

**FILED**

**JAN 06 2020**

**DEPT. OF REAL ESTATE**

By John Aguirre

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

10 \* \* \*

11 In the Matter of the Accusation of ) No. H-41563 LA  
 12 )  
 13 STELLER CORP, CYNTHIA ) ACCUSATION  
 14 JANNETTE GOMEZ, individually and )  
 15 as former designated officer of Steller )  
 16 Corp, and CATHERINE ROMERO, )  
 individually and as former designated )  
 officer of Steller Corp, )  
 Respondents. )

17 The Complainant, Maria Suarez, a Supervising Special Investigator for the  
 18 Department of Real Estate ("Department" or "DRE") of the State of California, for cause of  
 19 Accusation against STELLER CORP ("SC"), CYNTHIA JANNETTE GOMEZ ("GOMEZ"), and  
 20 CATHERINE ROMERO ("ROMERO") (collectively "Respondents"), alleges as follows:

- 21 1. The Complainant, Maria Suarez, acting in her official capacity as a Supervising  
 22 Special Investigator, makes this Accusation against Respondents.  
 23 2. All references to the "Code" are to the California Business and Professions Code  
 24 and all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

25 **LICENSE HISTORY**

26 3. Respondent SC has been licensed by the Department as a real estate corporation,  
 27 License ID 02018339, from on or about October 6, 2016, through the present, with SC's license  
 28 scheduled to expire on August 20, 2022 unless renewed. SC was licensed from on or about

1 October 6, 2016 to on or about October 9, 2018, through GOMEZ's real estate broker ("REB")  
2 license, ID 01411148, and GOMEZ was the designated officer ("D.O.") during this time until the  
3 officer was canceled on or about October 9, 2018. SC was licensed from on or about August 21,  
4 2018 to on or about November 14, 2018, through ROMERO's REB license, ID 01756798, and  
5 ROMERO was the D.O. during this time until the officer was canceled on or about November 14,  
6 2018. SC is currently licensed through REB Hilda Maria Sanchez-Cantu's ("Sanchez-Cantu")  
7 REB license, ID 01259287, and Sanchez-Cantu is currently the D.O. for SC.

8 4. According to Department records as of February 19, 2019, SC had two branch  
9 offices and employed 91 salespersons and five broker associates. Also according to Department  
10 records as of February 19, 2019 and currently, the fictitious business name "Century 21 Town &  
11 Country" is licensed to SC.

12 5. Respondent GOMEZ has been licensed by the Department as a REB from on or  
13 about July 7, 2009, through the present, with GOMEZ's license scheduled to expire on July 6,  
14 2021, unless renewed. Previously, GOMEZ was licensed by the Department as a real estate  
15 salesperson ("RES") from on or about February 20, 2004 to on or about July 6, 2009. GOMEZ  
16 also has two mortgage loan originator ("MLO") license endorsements: National Mortgage  
17 Licensing System ("NMLS") ID 1489700 (individual MLO endorsement), and NMLS ID 1690863  
18 (company MLO endorsement). According to Department records to date, the fictitious business  
19 name "Source Funding" is licensed to GOMEZ, and has been active as of January 23, 2019.  
20 GOMEZ employed one real estate salesperson as of February 19, 2019.

21 6. Respondent ROMERO has been licensed by the Department as a REB from on or  
22 about June 10, 2010, through June 9, 2014, and September 9, 2015 through the present, with  
23 ROMERO's license scheduled to expire on September 8, 2023, unless renewed. Previously,  
24 ROMERO was licensed by the Department as a RES from on or about June 16, 2006 to June 9,  
25 2010. According to Department records to date, ROMERO has no fictitious business names.

