

File facts

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FILED
AUG 08 2016
BUREAU OF REAL ESTATE
By *Miguel Herrera*

8 BEFORE THE BUREAU OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)
12)
13 PROSPERITY 4 U, INC.; DIANA ERIKA)
14 ACOSTA, as designated officer of)
15 Prosperity 4 U, Inc.; ELSIE ROMERO)
16 CAMBRONE, individually and as former)
17 designated officer of Prosperity 4 U, Inc.;)
18 and RAMON ACOSTA,)
19 Respondent.)

No. H-40341 LA

18 The Complainant, Maria Suarez, a Supervising Special Investigator of the State
19 of California for cause of Accusation against Respondents PROSPERITY 4 U, INC. ("P4UI"),
20 DIANA ERIKA ACOSTA ("D. ACOSTA"), as designated officer of Prosperity 4 U, Inc.,
21 ELSIE ROMERO CAMBRONE ("CAMBRONE"), individually and as former designated
22 officer of Prosperity 4 U, Inc., and RAMON ACOSTA ("R. ACOSTA") (collectively
23 "Respondents"), is informed and alleges as follows:

24 1.

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

1 2.

2 All references to the "Code" are to the California Business and Professions
3 Code, and all references to "Regulations" are to Title 10, Chapter 6, California Code of
4 Regulations unless otherwise specified.

5 3.

6 P4UI is presently licensed and/or had license rights issued by the Bureau of Real
7 Estate as a real estate broker (license no. 01898038). Salesperson R. ACOSTA is the owner
8 and president of P4UI. P4UI was originally licensed as a real estate corporation on or about
9 April 18, 2011, and has been so licensed through the present. P4UI From on or about April 18,
10 2011 to April 17, 2015, P4UI's designated broker was CAMBRONE. From April 18, 2015
11 through the present, P4UI's designated broker has been D. ACOSTA. From July 17, 2014
12 through the present, P4UI has the DBAs of Optimum Real Estate Solutions and Optimum Short
13 Sale Solutions. P4UI has not had any other DBAs registered with the Bureau of Real Estate.

14 4.

15 D. ACOSTA is presently licensed and/or had license rights issued by the Bureau
16 of Real Estate as a real estate broker (license no. 01845162). D. ACOSTA was originally
17 licensed as a real estate salesperson from on or about May 5, 2008 to May 4, 2012. On or about
18 July 25, 2012 through the present, D. ACOSTA has been licensed as a real estate broker. D.
19 ACOSTA has been the designated officer-broker of P4UI from June 3, 2014 through the
20 present. As said designated officer-broker, D. ACOSTA was and is responsible for the
21 supervision of the activities of the officers, agents, real estate licensees, and employees of P4UI
22 for which a license is required pursuant to Code section 10159.2.

23 5.

24 a. CAMBRONE's License History: is presently licensed and/or had license
25 rights issued by the Bureau of Real Estate as a real estate broker (license no. 00987723).
26 CAMBRONE was originally licensed as a real estate salesperson from on or about April 14,
27

1 Group, Inc. (license no. 01916472) from March 21, 2013 to April 14, 2013, and D. ACOSTA
2 from May 12, 2014 to July 23, 2014.

3
4 FIRST CAUSE OF ACCUSATION

5 (Sanchez St. Property)

6 7.

7 In or about April 2013, the real property located at 924 North Sanchez St.,
8 Montebello, CA 90640 ("Sanchez St. Property") was listed for sale as a short sale by
9 CAMBRONE. A short sale generally requires the approval of the seller's lender to the terms of
10 the sale as the lender is permitting a sale for less than the amount of its loan on the property.

11 8.

12 On or about April 15, 2013, Wing C. aka "Joe" through his agent R. ACOSTA
13 submitted a purchase offer in the amount of \$400,000 for the Sanchez St. Property and a Cash
14 for Keys Agreement. The Cash for Keys Agreement provided the occupants of the Sanchez St.
15 Property would vacate the property five (5) days prior to the close of escrow. R. ACOSTA of
16 P4UI represented the prospective buyer Wing C. No response was received in regards to his
17 offer.

18 9.

