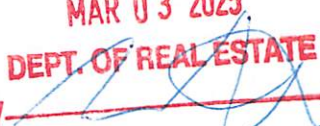


1 LAURENCE D. HAVESON, Counsel (SBN 152631)  
2 Department of Real Estate  
3 320 West 4th Street, Suite 350  
4 Los Angeles, California 90013-1105  
5 Telephone: (213) 559-5990  
6 Direct: (213) 559-5699  
7 Fax: (213) 576-6917  
8 Email: Laurence.Haveson@dre.ca.gov  
9 Attorney for Complainant

**FILED**  
**MAR 03 2025**  
**DEPT. OF REAL ESTATE**  
By 

8 BEFORE THE DEPARTMENT OF REAL ESTATE  
9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of

No. H-42928-LA

12 PINNACLE ESTATE PROPERTIES  
13 INC, KENT D. PALMER, individually  
14 and as designated officer of Pinnacle  
Estate Properties Inc, and JEREMY  
STEVEN RODRIGUEZ,

ACCUSATION

15 Respondents.

16  
17 The Complainant, Ray Dagnino, a Supervising Special Investigator for the Department of Real  
18 Estate ("Department" or "DRE") of the State of California, for cause of Accusation against  
19 PINNACLE ESTATE PROPERTIES INC ("PINNACLE"), KENT D. PALMER ("PALMER"),  
20 individually and as designated officer of Pinnacle Estate Properties Inc, and JEREMY STEVEN  
21 RODRIGUEZ ("RODRIGUEZ") (collectively "Respondents"), alleges as follows:

22 1. The Complainant, Ray Dagnino, acting in his official capacity as a Supervising  
23 Special Investigator, makes this Accusation against Respondents.

24 2. All references to the "Code" are to the California Business and Professions Code and  
25 all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

26 **INVOLVED LICENSEES AND UNLICENSED INDIVIDUALS**

27 3. Respondent PINNACLE has been licensed by the DRE as a real estate corporation  
28 ("REC"), DRE license identification number ("License ID") 00905345, from on or about December

1 13, 1985, through the present, with PINNACLE's license scheduled to expire on December 12, 2025,  
2 unless renewed. PINNACLE is currently licensed through PALMER's real estate broker ("REB")  
3 license and PALMER is the designated officer ("D.O.") of PINNACLE. PALMER has been the D.O.  
4 for PINNACLE from on or about June 1, 2021, through the present. From on or about November 17,  
5 2008, through on or about December 12, 2021, REB Craig Alan Dubron ("Dubron"), DRE License  
6 ID 01023628, through on or about May 31, 2021, was the D.O. of PINNACLE. Dubron's REB  
7 license expired on or about November 13, 2022.

8 4. Respondent PALMER has been licensed by the DRE as a REB, License ID 00812941,  
9 from on or about June 22, 2015, through the present. PALMER was previously licensed as a real  
10 estate salesperson ("RES"), from on or about April 6, 1981, to on or about June 21, 2015. PALMER  
11 has been employed by PINNACLE for most of his licensed career, beginning on or about December  
12 13, 1985, through the present.

13 5. Respondent RODRIGUEZ is currently licensed by the DRE as a RES, License ID  
14 01892998. RODRIGUEZ has been licensed by the DRE from April 12, 2011, through the present,  
15 with RODRIGUEZ's license scheduled to expire on April 11, 2027, unless renewed. From on or  
16 about April 20, 2011, through on or about August 19, 2024, RODRIGUEZ was employed by  
17 PINNACLE, and PINNACLE was his responsible broker.

18 6. Efrain Flores Yanez ("Yanez") is not now and has never been licensed as an REB or  
19 RES by the DRE. From at least September 2019, through at least June 9, 2022, Yanez worked for  
20 RODRIGUEZ to solicit buyers, sellers, and/or owners ("clients") of residential real estate, including  
21 owners wanting to refinance their mortgage loans. Yanez was paid for his services out of  
22 RODRIGUEZ's commission checks that RODRIGUEZ received from PINNACLE.

23 7. Erika Aguila ("Aguila") is not now and has never been licensed as an REB or RES by  
24 the DRE. Aguila is married to RODRIGUEZ.

25 8. CE Consultants, Inc. ("CECI") is a California corporation that was incorporated on or  
26 about February 5, 2016, by Aguila. CECI is not now and has never been licensed by the DRE as a  
27 real estate corporation. Aguila is the sole owner of all shares of CECI stock, and is also the chief  
28 executive officer, secretary, chief financial officer, and sole director for CECI. Aguila is the sole

1 officer and shareholder for CECI. Aguila considers the corporation CECI to be herself. Aguila  
2 originally incorporated CECI intending to open a brokerage for insurance, but Aguila never opened  
3 an insurance brokerage.

4 **ACTIVITIES REQUIRING A REAL ESTATE LICENSE**

5 9. At all times mentioned herein, in Los Angeles County, California, Respondents  
6 engaged in the performance of activities requiring a real estate license pursuant to Code section  
7 10130, and acted and ordered, caused, authorized or participated in licensed activities within the  
8 meaning of Code section 10131. From on or about June 1, 2021, through the present, PINNACLE  
9 was acting by and through PALMER as its D.O. pursuant to Code Section 10159.2, and PALMER  
10 was responsible for ensuring compliance with the Real Estate Law.

11 **FACTS DISCOVERED BY THE DRE**

12 10. Complainant is informed and believes and on such information and belief alleges that  
13 from in or about September 2019, through on or about June 9, 2022, Respondent RODRIGUEZ,  
14 working in concert with Yanez, who has never been licensed by the DRE, engaged in an extended,  
15 continuous pattern and course of conduct as follows:

16 a. Yanez would solicit buyers, sellers, and/or owners ("clients") of residential  
17 real estate, including owners wanting to refinance their mortgage loans;

18 b. Yanez falsely told the clients that he was a real estate agent working for  
19 PINNACLE, and that RODRIGUEZ was the broker for PINNACLE. Yanez worked closely  
20 with the clients and led them to believe he was a real estate agent when in fact he was not.

