will be provided during the discovery phase of this case to Respondents and/or their attorney, after
service of a timely and proper request for discovery on Complainant’s counsel.

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10.

On or around July 29, 2016, Respondent TORABI sent an e-mail to S.K. with a Purchase Agreement and informed S.K. that he required a check made out to "Portfolio Escrow Inc." for \$15,000.00 to present S.K.'s offer to the seller. The Purchase Agreement dated July 29, 2016, in Respondent TORABI's e-mail to S.K. listed the agent for both the buyer and seller as Pacific Restaurant Brokers. "Jerry Diza" was listed as the broker agent. The Purchase Agreement did not disclose any Department license identification number. In response, S.K. replied to Respondent TORABI's e-mail reminding him of the requested term of "two 5-year options with the current, remaining lease."

11.

On or about July 29, 2016, S.K. signed an Agency Disclosure form, acknowledging that "Jerry Diza/Steve Torabi" were dual agents in the Ladera Ranch restaurant transaction.

12.

In an e-mail dated August 16, 2016, Respondent TORABI sent S.K. questions from the landlord of the Ladera Ranch restaurant.

13.

In an e-mail dated August 19, 2016, Respondent TORABI sent S.K. an updated Purchase Agreement and instructed S.K. to make a check out to Respondents' escrow company "Portfolio Escrow Inc."

14.

On or about August 20, 2016, S.K. signed an Agency Disclosure Form again, acknowledging that "Jerry Diza/Steve Torabi" were dual agents in the Ladera Ranch restaurant transaction.

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15.

In a letter dated October 20, 2016, from Respondent TORABI regarding the Ladera Ranch restaurant, it stated, "Buyer's Agent: Steve Torabi" and described the allocations for the purchase price.

16.

In an e-mail dated October 25, 2016, Respondent TORABI told S.K., "I will present the \$480k offer... They are going to be asking me about the price revision and [I] want to be ready when they start asking questions."

17.

In an e-mail dated November 2, 2016, Respondent TORABI told S.K., "The seller agreed to the \$563k which includes the AC credit of \$12k plus the \$5k in inventory if we move forward today."

18.

In an e-mail dated November 3, 2016, Respondent TORABI told S.K., "Let's review the entire lease as it mentions first 7-12 months at \$145k and I am sure the rent was not even close to what it is now."

(UNLICENSED ACTIVITY)

19.

From on or about July 11, 2016, through December 6, 2016, Respondent TORABI, engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate broker in the State of California within the meaning of Code sections 10131(a)-(b), for or in expectation of compensation, by selling or offering to sell, buying or offering to buy, soliciting prospective sellers or purchasers of, negotiating the purchase, sale or exchange of, leasing or renting or offering to lease or to rent real property or the business or goodwill of an existing business enterprise or opportunity.

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20.

At all times mentioned above in Paragraphs 8 through 18, Respondent TORABI was not licensed in any capacity by the Department. Respondent conducted the real estate activities alleged above in Paragraphs 8 through 18, and expected compensation for such activities in violation of Code sections 10130 and 10131.

(FAILURE TO DISCLOSE LICENSE IDENTIFICATION NUMBER)

21.

Based on the conduct, acts and/or omissions of Respondent DIZA, as described in Paragraphs 7 and 10 above, Respondent DIZA failed to disclose his Department license identification number in the purchase agreements in violation of Code section 10140.6 and Regulations section 2773.

(UNLAWFUL EMPLOYMENT OR PAYMENT OF COMPENSATION)

22.

Based on the conduct, acts and/or omissions of Respondent TORABI, as described in Paragraphs 8 through 18 above, Respondent DIZA employed or compensated, directly or indirectly, Respondent TORABI, who at the time was not licensed by the Department, for performing acts that require a real estate license in violation of Code section 10137.

(USE OF FALSE OR FICTITIOUS NAME)

23.

Based on the conduct, acts and/or omissions of Respondent DIZA, as described in paragraphs 7,10, 11, and 14, Respondent DIZA conducted real estate activities using the unlicensed fictitious business name of "Jerry Diza" without including his Department-issued license identification number in violation of Code section 10159.5 and Regulations section 2731(e).

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24.

Each of the foregoing violations in Paragraph 7 through 18 above constitute cause for the suspension or revocation of the real estate license and/or license rights of Respondents DIZA and TORABI under the provisions of Sections 10177(d) and/or 10177(g).

COSTS

(INVESTIGATION AND ENFORCEMENT COSTS)

25.

Section 10106 of the Code, provides, in pertinent part, that in any order issued in resolution of a disciplinary proceeding before the Department, 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/or license rights of Respondents GERALD VERDE DIZA, doing business as Pacific Restaurant Brokers, and STEVE SOHEIL TORABI under the Real Estate Law, for the costs of investigation and enforcement as permitted by law and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Los Angeles, California this 24th day of October, 2018.



Maria Suarez
Supervising Special Investigator

cc: GERALD VERDE DIZA
STEVE SOHEIL TORABI
Maria Suarez
Sacto.