19 On or about May 29, 2013, R. ACOSTA on behalf of P4UI executed a Notice of
20 Default Purchase Agreement for P4UI to purchase the Sanchez St. Property for \$293,333,
21 which was increased to \$301,700 on or about June 28, 2013 via a Purchase Agreement
22 Addendum. The selling agent was Jose Benjamin Galdamez (license no. 01405915) for
23 Century 21 Dynasty, which is a DBA of Essex Financial, Inc. (license no. 01525783). The
24 owners of the Sanchez St. Property accepted the offer.

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1 10.

2 On or about July 18, 2013, Bank of America approved the short sale of the
3 Sanchez St. Property to P4UI for \$301,700. This approval was subject to certain terms and
4 conditions, including, but not limited to, (a) any changes to the terms and representations made
5 in the short sale must be approved by Bank of America in writing, (b) a preliminary HUD-1
6 Settlement Statement must be provided to Bank of America no later than three (3) business
7 days before the closing date of August 15, 2013, (c) another buyer cannot be substituted without
8 prior written approval of Bank of America, (d) the buyer may not alter the capacity in which
9 title is to be taken, (e) there are no transfers of property within thirty (30) days of the closing of
10 this transaction, (f) the maximum commission to be paid is \$18,102.00, and (g) no fraud,
11 misrepresentation, and/or material omission in the sale.

12 11.

13 On or about August 15, 2013, the Sanchez St. Property was sold to P4UI.

14 12.

15 On or about August 2, 2013, prior to the close of escrow on the lender-approved
16 short sale, Wing C. submitted another offer to purchase the Sanchez St. Property from P4UI for
17 \$350,000 with a \$60,000 commission payable by Wing C. The offer was submitted by R.
18 ACOSTA on behalf of Wing C. CAMBRONE continued to act as the listing agent for P4UI.

19 13.

20 On or about October 15, 2013, escrow for the purchase by Wing C. closed.

21 14.

22 The foregoing transaction violated the conditions of the lender's approval for the
23 short sale to P4UI in that prior to the consummation of the short sale transaction the terms and
24 conditions of the sale were changed so that Wing C. became the actual purchaser of the
25 Sanchez Street Property, which occurred without the lender's prior approval.

1 (Maine Ave. Property)

2 15.

3 In or around 2012, Orlando L. was the owner of real property located at 3420
4 and 3422 Maine Ave., Baldwin Park, CA 91706 ("Maine Ave. Property"). Orlando L. signed a
5 listing agreement with R. ACOSTA of P4UI, but was never provided a copy of the listing
6 agreement.

7 16.

8 On or about July 15, 2013, Orlando L. and Lei and Yan Investments LLC
9 ("LAYI"), the buyer, entered into a Residential Income Property Purchase Agreement
10 ("RIPPA") wherein LAYI agreed to pay \$450,000 for the Maine Ave. Property. Orlando L.
11 signed this RIPPA, but he was not provided a copy of the completed RIPPA after signing it.
12 Escrow for the sale was opened at Westlake Escrow, Inc.

13 17.

14 On or about July 15, 2013, Orlando L. was provided a Residential Income
15 Property Purchase Agreement ("RIPPA") indicating Lei and Yan Investments LLC ("LAYI")
16 offered \$450,000 to purchase the Maine Ave. Property. This RIPPA also indicated
17 CAMBRONE of P4UI was the listing agent. Orlando L. signed this RIPPA, but he was not
18 provided a copy of the completed RIPPA after signing it, in violation of Code section 10142.

19 18.

20 On or about July 16, 2013, R. ACOSTA and LAYI entered into a side
21 Commission Agreement whereby LAYI, the buyer, agreed to pay P4UI and R. ACOSTA a sales
22 commission of \$40,000. Neither Orlando P. nor his lender was aware of the existence of this
23 side Commission Agreement. In furtherance of this side Commission Agreement, R. ACOSTA
24 directed LAYI to deposit the \$40,000 secret commission with a second escrow company,
25 Pacific Escrow, Inc.

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1 19.

2 Also on or about July 16, 2013, Orlando L. and LAYI entered into a Cash for
3 Keys agreement whereby Orlando L. would be paid an additional sum over and above the
4 purchase price for the Maine Ave. Property to guarantee possession of the property at the close
5 of escrow. R. ACOSTA represented to Orlando L. that this Cash for Keys payment would be
6 \$15,000. However, R. ACOSTA represented to LAYI that the amount would be \$25,000,
7 which would be payable from the \$40,000 commission payable to R. ACOSTA and P4UI
8 through the side Commission Agreement described above.