21 c. Yanez would send the clients who agreed to work with him an email message  
22 attaching loan applications and/or other documents related to the purchase or sale of property,  
23 requesting that these new clients complete and return the documents to Yanez.

24 ///

25 ///

26 ///

27 ///

28 ///

1 d. In the email messages sent to clients by Yanez, Yanez used the email address  
2 "soldbyeefrain@gmail.com" (Sold by Efrain, using Yanez's first name), and Yanez's  
3 signature at the bottom of his email messages was as follows:

4 Efrain F. Yanez  
5 (818) xxx-2266  
6 Pinnacle Estate Properties  
California's Mortgage Bank

7 e. Yanez's email address and listing of Pinnacle Estate Properties and  
8 California's Mortgage Bank in his email signature further confirmed to clients Yanez's  
9 misrepresentations that he was a real estate agent.

10 f. When Yanez received the completed documents and personal financial  
11 information from the clients, he would forward the documents and information to  
12 RODRIGUEZ, and, on information and belief, RODRIGUEZ would prepare the documents  
13 required for the clients' transactions, such as the Residential Purchase Agreement ("RPA"),  
14 listing himself as the real estate agent on behalf of PINNACLE, and the transactions with  
15 these clients would be completed at the close of escrow. On information and belief, except in  
16 one instance the DRE is currently aware of, Yanez's clients never met or spoke to  
17 RODRIGUEZ, and RODRIGUEZ never advised the clients regarding the terms of the  
18 transactions.

19 g. On information and belief, in or about 2016 or 2017, RODRIGUEZ's wife,  
20 Aguila, set up a checking account ending in 1693 for CECI at Chase Bank.

21 h. After the close of escrow on a transaction in which RODRIGUEZ was listed  
22 as the real estate agent acting on behalf of PINNACLE, PINNACLE would receive a  
23 commission, and then issue a check to RODRIGUEZ for his percentage of the commission.

24 i. Beginning in or about 2017, when RODRIGUEZ received commission  
25 checks from PINNACLE payable to RODRIGUEZ for transactions in which RODRIGUEZ  
26 was listed as the agent, RODRIGUEZ would endorse the checks to CECI for deposit into  
27 CECI's account with Chase Bank.

28 ///

1           j.       On information and belief, from at least on or about September 26, 2019,  
2 through at least on or about June 9, 2022, whenever Aguila's husband, RODRIGUEZ,  
3 received a commission check from PINNACLE for a real estate transaction in which  
4 RODRIGUEZ was listed as the agent and Yanez had solicited and worked with the clients in  
5 the transaction, RODRIGUEZ would endorse his commission checks to CECI and the checks  
6 would be deposited into CECI's checking account at Chase Bank. At or near the time of the  
7 deposit of RODRIGUEZ's commission checks to CECI's account—usually after the deposit,  
8 but on at least one occasion before the deposit—for commissions for transactions in which  
9 Yanez was involved, Aguilar would write a check payable to Yanez in the amount listed on  
10 a written note to Aguilar from RODRIGUEZ, and Aguilar would also write a reference on  
11 the memo line based on a reference to a transaction that RODRIGUEZ would include in the  
12 note.

13           k.       As of at least on or about September 7, 2023, Aguila had never met Yanez,  
14 had never spoken to him, had never sent him an email or text message, and did not know what  
15 Yanez looked like. Neither Aguilar nor CECI ever entered into a written agreement with  
16 Yanez. RODRIGUEZ never paid CECI for any of the work that CECI did related to receiving  
17 RODRIGUEZ's commission checks and issuing checks to Yanez and others.

18           l.       From in or about September 2019 through on or about June 9, 2022,  
19 RODRIGUEZ worked with Yanez on at least 12 real estate transactions, and RODRIGUEZ  
20 received \$99,607.10 in commissions from PINNACLE for 12 real estate transactions that  
21 RODRIGUEZ worked in concert with Yanez to complete.

22           m.       At or near the time RODRIGUEZ received his commission check from  
23 PINNACLE for each of the 12 transactions, RODRIGUEZ would write a note on a PostIt  
24 note to Aguila, with the amount to be paid to Yanez, and a reference to be included on the  
25 memo line of the check, Aguila would write a check payable to Yanez from CECI's bank  
26 account, and mail the check to Yanez.

27           n.       For the 12 transactions that RODRIGUEZ received commissions from  
28 PINNACLE, RODRIGUEZ had Aguila write checks payable to Yanez from CECI's account

totaling \$45,142.09. Based on documents obtained by the DRE, the breakdown of the 12 transactions that RODRIGUEZ received commissions from PINNACLE, and then had CECI issue checks to Yanez, are shown in the table below with the date, check number, commission amount, property involved in the transaction for each of the 12 commission checks issued by PINNACLE to RODRIGUEZ, for transactions in which Yanez solicited and worked with the clients, which checks were deposited into CECI's bank account, and then the date, check number, amount, and reference for the check issued by CECI to Yanez on RODRIGUEZ's instructions.

