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REAL ESTATE BULLETIN

Arnold Schwarzenegger, Governor
Dale Bonner, Secretary, Business, Transportation, & Housing Agency
Jeff Davi, Real Estate Commissioner

Department of Real Estate

Fall 2008

Elderly affinity fraud

While the vast majority of real estate licensees conduct themselves in an honest and ethical manner, it is an unfortunate reality that the Department's Enforcement section often sees the opposite type of licensee behavior. When we do, it is our responsibility to remove those individuals from the ranks of the licensed industry. The following case illustrates a situation of a real estate licensee taking advantage of a client's vulnerability for personal gain.

This case involved a licensee who acquired a listing on the property of an 83-year old woman who wanted to sell her home and move into an assisted care facility.

The licensee successfully negotiated the sale of the property, after which the seller received proceeds in the amount of \$367,000 which were deposited into her checking account at Wells Fargo Bank. Up until this point, it was a pretty normal transaction. The home was sold, and the licensee received her commission.

Following the close of escrow, the seller moved into an assisted care facility, where our licensee continued to court her friendship and became involved in her financial affairs.

After the close of escrow, the seller received forms to invest \$350,000 in Vanguard Mutual Funds. Our licensee was there to "assist" her in completing the paperwork. Without any informed consent of the seller, our licensee caused the forms to be changed to a \$250,000 investment, reducing the amount that the seller wanted to invest by \$100,000.00.

The licensee proceeded to forge two checks from the seller's Wells Fargo

Commissioner Davi's Column: Have we weathered the mortgage crisis storm?



On some fronts, we have turned the corner. Many of the issues that caused the crisis have abated, either by market corrections or regulatory efforts. DRE investigations revealed that stated income loans were used in the majority of cases that involved fraud. Such loans have all but disappeared from the market place. And with the passage of SB 385 last year and the recent reforms to Reg Z, lenders and brokers are or will be obligated to examine a borrower's ability to repay any non-traditional or higher priced loan. And stiffer advertising rules preclude brokers from hiding the risky loan features in the small print.

But the aftermath of lax underwriting standards and deceitful practices of the past continues. License revocations are rising as the DRE continues to uncover fraudulent and questionable transactions. In the last two fiscal years the DRE has taken over 3,600 administrative disciplinary actions that have resulted in nearly 900 license revocations. With respect to mortgage loan specific cases, in the last two years there have been over 450 disciplinary cases that resulted in:

- ❖ 147 License Revocations or Surrenders
- ❖ 164 License Suspensions
- ❖ 40 License Restrictions
- ❖ 11 License Denials
- ❖ 111 Desist & Refrains

In addition to the administrative actions, DRE has forged close relationships with law enforcement agencies. Joint investigations with the FBI have led to numerous federal indictments with the promise of many more to come. The DRE is also cooperating with the Attorney General and local District Attorneys in criminal investigations. The DRE is committed to ridding the industry of unscrupulous licensees and will continue to refer cases to law enforcement. And I would encourage all licensees to help in this important effort. Cooperate with investigators if asked, and, most importantly, keep letting us know about questionable transactions and practices. 🏠

account. The first check was in the amount of \$50,000 and was made payable to a particular bank for a specified loan account number. Investigation revealed that the account number was for the licensee's own secured loan which was delinquent at the time. The second check, also in the amount of \$50,000, went to pay the licensee's husband's Mastercard account.

When the seller's children found out what had occurred, they filed a complaint with the Department and the licensee ultimately surrendered her license. In

addition, the licensee was criminally convicted for the embezzlement of the property of an elder or dependent adult, and for the subsequent intimidation of a victim.

In the end, the former licensee paid a considerable price for her misdeeds — losing her license, as well as her freedom. The Department is committed to removing unscrupulous individuals such as this from the business so that they are unable to use their credentials as a real estate licensee to prey upon an unsuspecting public. 🏠

REAL ESTATE BULLETIN

Official Publication of the
California Department of Real Estate

Vol. 68, No. 3

Fall 2008

STATE OF CALIFORNIA

Arnold Schwarzenegger, *Governor*

BUSINESS, TRANSPORTATION AND HOUSING AGENCY
Dale Bonner, *Secretary*

DEPARTMENT OF REAL ESTATE
Jeff Davi, *Commissioner*

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(For the deaf and hearing impaired)

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A refresher for real estate brokers on the maintenance, retention, production, proper security, and disposal of records

Real estate brokers are required to maintain books and records ("records") that were prepared in connection with all transactions for which a real estate license is required. The failure to do so constitutes a basis for disciplinary action against the broker's license pursuant to §10148 of the Business and Professions ("B&P") Code.

B&P Code §10148 requires a licensed real estate broker to retain copies of all listings, deposit receipts, canceled checks, trust records, and other documents executed by the broker, or obtained by the broker, in connection with any transactions for which a real estate broker license is required.