26 **DRE CASE NO. H-40874 LA**

27 7. On or about September 21, 2018, in Case No. H-40874 LA, the Department filed a  
28 Stipulation and Agreement for TNC, INC. and CYNTHIA JANNETTE GOMEZ. Under the

1 Stipulation and Agreement, all licenses and licensing rights of GOMEZ under the Real Estate Law  
2 were suspended for a period of 120 days from the effective date of the decision provided, however,  
3 that the initial 30 days of the suspension would be stayed on condition that:

- 4 a. GOMEZ paid a monetary penalty;
- 5 b. GOMEZ's payment be received prior to the effective date of the Decision;
- 6 and
- 7 c. No further cause for disciplinary action against the real estate license of
- 8 GOMEZ occur within three years from the effective date of the Decision;

9 8. The remaining 90 days of GOMEZ's 120 day suspension would be stayed for three  
10 years subject to terms and conditions including, but not limited, to:

- 11 a. GOMEZ shall obey all laws, rules, and regulations governing the rights,
- 12 duties, and responsibilities of a real estate licensee in the State of California
- 13 b. That no final subsequent determination be made after hearing or upon
- 14 stipulation, that cause for disciplinary action occurred within three years from the effective
- 15 date of the Decision; and
- 16 c. GOMEZ shall not be the D.O. of any corporation that she is not the 100
- 17 percent owner of.

18 9. The Stipulation and Agreement was adopted as the Decision of the Acting Real  
19 Estate Commissioner, effective October 11, 2018.

20 **BROKERAGE: SC**

21 10. At all times mentioned, in the County of San Bernardino, SC acted as a real estate  
22 broker, conducting licensed activities within the meaning of Code Section 10131(a): selling or  
23 offering to sell, buying or offering to buy, real property for others. In addition, SC conducted  
24 broker-controlled escrows under the exemption set forth in California Financial Code Section  
25 17006(a)(4) for real estate brokers performing escrows incidental to a real estate transaction where  
26 the broker is a party and where the broker is performing acts for which a real estate license is  
27 required.

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1 11. As is relevant to this Accusation, SC was acting by and through GOMEZ as its D.O.  
2 from January 1, 2017 to September 20, 2018, and by and through ROMERO as its D.O. from  
3 August 21, 2018 to November 13, 2018, pursuant to Code Section 10159.2 and GOMEZ and  
4 ROMERO, respectively, were responsible for ensuring compliance with the Real Estate Law.

5 **AUDIT OF SC: AUDIT NO. LA180042**

6 12. On April 30, 2019, the Department completed an audit examination of the books and  
7 records of SC's real estate activities that require a corporate real estate broker license under Code  
8 Section 10131. The audit examination, LA180042, covered the time January 1, 2017 to  
9 September 30, 2018 ("audit period") and was limited to LTPMC's broker escrow activities.

10 13. The purpose of the audit examinations was to determine whether SC conducted its  
11 real estate activities and handled and accounted for trust funds in accordance with the Real Estate  
12 Law and the Regulations.

13 14. An entrance conference was held by the DRE's auditor on November 14, 2018 with  
14 SC's former D.O.'s GOMEZ and ROMERO at SC's main office located at 16923 Sierra Lakes  
15 Pkwy #101, in Fontana, California. SC's escrow officer Tammy Lynn Gilbert (non-licensee,  
16 expired RES ID 01127750) provided SC's records for examination.

17 15. Based on discussions between the Department's auditor and GOMEZ, SC's  
18 corporate structure as of November 30, 2018 was as follows:

<u>Name</u>	<u>Title</u>	<u>License</u>	<u>Shareholder %</u>
Nasim Ahmed ("N.Ahmed")	CEO	00966808 (REB)	100%

21 16. According to GOMEZ and documents examined, SC performed residential sales  
22 activities, representing both buyers and sellers. According to GOMEZ and records examined, SC  
23 also performed broker escrow services to its own clients. SC closed approximately 279 escrows  
24 with total receipts of \$45,659,896.85 during the audit period.