| COMMISSIONS PAID BY PINNACLE TO RODRIGUEZ, AND AMOUNTS CECI PAID TO YANEZ |             |                         |                       |             |             |                    |                             |
|---|-------------|-------------------------|-----------------------|-------------|-------------|--------------------|-----------------------------|
| Pinnacle Check#   | Date Issued | Commission to Rodriguez | Property              | CECI Check# | Date Issued | Amount to Yanez    | Reference on Memo Line      |
| 68830   | 09/03/2019  | \$9,659.46              | 14909 Roxton Ave      | 5188        | 09/13/2019  | \$5,147.78         | 14909 Roxton Ave            |
| 69374   | 09/26/2019  | \$7,898.32              | 39922 Marbrissa Ave   | 5191        | 09/27/2019  | \$3,286.64         | Marbrissa                   |
| 74094   | 05/13/2020  | \$6,668.23              | 1112 W Williams St    | 5160        | 05/15/2020  | \$2,736.50         | Rojas                       |
| 74302   | 05/28/2020  | \$3,850.71              | 16274 Vasquez Cyn #1  | 5162        | 06/09/2020  | \$1,573.74         | Garcia                      |
| 74457   | 06/04/2020  | \$6,673.00              | 9336 Van Nuys Bl #49  | 5165        | 06/12/2020  | \$2,636.50         | Santiago - 9336             |
| 74513   | 06/08/2020  | \$11,590.78             | 2943 School St        | 5166        | 06/12/2020  | \$4,661.01         | Santiago - 2943             |
| 78196   | 10/13/2020  | \$10,005.92             | 3821 N Golden Ave     | 5175        | 10/15/2020  | \$4,011.96         | Galvez                      |
| 86160   | 06/28/2021  | \$9,894.25              | 44250 Artesia Mill Ct | 5262        | 07/07/2021  | \$3,900.88         | [J.S.]                      |
| 90629   | 11/04/2021  | \$8,605.75              | 37908 17th St E       | 5205        | 11/08/2021  | \$3,409.13         | Lopez                       |
| 93549   | 02/24/2022  | \$8,081.76              | 2757 Emerald Ln       | 5292        | 02/28/2022  | \$3,192.88         | Emerald Lane                |
| 93931   | 03/10/2022  | \$8,605.75              | 2654 Via Madalena     | 5298        | 03/09/2022  | \$3,409.13         | Bolanos - 2654 Via Madalena |
| 96489   | 06/06/2022  | \$17,732.63             | 1097 Waltham Rd       | 5212        | 06/09/2022  | \$7,175.94         | 1097 Waltham Rd             |
| Total paid to Yanez:  |             |                         |                       |             |             | <u>\$45,142.09</u> |                             |

o. Yanez was not an employee of, nor an independent contractor for CECI. For each of tax years 2019, 2020, 2021, and 2022, Yanez completed and signed IRS Form W-9, Request for Taxpayer Identification Number and Certification. For each of tax years 2019, 2020, 2021, and 2022, Aguila, on behalf of CECI completed IRS Form 1099-MISC for Yanez, listing the amount that CECI had paid Yanez for that tax year.

11. The following allegations are examples of the extended, continuous pattern and course of fraudulent conduct engaged in by RODRIGUEZ and Yanez.

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1                   Refinancing of Artesia Mill Property owned by J.S. handled by Yanez

2           12.     On or about June 10, 2020, J.S.<sup>3/</sup>, who owned a house located at 44250 Artesia Mill  
3     Ct., in Lancaster, California ("Artesia Mill property), spoke to Yanez by phone about refinancing the  
4     Artesia Mill property. J.S. had been referred to Yanez by a mutual friend. J.S. was born and raised in  
5     El Salvador before moving to the United States. J.S. speaks very little English, but was able to  
6     communicate with Yanez, who is a bilingual Spanish speaker. Yanez told J.S. that he was a real estate  
7     agent who worked for PINNACLE. The same day, Yanez sent J.S. an email with a loan application  
8     to refinance the property. The email message sent by Yanez to J.S. contained an e-mail signature that  
9     stated: "Efrain Flores-Yanez, Pinnacle Estate Properties, California Mortgage Bank." J.S. completed  
10    the loan application and gave it to Yanez. J.S. met Yanez at Ridgeway Escrow Inc. in Northridge,  
11    California, to sign the final documents. Yanez told J.S. that PINNACLE's offices, where Yanez  
12    worked, were right near Ridgeway Escrow.

13                   Sale of Artesia Mill Property owned by J.S., handled by Yanez

14           13.     In or about late April 2021, J.S. contacted Yanez and informed him that he wanted to  
15    sell the Artesia Mill property. J.S. called Yanez because J.S. believed that Yanez was a real estate  
16    agent. Yanez told J.S. that PINNACLE was charging a 5% commission to sell homes. The Artesia  
17    Mill property was listed on or about May 3, 2021. While the Artesia Mill property was for sale,  
18    Yanez conducted all the open houses for the property. It was not until close to the completion of the  
19    sale of the Artesia Mill property that J.S. received an email message from the loan officer for Golden  
20    State Escrow addressed to RODRIGUEZ, and that was when J.S. noticed the name Jeremy Rodriguez  
21    for the first time. J.S. asked Yanez who RODRIGUEZ was and Yanez informed J.S. that  
22    RODRIGUEZ was his boss, that RODRIGUEZ was the broker for PINNACLE, and Yanez was the  
23    real estate agent. J.S. noticed that all the documents for the transaction had RODRIGUEZ's name,  
24    which J.S. thought was normal since he believed that RODRIGUEZ was his broker. J.S. never spoke  
25    to RODRIGUEZ at any time from the listing of the Artesia Mill property to the close of escrow. The  
26    documents for the transaction included but were not limited to:

27  
28                   <sup>3/</sup> Initials are used in place of individuals' full names to protect their privacy. Documents containing individuals' full  
names will be provided during the discovery phase of this case to Respondent and/or her attorney(s), after service of a  
timely and proper request for discovery on Complainant's counsel.

1 a. A Residential Listing Agreement in which J.S. granted PINNACLE the  
2 exclusive right to sell the Artesia Mill property, signed by J.S. and RODRIGUEZ on May 3,  
3 2021.

4 b. An RPA for the sale of the Artesia Mill property, dated May 17, 2021, digitally  
5 signed by J.S. and RODRIGUEZ.

6 c. Instructions to Pay Commission, providing for payment of \$11,750.00 to  
7 PINNACLE, signed by J.S. and RODRIGUEZ.

8 14. Escrow closed on the Artesia Mill property on or about June 21, 2021. According to  
9 J.S., RODRIGUEZ never consulted with J.S. about the terms of the sale of the Artesia Mill property.

10 15. During the sale of the Artesia Mill property, J.S. and his wife were looking into buying  
11 another property, but did not find one they liked. Yanez would schedule viewings of properties and  
12 meet J.S. and his wife at the properties.