Brokers must retain these records for a period of three years from the close of the transaction, or from the date of the listing if the transaction was not consummated.

Storage of Records on Electronic Media

In complying with B&P Code §10148, some real estate brokers experience storage issues such as limited onsite storage space or costs, security, and accessibility issues related to use of off-site locations.

Commissioner's Regulation 2729 provides an alternative. A real estate broker can avoid storage costs related to bulky transaction files and other real estate documentation, by use of electronic image storage media. Electronic image storage media may be used to retain and store copies of all documents executed or obtained by the broker in connection with any transaction for which a real estate broker license is required.

Copies of real estate documents such as listings, deposit receipts, canceled checks, trust records and any other type of real estate related documents can be stored on an electronic image storage media if the following requirements of Commissioner's Regulation 2729(a)(1 through 6) are satisfied:

1. The electronic image storage shall be nonerasable "write once, read many" ("WORM"), that does not allow changes to the stored document or record.
2. The stored document or record is made or preserved as part of, and in the regular course of, business.
3. The original record from which the stored document or record was copied was made or prepared by the broker or the broker's employees at or near the time of the act, condition or event reflected in the record.
4. The custodian of the record is able to identify the stored document or record, the mode of its preparation, and the mode of storing it on the electronic image storage.
5. The electronic image storage media contains a reliable indexing

Continued on page 9

Trust account withdrawals — Commissioner's Regulation 2834

To be in compliance with Commissioner's Regulation §2834 (Trust Account Withdrawals), an individual broker must be a signatory on his or her own trust account. In addition to the individual broker being a signatory on his or her own trust account, the individual broker may allow certain others to be authorized signatories on the account. Those others include a salesperson licensed to the broker and expressly authorized in writing to withdraw funds from the trust account; a broker who has entered into a written agreement pursuant to Commissioner's Regulation §2726 with the broker/owner of the account and who has been expressly authorized in writing to withdraw funds from the trust account; or an unlicensed person employed by the broker who has fidelity bond coverage at least equal to the maximum amount of the trust funds to which the employee has access at any time.

In the case of a corporate broker, Regulation §2834(b) requires the Designated Officer (D.O.) to be a signatory on the corporate trust account if withdrawals from the corporate trust account may be made by a salesperson licensed to the corporation; a broker who has entered into a written agreement pursuant to Commissioner's Regulation §2726 with the corporation; or an unlicensed person employed by the corporation who has fidelity bond coverage at least equal to the maximum amount of the trust funds to which the employee has access at any time. The salesperson, broker, and unlicensed person mentioned above must also be expressly authorized in writing by the D.O. to withdraw funds from the trust account. Withdrawals from the corporate trust account may also be made by any other officer (other than the D.O.) through whom the corporation is licensed under §10158 or 10211 of the Business & Professions Code.

There is no specific form or format for the express written authorization for an eligible employee to withdraw funds from a broker's trust account, but the content of such written authorization should include words to the effect that the broker or D.O. has given the named person authorization to sign on the trust account. There may be other conditions included in the authorization, such as the number of signatures required for specific amounts on checks, or the maximum amount of withdrawal at any time.

Caution: When any signatory on a trust account terminates his or her employment with the broker or the corporation, the terminated employee should be deleted as a signatory on the trust account.

If a signatory on a broker's trust account will be an unlicensed employee, the unlicensed employee signatory must be covered by a fidelity bond with "coverage at least equal to the maximum amount of trust funds to which the employee has access at any time." The maximum amount to which the employee has access may be determined by the broker's accountant or CPA, and could be adjusted (increased/decreased) from time to time depending on the responsibilities of the signatory, or increase/decrease in trust funds balances, etc. As with a licensed salesperson or broker employed by the corporation, express written authorization by the broker/D.O. to withdraw funds from the corporate trust account is also required for any unlicensed employee covered by a fidelity bond.

Caution: When any signatory on a trust account terminates his or her employment with the broker or the corporation, the terminated employee should be deleted as a signatory on the trust account.

While any unlicensed person covered by a fidelity bond remains a signatory on a trust account, the individual broker or D.O. should ensure that there is sufficient fidelity bond coverage at all times.

Some other issues of concern:


1) *Deductibles*

§2834 contains no language that allows for a deductible on the fidelity bond, nor is there any mention of any coverage other than a fidelity bond. An unlicensed employee can legally be a signatory on an individual or corporate broker's trust account only if s/he is covered by a *non-deductible* fidelity bond.

2) *Wire Transfers*

Allowing individuals to make wire transfers from the trust account will be considered as if that person is a signatory on the trust account and the conditions discussed above will apply.