9 20.

10 On or about July 17, 2013, LAYI issued a \$40,000 check pay to the order of
11 P4UI for the commission for the Maine Ave. Property as agreed upon in the July 16, 2013
12 Commission Agreement, described above. This check was endorsed by R. ACOSTA, and then
13 deposited into Pacific Escrow, Inc.'s account for Escrow No. 26415-SD on or about July 23,
14 2013.

15 21.

16 On or about October 28, 2013, R. ACOSTA signed a Short Sale Third Party
17 Authorization form with Bank of America stating he "shall not knowingly misrepresent or omit
18 to state, any material fact in order to induce the Borrower(s), BANA, the lender, the investor or
19 the insurer that would not have agreed to had all material facts been known."

20 22.

21 On or about January 7, 2014, escrow for the Maine Ave. Property closed with
22 Westlake Escrow, Inc. R. ACOSTA and P4UI received a commission for listing the property
23 and \$40,000 as the commission from the secret Commission Agreement.

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1 (Lucille Ave. Property)

2 23.

3 On or about June 12, 2013, David B. and Susana B. entered into an agreement
4 with CAMBRONE, as broker, to list their property located at 941 West Lucille Avenue, West
5 Covina, CA 91790 ("Lucille Ave. Property") for \$275,000 as a short sale. A short sale requires
6 lender approval as the lender is permitting the sale of the property for less than the amount of
7 the lenders' loan on the property.

8 24.

9 On or about June 24, 2013, P4UI offered to purchase the Lucille Ave. Property
10 for \$322,000. The selling agent was Jose Benjamin Galdamez (license no. 01405915) for
11 Century 21 Dynasty, which is a DBA of Essex Financial, Inc. (license no. 01525783). David B.
12 and Susana B. accepted the offer.

13 25.

14 On or about September 9, 2013, the lender gave approval for the sale of the
15 property.

16 26.

17 Also on or about September 9, 2013, David B., Susana B., and R. ACOSTA on
18 behalf of P4UI signed a Wells Fargo Bank's Making Home Affordable HAFA Affidavit stating
19 under penalty of perjury that the sale of the Lucille Ave. Property was an "arms length"
20 transaction between the buyer and seller and were unrelated by family, marriage, or commercial
21 enterprise; buyer agreed to not to sell the property within 30 days or 90 days if price is greater
22 than 120 percent of the short sale price. Buyer and seller also agreed there were no agreements,
23 understandings, contracts, or offers relating to the current sale or subsequent sale of the
24 property that have not been disclosed to the servicer (i.e., neither the seller nor the buyer would
25 receive any funds or commissions from the sale of the property except a relocation assistance
26 payment to the owners/sellers).

27

1 27.

2 On or about September 11, 2013, escrow for the sale of the Lucille Ave.
3 Property closed for \$322,000. The listing agent's commission of \$18,032 was paid to P4UI and
4 R. ACOSTA despite the fact that P4UI was the purchaser of the Lucille Ave. Property.

5 28.

6 On or about September 16, 2013, R. ACOSTA on behalf of P4UI signed a Grant
7 Deed transferring title of the Lucille Ave. Property from P4UI to LAYI in violation of the
8 HAFA Affidavit, described above. This Grant Deed was not recorded in the office of the
9 County Recorder until on or about November 6, 2013.

10
11 (Military Ave. Property)

12 29.

13 On or about July 26, 2015, Heather P., a real estate licensee, on behalf of Donna
14 R., e-mailed an all-cash offer of \$700,000 for the property located at 2568 Military Ave., Los
15 Angeles, CA 90064 ("Military Ave. Property") to R. ACOSTA at the e-mail address provided
16 on the Multiple Listing Service ("MLS") listing. That same day, Heather P. texted R.
17 ACOSTA that she e-mailed a purchase offer to him.

18 30.

19 On or about July 27, 2015, the Military Ave. Property was placed on a "hold do
20 not show" status on the MLS.

21 31.

22 On or about August 5, 2015, Heather P. e-mailed the purchase offer to R.
23 ACOSTA at racosta@coldwellbanker.com as he had directed her to do.

24 32.