13 Attempt of Castellanos to Complete Payments and Transfer of Title on Geyser Property,  
14 handled by Yanez and RODRIGUEZ

15 16. On or about August 24, 2021, Teodulo Castellanos ("Castellanos") met Yanez at  
16 Castellanos's property located at 8224 Geyser Ave, in Reseda, California ("Geyser property").  
17 Castellanos was born in Mexico and has a fifth-grade Mexican education. Castellanos immigrated to  
18 the United States, but speaks very limited English. On information and belief, the events transpiring  
19 between Castellanos, Yanez, and RODRIGUEZ, were as follows.

20 a. On or about April 1, 2018, Castellanos and his wife Maria entered into a "Land  
21 Contract" for the purchase of the Geyser property for \$477,000 ("Land Contract") from the  
22 then-owner Steve Swaner ("Swaner") and his wife Cynthia. Under the terms of the Land  
23 Contract, Castellanos was to make monthly payments of \$2,202.83 on the mortgage, and pay  
24 property tax, homeowners insurance, and an additional \$1,000.00 a month to Swaner on a  
25 \$60,000.00 note contained in the agreement. Castellanos had until April 30, 2023, to pay off  
26 the mortgage. On information and belief, Castellanos paid down the monthly mortgage by  
27 approximately \$2,401.92 per month and, as of on or about November 2, 2021, the Land  
28 Contract gave Castellanos property ownership and equity value in the property of at least



1 \$273,000.00, based on an appraised value for the Geyser property on November 2, 2021, of  
2 \$750,000, less the purchase price of \$477,000.

3 b. On information and belief, in or about the summer of 2021, Swaner wanted to  
4 refinance his current residence but could not because of the mortgage on the Geyser property.  
5 Swaner asked Castellanos to transfer title of the Geyser property earlier than what was  
6 required by the Land Contract.

7 c. Castellanos, who had no training in real estate, never owned a home before  
8 the Geyser property, and was a limited English speaker with little understanding of the legal  
9 meaning of words, asked a co-worker for the name of a real estate agent, and Castellanos was  
10 referred to Yanez.

11 d. When Castellanos met Yanez on or about August 24, 2021, Yanez told him he  
12 was a real estate agent working with PINNACLE as part of PINNACLE's team. Yanez asked  
13 Castellanos for Castellanos's financial and private information, and sent an email message to  
14 Castellanos's stepdaughter, J.O., with a list of documents Yanez said he needed along with a  
15 loan application that Yanez needed Castellanos to fill out.

16 e. On or about August 25, 2021, at 3:31 p.m., J.O. replied to Yanez's email and  
17 sent all the private and financial documents Yanez requested.

18 f. On or about August 25, 2021, at 10:11 p.m., Yanez forwarded all of the  
19 documents received from J.O. to RODRIGUEZ.

20 g. On or about September 2, 2021, J.O. contacted Yanez, asking him his opinion  
21 on the Land Contract for the Geyser property, apparently concerned about actions Swaner  
22 could take against Castellano. Yanez sent J.O. an email in which he stated, "[T]he contract  
23 looks good. I don't see anything where he [Swaner] can sell the house because he wants to.  
24 Only way is if you guys default." J.O. did not know that Yanez was not a real estate agent.

25 h. On information and belief, at some point in or around early September 2021,  
26 Yanes and J.O. had a conference call with RODRIGUEZ about the Land Contract. J.O.  
27 emailed the Land Contract to Yanez, and Yanez forwarded it to RODRIGUEZ, while they  
28 were on the phone. RODRIGUEZ read the Land Contract and understood what Swaner and

1 Castellanos were trying to do, to get the mortgage out of Swaner's name so he could refinance  
2 his current residence. RODRIGUEZ told J.O. and Yanez during the call that, "[I]f they [the  
3 Castellanoses] wanted me to help, then I would need to write up a contract because that's the  
4 way it's done under the real estate law." According to RODRIGUEZ, he could not use the  
5 Land Contract and had to write an RPA.

6 i. RODRIGUEZ prepared an RPA dated September 8, 2021, for Castellanos to  
7 purchase the Geyser property from the Swaners for \$443,000. RODRIGUEZ did not recall  
8 whether he sat down with Castellanos and J.O. to explain the terms of the RPA. According  
9 to RODRIGUEZ, an "RPA is pretty much fill in the blank," and when he represents a  
10 purchaser, he stated, "I always tell them to review it; if there's any changes that need to be  
11 done, please let me know; or if they have a question on what's on the RPA, please let me  
12 know," and, "It's pretty much self-explanatory."

13 j. On information and belief, on or about September 9 and 10, 2021, Yanez  
14 forwarded the RPA to J.O. through the email address for Castellanos, though J.O. helped  
15 Castellanos with use of his email. J.O. noted that the RPA listed RODRIGUEZ as the agent  
16 and PINNACLE as the broker representing Castellanos and asked Yanez about it. Yanez told  
17 J.O. that the RPA was written that way because RODRIGUEZ was the boss of Yanez's team  
18 at PINNACLE. By on or about September 20, 2021, the RPA had not been executed, and  
19 Yanez and J.O. exchanged multiple text messages from on or about September 20 through  
20 27, 2021.

21 k. Castellanos and the Swaners signed the RPA. The RPA had an  
22 integration/merger clause in paragraph 29 stating, "All understanding between the Parties are  
23 incorporated in this Agreement. Its terms are intended by the Parties as a final complete and  
24 exclusive expression of the Agreement with respect to its subject matter and may not be  
25 contradicted by evidence of any prior agreement or contemporaneous oral agreement." On  
26 information and belief, because of this clause in paragraph 29 of the RPA, after the RPA was  
27 executed by Castellanos and the Swaners, the Land Contract that Castellanos and Swaner  
28 entered into in 2018 became null and void, Castellanos's ownership rights in the Geyser

1 property were erased, Castellanos lost ownership of the Geyser property, which he already  
2 owned, and Castellanos lost his equity in the Geyser property.

3 l. On information and belief, on or about September 27, 2021, RODRIGUEZ  
4 sent the fully executed RPA to escrow, and escrow on the Geyser property was opened.  
5 However, there were delays and issues in getting Castellanos approved for a loan.

6 m. On or about January 3, 2022, Swaner sent an email to escrow and Castellanos  
7 stating that Swaner was taking the Geyser property out of escrow.