25 17. During the audit period, SC maintained two (2) bank accounts in which trust funds  
26 were deposited. SC's bank accounts were as follows:

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1           a.     Trust Account 1 ("TA1")

2           Bank:                   Comerica Bank  
3           Account Name:           Steller Corp Trust Account  
  
4           Account #:                XXXXXXXX2379  
5           Signatories:            Zeshawn Ahmed ("Z.Ahmed") (RES, ID No. 01804760)  
6                                GOMEZ  
                              Sanchez-Cantu  
  
7           Signatures required:   One (1) signature  
8           Description:         TA1 was opened on 6/9/17. The account was maintained for  
                                  handling trust fund receipts and disbursements related to SC's  
                                  broker escrow activities

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10          b.     General Operating Account 1 ("GA1")

11          Bank:                   Comerica Bank  
12          Account Name:         Steller Corp DbA Century 21 Town & Country  
13          Account #:                XXXXXXXX6998  
14          Signatories:            Z.Ahmed  
                                  GOMEZ  
                                  N.Ahmed  
  
15          Signatures required:   One (1) signature  
16          Description:         GA1 was as opened on 12/30/16. The account was maintained for  
17                                    handling receipts and disbursements related to SC's general  
                                  operating activities SC disbursed trust funds from TA1 to GA1's  
                                  general operating account during the audit period.

18                                   **Audit Violations in Audit No. LA180042**

19           18.     The Complainant realleges and incorporates by reference all of the allegations  
20           contained in paragraphs 1 through 17 above, with the same force and effect as though fully set forth  
21           herein.

22           19.     The audit examination revealed violations of the Code and the Regulations, as set  
23           forth in the following paragraphs, and more fully discussed in Audit No. LA180042 and the  
24           exhibits and work papers attached to the audit report:

25           **Issue One (1). Code Section 10145 and Regulation 2832.1; Regulations 2950(g) and 2951:**  
26           **Trust Fund Handling for Multiple Beneficiaries; When Broker Handles Escrow**

27           20.     Bank reconciliations were prepared for TA1 as of audit cutoff dates August 20 and  
28           September 30, 2018. The adjusted bank balances were then compared to the total balance of

1 separate records (accountability). SC's control record was inaccurate. Some deposits and  
2 disbursements were not recorded for TA1. SC's separate records were inaccurate and incomplete.  
3 Some deposits and disbursements were inaccurately recorded for TA1. The DRE's auditor  
4 reconstructed the trust fund records based on records provided for the audit, as presented in  
5 summary form below.

6 **a. TA1 Audit Cutoff Date, 9/30/18: ROMERO (Effective 8/21/18)**

7	Minimum Adjusted Bank Balance, 9/30/18	\$260,320.94
	Minimum Identified Accountability, 9/30/18	413,165.03
8	Minimum Shortage, 9/30/18	< <u>\$152,844.09</u> >
9	The minimum shortage was caused by:	
	1. Minimum Negative Escrow Account Balance	<\$325.00>
10	2. Minimum Bank Charges	<15,756.29>
11	3. Minimum Unauthorized Disbursement/ Conversion of Trust Funds	<136,762.80>
	Minimum Shortage, 9/30/18	< <u>\$152,844.09</u> >

12 21. SC provided no evidence that the owners of the trust funds gave their written  
13 consent to allow SC to reduce the balance of the funds in TA1 to an amount less than the existing  
14 aggregate trust fund liabilities.

15 **b. TA1 Audit Cutoff Date, 8/20/18: GOMEZ (1/1/17 to 8/20/18)**

16	Minimum Adjusted Bank Balance, 8/20/18	\$357,983.97
17	Minimum Identified Accountability, 8/20/18	415,797.43
	Minimum Shortage, 8/20/18	< <u>\$130,163.38</u> >
18	The minimum shortage was caused by:	
19	1. Minimum Bank Charges	<\$14,400.58>
20	2. Minimum Unauthorized Disbursement/ Conversion of Trust Funds	<115,762.80>
	Minimum Shortage, 8/20/18	< <u>\$130,163.38</u> >

21 22. SC provided no evidence that the owners of the trust funds gave their written  
22 consent to allow SC to reduce the balance of the funds in TA1 to an amount less than the existing  
23 aggregate trust fund liabilities.