25 On or about August 7, 2015, Heather P. requested an update from R. ACOSTA.

26 ///

1 33.

2 To date, Heather P. has not received a response from R. ACOSTA regarding the
3 Military Ave. Property.

4
5 (Erin Way Property)

6 34.

7 In or about March 2016, Judith T. and Herve T. responded to an advertisement
8 from P4UI dba National Mortgage Forgiveness Plan alleging they could “eligible for a cash
9 incentive from HOMECOMINGS FINANCIAL of up to \$20,000 to assist in avoiding
10 foreclosure if you respond quickly” with respect to their property located at 2694 South Erin
11 Way, San Bernardino, CA 92408 (“Erin Way Property”). (Emphasis in original.) P4UI
12 operated under this name that it did not have registered with the Bureau of Real Estate.

13 35.

14 On or about March 8, 2016, Judith T. and Herve T. entered into a Residential
15 Listing Agreement with R. ACOSTA dba Realty Master & Associates dba National Mortgage
16 Forgiveness Plan to list their property located at 2694 South Erin Way, San Bernardino, CA
17 92408 (“Erin Way Property”) as a short sale. R. ACOSTA operated under these names that he
18 did not have registered with the Bureau of Real Estate. R. ACOSTA failed to enter a listing
19 price, and failed to provide a signed copy to Judith T. and Herve T.

20 36.

21 On or about March 9, 2016, R. ACOSTA presented a Notice of Default Purchase
22 Agreement to Judith T. and Herve T. wherein P4UI offered \$210,000 for the Erin Way
23 Property. To date, R. ACOSTA has presented no other written offers to Judith T. and Herve T.

24 37.

25 R. ACOSTA failed to inform Judith T. and Herve T. that he was and is the
26 owner of and a salesperson for P4UI.

27

1 38.

2 The conduct, acts, and/or omissions of all Respondents as described above
3 constitute making a substantial misrepresentation, the making of false promise(s) of a character
4 likely to influence, persuade, or induce, the taking of a secret profit, and fraud or dishonest
5 dealing, and are cause for the suspension or revocation of all real estate licenses and license
6 rights of Respondents under the provisions of Code sections 10130, 10142, 10176(a), 10176(b),
7 10176(g), 10177(d), 10177(g), and 10176(i) and/or 10177(j).

8
9 SECOND CAUSE OF ACCUSATION

10 (Audit)

11 39.

12 Complainant re-alleges paragraphs 3 through 38, above, and incorporates them
13 herein.

14 40.

15 On or about January 29, 2016, the Bureau of Real Estate completed a sales
16 activity audit examination of the books and records of P4UI limited to determine whether P4UI
17 handled and accounted for trust funds and conducted its real estate activities in accordance with
18 the Real Estate Law and Regulations. The audit examination covered a period of time
19 beginning on January 1, 2013 and ended on September 30, 2015. The audit examination
20 revealed violations of the Code and the Regulations set forth in the following paragraphs, and
21 more fully discussed in Audit Report LA150040 and the exhibits and work papers attached to
22 said audit report.

23 41.

24 In the course of activities described in paragraph 40, above, and during the audit
25 examination period in paragraph 40, above, Respondent P4UI acted in violation of the Code
26 and the Regulations as set forth below:
27

1 (a) Failed to disclose the Commission Agreement dated July 16, 2013
2 regarding the Maine Ave. Property to the lender, Bank of America, wherein LAYI agreed to pay
3 \$40,000 to P4UI, in violation of the terms of the short sale, which is a violation of Code
4 sections Code sections 10176(g), 10176(i), and 10177(j).

5 (b) Received \$40,000 in secret profits from LAYI on or about July 17, 2013,
6 in violation of Code sections 10176(g), 10176(i), and 10177(j).

7 (c) Participated in and financially benefited from a non-“arms length”
8 transaction regarding the Lucille Ave. Property, as described above, in violation of the Wells
9 Fargo Bank’s Making Home Affordable HAFA Affidavit, which is a violation of Code sections
10 Code sections 10176(g), 10176(i), and 10177(j).

11 (d) Failed to notify the Bureau of Real Estate that it changed its main office
12 address and/or conducting real estate activity at 7528 Morning Crest Pl., Rancho Cucamonga,
13 CA 91739, in violation of Code section 10162.