8 n. On or about January 10, 2022, Castellanos filed a complaint for breach of  
9 contract and specific performance against the Swaners regarding rights under the Land  
10 Contract in the California Superior Court for the County of Los Angeles, in the case of Case  
11 No. 22STCV01063. To resolve the issues, Swaner agreed that Castellanos or J.O. could  
12 purchase the Geyser property for \$600,000. Because Castellanos was unable to obtain the  
13 necessary financing for the higher purchase price demanded by Swaner, on or about August  
14 16, 2022, J.O. bought the property. Castellanos resides at the Geyser property as a tenant and  
15 pays rent to J.O.

16 o. On or about August 9, 2022, Castellanos filed a civil action against  
17 PINNACLE, RODRIGUEZ, Yanez, and others, in the case of *Castellanos, et al., v. Pinnacle*  
18 *Estate Properties, Inc., et al.*, Los Angeles County Superior Court Case No. 22STCV25657.  
19 J.S.'s Purchase of Emerald Lane Property, handled by Yanez

20 17. On or about January 11, 2022, J.S. digitally signed an RPA for the purchase of a  
21 property located at 2757 Emerald Lane, in Lancaster, California ("Emerald Lane property").  
22 RODRIGUEZ was listed as the buyer's agent and also digitally signed the RPA. According to J.S.,  
23 Yanez handled the inspections and prepared the documents for the purchase. J.S. never spoke to  
24 RODRIGUEZ about this transaction, and RODRIGUEZ never advised J.S. about the RPA.

25 J.B.'s Purchase of Via Madalena Property, handled by Yanez

26 18. In or about December 2021, J.S. introduced J.B. to Yanez. J.B. believed Yanez to be  
27 a real estate agent working for PINNACLE, and J.B. began talking to Yanez about being J.B.'s real  
28 estate agent.

1           19.     In or about the January 2022, J.B. met Yanez in person outside PINNACLE's offices  
2 in Northridge, California, and Yanez had J.B. enter PINNACLE's offices with him, walking past the  
3 front desk receptionist and heading straight to a meeting room. During the meeting, Yanez explained  
4 the home-buying process to J.B. Yanez and J.B. found a house at 2654 Via Madalena, in Lancaster,  
5 California ("Via Madalena property"), and the sellers accepted J.B.'s offer. Escrow opened on  
6 January 28, 2022, and closed on March 4, 2022. At the close of escrow, J.B. met Yanez and a notary  
7 public at PINNACLE's offices, and J.B. signed all documents.

8           20.     In or about second week of March 2022, Yanez gave J.B. the house keys to the Via  
9 Madalena property.

10          21.     J.B. only learned about RODRIGUEZ through email messages when it was time to  
11 sign documents to purchase the Via Madalena property, and RODRIGUEZ was the name associated  
12 with e-signature requests received by J.B., and all of J.B.'s signatures were completed through these  
13 requests. Throughout the course of J.B.'s relationship with Yanez, J.B. believed Yanez was an agent  
14 of PINNACLE. All office meetings were held at PINNACLE's office. J.B. only knew of  
15 RODRIGUEZ through the requests for signatures.

16           Private Loan to Castellano from Yanez and J.S., handled by Yanez

17          22.     In or about March 2022, Yanez came to J.S.'s house to bring J.S. a check for what  
18 was left over in escrow on J.S.'s purchase of the Emerald Lane property. Yanez proposed to J.S. that  
19 they both lend money to Castellanos. Yanez told J.S. that Castellanos could not purchase his house  
20 (Geyser property) as Castellanos did not qualify for a loan and needed \$200,000. Yanez proposed  
21 that Yanez and J.S. would each lend Castellanos \$100,000, and Castellanos would pay 20% interest  
22 on the loan.

23          23.     On or about March 11 and 17, 2022, J.S. withdrew \$20,000, and \$80,000, respectively  
24 to provide a total of \$100,000 for a loan to Castellanos, as proposed by Yanez.

25          24.     On or about March 20, 2022, Yanez again came to J.S.'s house to collect the \$100,000  
26 from J.S. J.S. gave the \$100,000 to Yanez, and, as of November 17, 2023, those funds had not been  
27 repaid to J.S.

28        ///

1           25.     Also on or about March 20, 2020, both Yanez and J.S. signed a document titled  
2 "Personal Loan Agreement." The Personal Loan Agreement stated that it was made and "will be  
3 effective on 03/21/2022," between Castellanos ("Borrower") and Yanez and J.S. ("Lenders"). A  
4 section with the heading "Terms and Conditions" provided:

5                   I Teodulo Castellanos-Delgado promise to pay back this loan to the lenders  
6 mentioned above within or before 08/10/2022. I agree that failure to repay  
7 will result in a lien on my property address, 8224 Geyser Ave. Reseda CA  
8 91335. I also agree to have Efrain Flores-Yanez refinance or attach a loan  
to my property in order to repay the amount of \$240,000 if not paid back by  
or before 08/10/2022.

9                   The terms are as follows:

10                          Amount of loan: \$200,000.00

11                          Finance Charge: 20% or \$40,000. USD.

12                          Total Repayment Amount: \$240,000 USD.

13           Yanez told J.S. that Castellanos would sign the personal loan agreement the following day in the  
14 presence of a notary public, and Yanez would deliver the money to Castellanos.

15           26.     Yanez told J.S. not to worry because he was in charge of Castellanos's purchase of  
16 the house, the Geyser property, on behalf of PINNACLE. Solano had confirmation from multiple  
17 friends in which Yanez acted as their real estate agent, including J.B., for the Via Magdalena  
18 property, his friends B.S. and A.S. who bought a house located at 2943 School St., in Simi Valley,  
19 California, and his friends A.V. and B.O. who bought a located at 44206 Rucker St., in Lancaster,  
20 California. According to Solano, "In all these purchases or sales of houses it has been the same  
21 formula for Yanez, Rodriguez and Pinnacle and Yanez told the clients that he has a real estate license.