24 23. SC's failure to obtain the written consent of the owners of the trust funds to reduce  
25 the balance of the funds in TA1 to an amount less than the existing aggregate trust fund liability  
26 was in violation of **Code Section 10145 and Regulations 2832.1, 2950(g), and 2951.**

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1 **Issue Two (2). Code Section 10145 and Regulations 2831, 2950(d), and 2951: Trust Fund**

2 **Records to be Maintained; When Broker Handles Escrow**

3 24. The records of all trust funds received and disbursed General Ledger (control  
4 records) maintained for TAI related to SC's broker escrow activities were inaccurate. Some of the  
5 trust fund dates of deposits were inaccurately recorded. Examples found by the Department's  
6 auditor are as follows:

7 **GOMEZ (1/1/17 to 8/20/18)**

<u>Escrow No.</u>	<u>Date Deposit Recorded</u>	<u>Actual Date of Deposit</u>	<u>Amount</u>
18-5292	06/19/2018	06/12/2018	\$5,000.00
18-5228	04/02/2018	03/30/2018	\$3,000.00
17-5077-TG	09/12/2017	09/11/2017	\$2,000.00
		<b>Total:</b>	\$10,000.00

11 **ROMERO (Effective 8/21/18)**

18-5304	10/01/2018	09/28/2018	\$7,555.00
18-5329	10/01/2018	09/27/2018	\$12,526.36
		<b>Total:</b>	\$18,081.36

15 25. During the audit period, there were several "Web Funds Transfer" trust fund  
16 deposits and disbursements that were not recorded on TAI's control record. In addition, the records  
17 did not reflect an accurate running daily balance between TAI and GA1. These transfers did not  
18 have any identifiable transactions or related escrow numbers. As detailed more fully in Audit  
19 Report No. LA180042, the Department's auditor identified: 26 examples of web fund transfers  
20 from October 6, 2017 to August 17, 2018 (GOMEZ) that were not recorded on the control records;  
21 and 8 examples of web fund transfers from August 22, 2018 to September 19, 2018 (ROMERO)  
22 that were not recorded on the control records.

23 26. SC's failure to maintain a complete and accurate control record of trust funds for  
24 TAI in connection with broker escrow activities was in violation of **Code section 10145 and**  
25 **Regulations 2831, 2950(d), and 2951.**

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1 **Issue Three (3). Code Section 10145 and Regulations 2831.1, 2950(d), and 2951: Separate**  
2 **Records for Each Beneficiary or Transaction; When Broker Handles Escrow**

3 **a. TAI Audit Cutoff Date, 9/30/18: ROMERO (Effective 8/21/18)**

4 27. SC did not maintain a complete and accurate separate record for each escrow  
5 transaction during the audit period. Some of the deposit dates of trust funds were inaccurately  
6 recorded or not recorded. In one example, a check was recorded as void when it was cleared  
7 through TA1. In addition, the records did not reflect an accurate balance after posting the  
8 transaction on any date. The Department's auditor reconstructed trust fund records based on  
9 records provided for the audit.

10 28. As detailed more fully in Audit Report No. LA180042, the Department's auditor  
11 identified 8 examples of web fund transfers from August 22, 2018 to September 19, 2018  
12 (ROMERO) that were inaccurately recorded.

13 **b. TAI Audit Cutoff Date, 8/20/18: GOMEZ (1/1/17 to 8/20/18)**

14 29. As also detailed more fully in Audit Report No. LA180042, the Department's  
15 auditor identified 4 examples of transactions from June 14, 2017 to June 12, 2018 (GOMEZ) that  
16 were inaccurately recorded, involving Escrow Nos. 18-5292, 18-5228, 17-5077-TG, and 17-5010-  
17 TG.

18 30. The Department's auditor reconstructed trust funds transferred from TA1 into GA1  
19 based on records provided for the audit examination. (See Issue 2, above, for examples).

20 31. During the audit period, there were several "Web Funds Transfer" trust fund  
21 deposits and disbursements that were not recorded on TA1's control record. In addition, the records  
22 did not reflect an accurate running daily balance between TA1 and GA1. The transfers did not have  
23 any identifiable transactions or related escrow numbers.