14 (e) CAMBRONE failed to supervise the real estate activities of P4UI and its
15 employees and licensees, in violation of Code sections 10159.2 and 10177(h) and Regulations
16 section 2725.

17 42.

18 The conduct of Respondent P4UI described in paragraph 41, above, violated the
19 Code and the Regulations as set forth below:

<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
21 41(a)	Code sections 10176(g), 10176(i), and 10177(j)
22 41(b)	Code sections 10176(g), 10176(i), and 10177(j).
23 41(c)	Code sections Code sections 10176(g), 10176(i), and 10177(j).
24 41(d)	Code section 10162
25 41(e)	Code sections 10159.2 and 10177(h) and Regulations section 26 2725

1 47.

2 The conduct, acts, and/or omissions as described above are in violation to Code
3 sections 10162 and Regulations sections 2715 and 2710(c), and subjects the licenses and
4 license rights of P4UI and D. ACOSTA to suspension or revocation pursuant to Code sections
5 10177(d) and 10165.

6
7 FOURTH CAUSE OF ACCUSATION

8 (Willful Disregard and Violation, Negligence, and Failure to Exercise Reasonable Supervision)

9 48.

10 Complainant re-alleges paragraphs 3 through 47, above, and incorporates them
11 herein.

12 49.

13 During the period from April 18, 2011 through June 3, 2014, CAMBRONE, as
14 the officer designated by P4UI as the person responsible for the supervision and control of the
15 activities on behalf of P4UI by its officers and employees, including R. ACOSTA, as necessary
16 to secure full compliance with Real Estate Law as set for the in Code section 10159.2 failed in
17 said duties described herein constituting further cause to discipline the license and license rights
18 of CAMBRONE pursuant to Code sections 10177(d) and 10177(g).

19 50.

20 During the period from April 18, 2015 through the present, D. ACOSTA, as the
21 officer designated by P4UI as the person responsible for the supervision and control of the
22 activities on behalf of P4UI by its officers and employees, including R. ACOSTA, as necessary
23 to secure full compliance with Real Estate Law as set for the in Code section 10159.2 failed in
24 said duties described herein constituting further cause to discipline the license and license rights
25 of D. ACOSTA pursuant to Code sections 10177(d) and 10177(g).

26 ///

1 51.

2 The overall conduct of CAMBRONE and D. ACOSTA constitute willful
3 disregard and violation of Real Estate Law, negligence, and failure to exercise reasonable
4 supervision, and is cause for discipline of the real estate license and license rights of
5 CAMBRONE and D. ACOSTA pursuant to Code sections 10177(d), 10177(g), and 10177(h).

6
7 (COSTS)

8 52.

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

14 53.

15 Code section 10148(b) provides, in pertinent part, that the Commissioner shall
16 charge a real estate broker for the cost of any audit, if the Commissioner has found in a final
17 decision following a disciplinary hearing that the broker has violated Code section 10145 or a
18 regulation or rule of the Commissioner interpreting said section.

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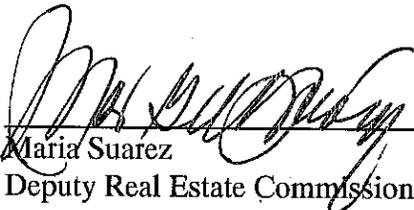
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1 WHEREFORE, Complainant prays that a hearing be conducted on the
2 allegations of this Accusation and that upon proof thereof, a decision be rendered imposing
3 disciplinary action against the license and license rights of PROSPERITY FOR U, INC.,
4 DIANA ERIKA ACOSTA, ELSIE ROMERO CAMBRONE, and RAMON ACOSTA under
5 the Real Estate Law (Part 1 of Division 4 of the California Business and Professions Code), for
6 the cost of investigation and enforcement pursuant to Code section 10106 and as permitted by
7 law, and for such other and further relief as may be proper under other applicable provisions of
8 law, including costs of audit pursuant to Code section 10148(b).

9 Dated at Los Angeles, California: August 4th, 2016.

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12 
13 Maria Suarez
14 Deputy Real Estate Commissioner
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22

23 cc: Prosperity 4 U, Inc.
24 Diana Erika Acosta
25 Elsie Romero Cambrone
26 Ramon Acosta
27 Sacto
Enforcement
Audits – Godswill Keraoru