22           27.     The Personal Loan Agreement appears to have been signed by Castellanos on March  
23 21, 2022, and attached to the note is a certification page that appears to have been prepared by a  
24 notary public, J. Oronoz ("Oronoz"), dated March 21, 2022, certifying that Castellanos proved to  
25 Oronoz to be the person whose name is subscribed to the within instrument, and acknowledged to  
26 Oronoz that he executed the same in his authorized capacity, and that by his signature on the  
27 instrument the person executed the instrument. The page also appears to be signed by Oronoz and  
28 stamped with his notary public stamp. Attached to the notary certification page is a copy of a redacted

1 California Driver License with Castellano's name. However, during the civil litigation initiated by  
2 Castellanos that followed, the following events took place.

3 a. On September 21, 2023, Castellanos appeared for a deposition in the case of  
4 *Castellanos, et al., v. Pinnacle Estate Properties, Inc., et al.*, Los Angeles County Superior  
5 Court Case No. 22STCV25657 ("Case No. 22STCV25657"). Castellanos testified that: he  
6 first learned of the Personal Loan Agreement when J.S. knocked on Castellanos's door asking  
7 Castellanos for the money that J.S. gave to Yanez for Castellanos's house; and that a notary  
8 public never saw Castellanos sign the Personal Loan Agreement.

9 b. On September 27, 2023, Jason J. Oronoz appeared for a deposition in Case  
10 No. 22STCV25657. Oronoz reviewed the notary certification of the Personal Loan  
11 Agreement. Oronoz testified that he performed five (5) notarizations on March 21, 2022, and  
12 Castellanos was not one of them. Oronoz testified that the signature and acknowledgement  
13 on the notarization of the Personal Loan Agreement was forged and that at no time did  
14 Castellanos appear in front of Oronoz on March 21, 2022, to sign the document.

15 c. On or about December 5, 2022, REB Jeffrey Owen Black ("Black"), License  
16 ID 00765166, appeared for a deposition in Case No. 22STCV25657, as the designated  
17 "person most qualified," also referred to as "person most knowledgeable," to testify regarding  
18 PINNACLE's policies for real estate salespersons and agents. Black has been employed by  
19 PINNACLE as a broker associate since on or about January 30, 2018. Black was asked  
20 whether PINNACLE had a manual or book or folder or a binder of its rules and regulations  
21 that a broker or sales agent could access. Black testified, "There's no book. They would come  
22 to a manager. If the manager had a question, they reach out to one of the owners or – the  
23 broker or myself." The following exchanges then took place between plaintiff's counsel,  
24 Frank Lozoya, and Black:

25 Q. [I]s there no written material that Pinnacle has that Pinnacle has access  
26 to for its brokers for the purposes of determining what the policies, rules  
and regulations are that they are to follow?

27 A. Yeah, we don't recreate anything that the DRE has already established.

28 ///

1 Q. Okay. So let's go back to my original question based on your original  
2 response. You said there was a book that the DRE has, so what I 'm  
3 wondering is do you get that book that the DRE has for brokers and then  
4 put it in a binder and that's what they're supposed to reference?

5 A. No, no.

6 [¶] ... [¶]

7 Q. Do you have anything digitally that Pinnacle has with respect to what  
8 their brokers can reference . . . for the purposes of understanding how  
9 they're going to guide their real estate agents?

10 MS. ANAYA : Independent of the DRE.

11 MR. LOZOYA : Independent of the DRE.

12 THE WITNESS : You know , there might be – there might be some kind of  
13 office conduct or something that might be more of an HR thing than a  
14 transactional thing. But really if you have a real estate license in California,  
15 you know what's required to do. If you have a question, you'd ask your  
16 manager –

17 MR. LOZOYA: Okay.

18 THE WITNESS : If your manager had a question, you'd ask the broker.  
19 And if the broker wasn't sure how to respond, they might come to me.

20 BY MR. LOZOYA:

21 Q. Okay. And is that how you ran the business in 2021?

22 A. Ran it since 1985 that way.

23 [¶] ... [¶]

24 Q. Did Pinnacle have a risk management policy manual in place in 2021?

25 A. Not a manual, but we did have risk management training.

26 Q. So is it fair to say, then, that the risk management office at Pinnacle has  
27 no written documentation that they can resource for the purposes of  
28 determining whether or not something is a risk to Pinnacle?

A. No. We resource with live individuals.

[¶] ... [¶]

Q. Okay. So the answer is no, you have no written documentation. I mean  
written in the computer or hardcopies.

A. No. We would prefer that they deal with management on anything that  
has to do with risk management.

[¶] ... [¶]

1 Q. All right. Is there such a thing as an agents manual at Pinnacle?

2 A. I don't believe so.

3 Q. And when I mean manual, I mean written and/or digital.

4 A. Right. I don't believe so.

5 [¶] . . . [¶]

6 MR. LOZOYA: You can answer my question – my question was was there  
7 any written material.

8 THE WITNESS: Only what was provided by the Department of Real Estate  
9 that they already would have had in their possession or learned when they  
got their license.

10 28. In each of the transactions involving J.S., Castellanos, and J.B., they were all falsely  
11 led to believe that Yanez was a real estate agent working on PINNACLE's team. None of these  
12 clients knew that Yanez was not a licensed real estate salesperson until after their transactions were  
13 completed. At no time during any of the transactions involving J.S., Castellanos, and J.B. did  
14 RODRIGUEZ or PINNACLE inform these clients that Yanez was not a licensed real estate person.

15 **VIOLATIONS OF THE REAL ESTATE LAW – CAUSES FOR DISCIPLINE**

16 29. In the course of the activities described above in Paragraph 9, and based on the facts  
17 discovered by the DRE, as alleged in Paragraphs 10 through 28 above, Respondents acted in violation  
18 of the Code and Regulations as follows.

19 **First Cause of Accusation: Civil Code Section 2079.16 – Breach of Fiduciary Duties**

20 30. The Complainant realleges and incorporates by reference all of the allegations  
21 contained in paragraphs 1 through 28 above, with the same force and effect as though fully set forth  
22 herein.