24 32. SC's failure to maintain a complete and accurate separate record for each escrow  
25 transaction during the audit period was in violation of **Code Section 10145 and Regulations**  
26 **2831.1, 2950(d), and 2951.**

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1 **Issue Four (4). Code Sections 10145 and 10176(i), and Regulations 2950(g) and 2951:**

2 **Unauthorized Disbursements; When Broker Handles Escrow**

3 ***a. ROMERO (Effective 8/21/18)***

4 33. As detailed more fully in Audit Report No. LA180042, SC disbursed \$136,762.80,  
5 in trust funds to GA1 without any identifiable transactions or related escrow number. The funds  
6 were transferred via "Web Funds Transfer" from TA1 to GA1 without instructions from the owners  
7 of the funds. The transfers included \$88,762.80 from November 7, 2017 to August 17, 2018, which  
8 was carried over from the August 20, 2018 audit cutoff date (GOMEZ) and \$48,000.00 from  
9 August 22, 2018 to September 19, 2018 (ROMERO).

10 34. As also detailed more fully in Audit Report No. LA180042, SC made unauthorized  
11 disbursements from TA1 into GA1. Based on an examination of records, it appears that the balance  
12 in GA1 was reduced to an amount that was less than the amount of trust funds deposited.

13 ***a. GOMEZ (1/1/17 to 8/20/18)***

14 35. SC disbursed \$115,762.80 in funds, as of August 20, 2018, from TA1 to GA1  
15 without any identifiable transaction or related escrow number. The funds were transferred via  
16 "Web Funds Transfer" from TA1 into GA1 without instructions from the owners of the funds.

17 36. According to ROMERO and based on TA1's bank statement, "Web Funds  
18 Transfers" of \$16,000 on August 13, 2018 and \$11,000 on August 14, 2018 were returned on  
19 August 31, 2018.

20 37. As detailed more fully in Audit Report No. LA180042, SC made unauthorized  
21 disbursements from TA1 into GA1 between May 11, 2018 and August 20, 2018.

22 38. Again, it appears that the balance in GA1 was reduced to an amount that was less  
23 than the amount of trust funds deposited. An examination of records revealed that SC transferred  
24 \$16,500 from TA1 to GA1 on May 14, 2018, and that GA1 had an ending balance of <\$1,742.37>  
25 as of May 14, 2018. SC also transferred a minimum of \$47,000 from TA1 to GA1 between August  
26 13 and 17, 2018, and GA1 had an ending balance of \$14,530.81 as of audit cutoff August 20, 2018.

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1 39. SC's unauthorized disbursement from TA1 without written authorization from the  
2 owners of the trust funds was in violation of Code Sections 10145(a) and 10176(i), and  
3 Regulations 2950(g) and 2951.

4 **Issue Five (5). Regulation 2950(h): When Broker Handles Escrow – Financial Interest**

5 **GOMEZ (1/1/17 to 8/20/18)**

6 40. SC did not advise all parties in writing that SC had an interest as an owner and  
7 stockholder of SC's non-independent broker escrow. The Department's auditor identified the  
8 following examples of SC failing to advise all parties in writing that SC had an interest as an owner  
9 and stockholder of SC's non-independent broker escrow:

<u>Escrow No.</u>	<u>Borrower</u>	<u>Total Consideration</u>	<u>Close of Escrow</u>
11 18-5292	Gurpreet Singh	\$367,000.00	07/27/18
12 18-5228	Carisa L. Barnes	\$375,000.00	05/30/18
13 17-5158	Natividad Gerardo Villa	\$260,000.00	01/29/18
14 17-5010	Isaias Cortes	\$178,500.00	09/15/17
15 17-5022	Guillermo Reyes Gastelum and Edith Reyes	\$315,000.00	08/15/17
16 17-5077	Naul Alcon Maldonado	\$270,000.00	10/24/17
	<b>Total:</b>	<b>\$2,433,500.00</b>	

17 41. SC's failure to provide a full written disclosure to advise all parties that SC has an  
18 interest as a stockholder, officer, partner, or owner of the agency holding the escrow was in  
19 violation of Regulation 2950(h).