23 31. At all times herein mentioned, RODRIGUEZ was the agent and employee of  
24 PINNACLE and, from on or about June 1, 2021, until on or about August 19, 2024, was required to  
25 be supervised by PALMER.

26 32. RODRIGUEZ, on behalf of PINNACLE, by entering into a Residential Listing  
27 Agreement and RPA with J.S. for the sale of the Artesia Mill property, created and established a real  
28 estate agency relationship between J.S. and RODRIGUEZ and PINNACLE.



1           33.     RODRIGUEZ, on behalf of PINNACLE, by entering into an RPA with J.S. for the  
2 purchase of the Emerald Lane property, created and established another real estate agency  
3 relationship between J.S. and RODRIGUEZ and PINNACLE.

4           34.     RODRIGUEZ, on behalf of PINNACLE, by entering into an RPA with Castellanos  
5 for the purchase of the Geyser property, created and established a real estate agency relationship  
6 between Castellanos and RODRIGUEZ and PINNACLE.

7           35.     RODRIGUEZ, on behalf of PINNACLE, by entering into an RPA with J.B. for the  
8 purchase of the Via Madalena property, created and established a real estate agency relationship  
9 between J.B. and RODRIGUEZ and PINNACLE.

10          36.     At all relevant times herein, while acting as real estate salesperson and agent of each  
11 of J.S., Castellanos, and J.B., RODRIGUEZ and PINNACLE owed J.S., Castellanos, and J.B.  
12 fiduciary duties, including, but not limited to the following: duty of reasonable care and skill; duty  
13 of utmost care, integrity, honesty, and loyalty in dealings with J.S., Castellanos, and J.B.; duty to  
14 avoid conflicts of interest; duty of fullest disclosure of all material facts affecting J.S.'s,  
15 Castellanos's, and J.B.'s rights and interests; duty to disclose all facts known to the agent materially  
16 affecting the value or desirability of the property, and/or the enforceability of the Land Contract and  
17 RPAs, that are not known to, or within the diligent attention and observation of, the parties; because  
18 RODRIGUEZ and PINNACLE were hired for their professional knowledge and skill and were  
19 expected to perform the necessary research and investigation in order to know those important  
20 matters that will affect J.S.'s, Castellanos's, and J.B.'s; decisions to purchase property and enter into  
21 an RPA.

22          37.     In the course of the activities described above in Paragraph 9, and based on the facts  
23 discovered by the DRE, as alleged in Paragraphs 10 through 28 above, RODRIGUEZ's and  
24 PINNACLE's acts and/or omissions—including, but not limited to, concealing from and failing to  
25 inform J.S., Castellanos, and J.B. that Yanez was not a licensed real estate person and that Yanez  
26 should not be giving them advice or engaging in real estate activities requiring a license, including  
27 soliciting prospective sellers or buyers of, soliciting or obtaining listings of, or negotiating the  
28 purchase or sale of real property, soliciting borrowers for loans, and/or performing services for

1 borrowers in connection with loans secured by real property, and in persuading Castellanos to enter  
2 into an RPA that resulted in voiding the Land Contract and his ownership of and equity in the Geyser  
3 property—constitute breaches of RODRIGUEZ's and PINNACLE's fiduciary duties, and constitute  
4 cause for the suspension or revocation of RODRIGUEZ's and PINNACLE's real estate license and  
5 license rights under the provisions of Civil Code section 2079.16, and Code sections 10177(d)  
6 and/or 10177(g).

7 **Second Cause of Accusation: Code Sections 10176(a), 10176(i), 10177(i), and 10177(d) and/or**  
8 **10177(g) – Substantial Misrepresentation, Fraud or Dishonest Dealing**

9 38. The Complainant realleges and incorporates by reference all of the allegations  
10 contained in paragraphs 1 through 37 above, with the same force and effect as though fully set forth  
11 herein.

12 39. In each of the transactions involving J.S., Castellanos, and J.B., Yanez worked closely  
13 with each of the clients, falsely informing each client that Yanez was a real estate agent working for  
14 PINNACLE, and advising them on their transactions.

15 40. As a result of RODRIGUEZ and PINNACLE having created and established real  
16 estate agency relationships with J.S., Castellanos, and J.B., RODRIGUEZ and PINNACLE owed a  
17 fiduciary duty to J.S., Castellanos, and J.B., and each of them, and by virtue of J.S., Castellanos, and  
18 J.B., having placed confidence in the fidelity and integrity of Yanez, RODRIGUEZ, and  
19 PINNACLE, in entrusting them to fulfill their duty of making the fullest disclosure of all material  
20 facts, and to represent the best interests of J.S., Castellanos, and J.B., in their transactions as each  
21 client's real estate agent in the sale and/or purchase of real property, confidential relationships existed  
22 at all times herein mentioned between each of J.S., Castellanos, and J.B., and G.S. and RODRIGUEZ  
23 and PINNACLE.

24 41. Despite RODRIGUEZ and PINNACLE having voluntarily accepted the trust and  
25 confidence reposed in in them by J.S., Castellanos, and J.B., with regard to each of their transactions,  
26 and in violation of this relationship of trust and confidence, RODRIGUEZ and PINNACLE abused  
27 the trust and confidence of J.S., Castellanos, and J.B.

28 ///

1           42.     RODRIGUEZ and PINNACLE failed to disclose the material fact to each of by J.S.,  
2 Castellanos, and J.B., that Yanez, contrary to his representations to each of these clients, was not a  
3 real estate agent and was not employed by or under contract with PINNACLE, with the intention to  
4 deceive and defraud .S., Castellanos, and J.B. and to induce .S., Castellanos, and J.B. to act in reliance  
5 on Yanez's substantial misrepresentations and the lack of disclosure of material facts by entering into  
6 RPAs with RODRIGUEZ and PINNACLE.

7           43.     J.S., Castellanos, and J.B., at the time Yanez made his false representations that he  
8 was a real estate agent working on PINNACLE's team, and the true material facts regarding Yanez  
9 were concealed by and not disclosed by RODRIGUEZ and PINNACLE, and at the time J.S.,  
10 Castellanos, and J.B. took the actions herein alleged, were ignorant of the falsity of Yanez's  
11 representations and believed them to be true, and of RODRIGUEZ's and PINNACLE's failure to  
12 disclose the aforementioned material facts. In reliance on these representations and lack of disclosure  
13 of material facts, J.S., Castellanos, and J.B. were induced to enter into RPAs with RODRIGUEZ and  
14 PINNACLE, and Castellanos was induced to enter into an RPA that voided his ownership and equity  
15 interests in the Geyser property. Had J.S., Castellanos, and J.B. known the actual facts, they could  
16 have chosen different actions.

17           44.     As a result of inducing J.S. and Castellanos, and possibly others, to enter into RPA  
18 agreements for the sale and purchase of properties based on the belief that Yanez was a real estate  
19 agent working for PINNACLE, PINNACLE and RODRIGUEZ received commissions on the  
20 transactions.

21           45.     RODRIGUEZ, through his acts and/or omissions, took the above actions with the  
22 intent to induce reliance by J.S., Castellanos, and J.B. in the continuing fidelity of RODRIGUEZ and  
23 PINNACLE. J.S., Castellanos, and J.B. reasonably relied on RODRIGUEZ and PINNACLE because  
24 they were licensed by the DRE and had established a real estate agency relationship and fiduciary  
25 relationship with J.S., Castellanos, and J.B.

26           46.     Because PINNACLE had been continuously issuing commissions to RODRIGUEZ,  
27 while RODRIGUEZ in turn was continuously paying Yanez—out of the commissions RODRIGUEZ  
28 received from PINNACLE—to solicit clients for RODRIGUEZ and PINNACLE, from at least in or

1 about September 2019, on multiple transactions resulting in commissions for PINNACLE, and  
2 because on at least two occasions Yanez met with clients of RODRIGUEZ and PINNACLE at  
3 PINNACLE's office, RODRIGUEZ and PINNACLE either knew or had reason to know that Yanez  
4 was falsely informing RODRIGUEZ's and PINNACLE's clients, some of whom were poorly  
5 educated and spoke limited English, that Yanez was a real estate agent working for PINNACLE.  
6 Neither RODRIGUEZ nor PINNACLE informed J.S., Castellanos, and J.B. that Yanez was not a  
7 licensed real estate salesperson.

8 47. RODRIGUEZ's and PINNACLE's acts and/or omissions were in violation of  
9 10176(a), 10176(i), 10177(j), and 10177(d) and/or 10177(g).

10 **Third Cause of Accusation: Code Sections 10137, 10177(d) and/or 10177(g): Unlawful Payment**  
11 **of Compensation**

12 48. The Complainant realleges and incorporates by reference all of the allegations  
13 contained in paragraphs 1 through 47 above, with the same force and effect as though fully set forth  
14 herein.

15 49. PINNACLE's acts and/or omissions in directly or indirectly causing compensation to  
16 be paid to Yanez for performing real estate activities requiring a real estate license continuously from  
17 on or about at least September 13, 2019, through on or about at least June 9, 2022, when at no time  
18 was Yanez licensed by the DRE as an REB or RES, were in violation of Code sections 10137, and  
19 10177(d) and/or 10177(g), and constitute cause to suspend or revoke the real estate licenses and  
20 license rights of Respondent PINNACLE pursuant to Code sections 10177(d) and/or 10177(g).

21 **Fourth Cause of Accusation: Code Sections 10159.2 and 10177(h), Regulation 2725, and Code**  
22 **Sections 10177(d) and/or 10177(g): Responsibility of Corporate Officer in Charge; Broker**  
23 **Supervision**

24 50. The Complainant realleges and incorporates by reference all of the allegations  
25 contained in paragraphs 1 through 49 above, with the same force and effect as though fully set forth  
26 herein.

27 51. Based on the allegations contained in paragraphs 9 through 49 above, and the First  
28 through Third Causes of Accusation above, as the broker and designated officer of PINNACLE from

1 on or about June 1, 2021, through the present, PALMER did not exercise adequate supervision and  
2 control over the real estate activities conducted on behalf of PINNACLE by its employees and  
3 licensees to ensure compliance with the Real Estate Laws and Regulations. PALMER failed to  
4 establish policies, rules and systems to review, oversee, inspect, and manage transactions requiring  
5 a real estate license and the handling of trust funds.

6 52. PALMER's acts and/or omissions were in violation of **Code sections 10159.2 and**  
7 **10177(h), and Regulation 2725.**

8 **Fourth Cause of Accusation: Code Sections 10177(d) and/or 10177(g)– Negligence and/or**  
9 **Willful Disregard of the Real Estate Law**

10 53. The Complainant realleges and incorporates by reference all of the allegations  
11 contained in paragraphs 1 through 52 above, with the same force and effect as though fully set forth  
12 herein.

13 54. The overall extended, continuous pattern and course of conduct of RODRIGUEZ is  
14 violative of the Real Estate Law and constitutes cause for the suspension or revocation of the real  
15 estate licenses and license rights of RODRIGUEZ under the provisions of **Code Section 10177(d)**  
16 for willful disregard of the Real Estate Law, and in the alternative, **Code Section 10177(g)** for  
17 negligence or incompetence in performing acts for which he is required to hold a license.

18 **INVESTIGATION AND ENFORCEMENT COSTS**

19 55. Code Section 10106 provides that in any order issued in resolution of a disciplinary  
20 proceeding before the DRE of Real Estate, the Commissioner may request the administrative law  
21 judge to direct a licensee found to have committed a violation of this part to pay a sum not to exceed  
22 the reasonable costs of the investigation and enforcement of the case.

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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 PINNACLE ESTATE PROPERTIES INC, KENT D. PALMER, and JEREMY STEVEN RODRIGUEZ 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 March 3, 2025

Ray J. Dagnino

Ray Dagnino  
Supervising Special Investigator

cc: PINNACLE ESTATE PROPERTIES INC  
KENT D. PALMER  
JEREMY STEVEN RODRIGUEZ  
New Key Enterprises Inc  
Ray Dagnino  
Sacto.