20 **Issue Six (6). Code Section 10141.6: Notification of Escrow Activities**

21 **GOMEZ (1/1/17 to 8/20/18)**

22 42. Code section 10141.6 provides in pertinent part:

23 “(a) A real estate broker who engages in escrow activities for five or more  
24 transactions in a calendar year pursuant to the exemption from the Escrow Law  
25 contained in Section 17006 of the Financial Code, or whose escrow activities  
26 pursuant to that exemption equal or exceed one million dollars (\$1,000,000) in a  
27 calendar year, shall file with the department a report, within 60 days following the  
28 completion of the calendar year, documenting the number of escrows conducted and  
the dollar volume escrowed during the calendar year in which the threshold was  
met. This report shall be made on a form acceptable to the commissioner.

...

(c) A real estate broker who fails to submit the report required pursuant to  
subdivision (a) shall be assessed a penalty of fifty dollars (\$50) per day for each day

1 the report has not been received by the department, up to and including the 30th day  
2 after the first day of the assessment penalty. On and after the 31st day, the penalty  
3 shall be one hundred dollars (\$100) per day, not to exceed a total penalty of ten  
4 thousand dollars (\$10,000), regardless of the number of days, until the department  
5 receives the report.”

6 43. SC engaged in escrow activities for more than five transaction in calendar year  
7 2017, and its escrow activities exceeded \$1 million in calendar year 2017, thus triggering the  
8 requirement under Code Section 10141.6 that SC file a report with the Department within 60 days  
9 following the completion of calendar year 2017, documenting the number of escrows conducted  
10 and the dollar volume escrowed during the calendar year.

11 44. In 2017, SC closed approximately one hundred and one (111) escrows with an  
12 aggregate total of \$16,976,613.43 in trust fund receipts. SC thus met the escrow threshold,  
13 however, SC did not submit an escrow activity report (RE 890) within 60 days after the end of the  
14 calendar year 2017, which was due on March 1, 2018.

15 45. SC’s failure to submit an escrow activity report within 60 days after the end of the  
16 calendar year 2017 was in violation of **Code Section 10141.6.**

17 **Issue Seven (7). Code Sections 10159.2 and 10177(h) and Regulation 2725: Responsibility of**  
18 **Corporate Officer in Charge / Broker Supervision**

19 46. The Complainant realleges and incorporates by reference all of the allegations  
20 contained in paragraphs 1 through 45 above, with the same force and effect as though fully set forth  
21 herein.

22 47. Based on the above findings in Issues 1 through 6 above, as the brokers and  
23 designated officers of SC, GOMEZ (effective 8/21/18) and ROMERO (1/1/17 to 8/20/18) did not  
24 exercise adequate supervision and control over the real estate activities of SC’s employees and its  
25 salespersons licensees to ensure compliance with the Real Estate Laws and Regulations. GOMEZ  
26 and ROMERO failed to establish policies, rules, procedures, and systems to review, oversee,  
27 inspect, and manage transactions requiring a real estate license and the handling of trust funds.

28 48. GOMEZ’s and ROMERO’s acts and/or omissions were in violation of **Code**  
**Sections 10159.2 and 10177(h), and Regulation 2725.**

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**INVESTIGATION AND ENFORCEMENT COSTS**


49. Code Section 10106 provides that in any order issued in resolution of a disciplinary proceeding before the Department of Real Estate, 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 the investigation and enforcement of the case.

**AUDIT COSTS**

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

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 STELLER CORP, CYNTHIA JANNETTE GOMEZ, and CATHERINE ROMERO under the Real Estate Law, for the costs of investigation and enforcement, and audit as permitted by law, and for such other and further relief as may be proper under other applicable provisions of law, and for costs of audit.

Dated at Los Angeles, California this 24th day of December, 2019.

  
\_\_\_\_\_  
Maria Suarez  
Supervising Special Investigator

cc: STELLER CORP  
CYNTHIA JANNETTE GOMEZ  
CATHERINE ROMERO  
Maria Suarez  
Sacto.