3) *Trust Fund Beneficiaries as Signatories*

- The broker's principal/beneficiary must not be a signatory on a real estate broker's trust account. For example, an owner of a rental property must not be a signatory on the trust account which is used by the broker to handle trust funds for that property. The integrity of the trust account must be protected by the broker.
- The broker should make sure that all written authorizations are current and s/he should review the trust account bank signature cards on a regular basis to make sure that the signatories are up to date and correct.
- Withdrawals may be made from an individual or corporate real estate broker's trust account only upon the signature of one or more of the persons permitted by Commissioner's Regulation §2834, as described above. 

The recovery account — DRE's victim's fund

The Department of Real Estate's Recovery Account is a victim's fund which began operating on July 1, 1964. The purpose of the Recovery Account is to provide limited reimbursement to consumers for losses sustained in real estate transactions because of the fraudulent acts of licensed real estate brokers or salespersons. The Recovery Account is funded from a portion of the license fees paid to the Department of Real Estate by brokers and salespersons, and from monies paid into the account from Orders following disciplinary actions. The body of law governing the administration of and qualification for payment from the Recovery Account is found in California Business & Professions Code sections 10470 through 10481; and in Title 10, California Code of Regulations, sections 3100 through 3109. Between July 1, 1964 and June 30, 2007, the Recovery Account has paid out approximately \$36,600,000 to 2,300 victims, or 56% of the 4,100 victims who have applied for payment.

When the Recovery Account was first established, it was intended that only those consumer losses caused by a licensee's intentional fraud be compensated, assuming all other requirements were met. In 1984, a California Court of Appeal held that the Recovery Account was liable for not only intentional fraud, but also for a licensee's negligent misrepresentation. (*Andrepoint v. Meeker* (1984) 158 CA3d 878.) Following that decision, an audit of the Recovery Account was ordered to determine whether it could meet the potential liability which would be caused by the lesser standard, rather than intentional fraud. It was determined that, without somehow limiting the liability of the Recovery Account, it would become insolvent under the new rule. Effective July 1, 1987, the Legislature amended the Recovery Account law to provide for liability only for intentional fraud or conversion of trust funds, and to clarify its intent that the Recovery Account is not an insurance policy, but a fund of last resort created to provide limited benefits.

Can victims in criminal cases qualify for payment?

In 1997 the law defining a "qualifying judgment" was amended to include a criminal restitution order. When a criminal conviction of a licensee is for a crime with elements similar to intentional fraud or conversion of trust funds, such as fraud or embezzlement, and the sentence includes restitution to one or more of the licensee's victims, the criminal conviction, or judgment, may qualify for payment from the Recovery Account. Over the past several years, the Department's Recovery Account Unit has received an increasing number of applications from victims who have been awarded restitution in criminal cases.

What are the requirements to qualify for payment?

In general, individuals and business entities, with exceptions, may qualify. An applicant for payment from the Recovery Account must obtain a final judgment against one who was licensed by the Department of Real Estate at

the time of the transaction which resulted in the loss. That judgment must be based on intentional fraud or conversion of trust funds (meaning the theft of a principal's money in a transaction requiring a license) and must be rendered by a California state court or a federal court located within the State of California. The judgment could be the result of a civil case, a criminal case, certain arbitration matters, or a federal civil, criminal or bankruptcy case.

The transaction in which the victim was defrauded must have been one in which the licensee was doing something which required a real estate license. In other words, the licensee must have been acting as an agent in connection with an independent buyer and/or seller, borrower and/or lender, or property owner and/or lessee. If the licensee was acting as a principal in the transaction, (for example, the licensee was the seller of the property, or the direct borrower of the funds), he or she did not really require a real estate license to participate in the transaction. He or she was not really acting as a licensee, or as an agent, but as a party to the transaction. A licensee's judgment based on unpaid commissions does not qualify for payment from the Recovery Account.

The victim, now a judgment creditor, must then make reasonable efforts to collect on the judgment against all defendants found liable in the transaction. At a minimum, that requires the applicant for payment from the Recovery Account to demonstrate that the licensee, now a judgment debtor, and all other persons found liable to the victim in the transaction in question do not have assets, such as an interest in any real property within California, with sufficient equity which could be attached by proper court processes, to satisfy all or part of the judgment.

The applicant must also serve a copy of the entire application on the judgment debtor / licensee by methods prescribed in the Business & Professions Code, but not those set forth in the Code of Civil Procedure, as in civil court cases.

Finally, the application must be received by the Department of Real Estate no later than one year after the qualifying judgment became final. That calculation requires an understanding of the specific time limits for that particular judgment to be appealed. Those time limits differ from state courts to federal courts, including bankruptcy court.

How much can a qualifying victim recover?

If all of the requirements of the law are met, the Commissioner of the Department of Real Estate will grant the application up to a maximum of \$20,000 for one transaction, and possibly up to a maximum of \$100,000 per licensee, if there are multiple qualifying transactions.¹

Since the Recovery Account's \$100,000 limit of liability as to one licensee is absolute, when there are multiple claims filed against one licensee, those funds must be prorated among all of the victims who submit timely qualifying applications. Those victims who desire to participate in any proration of

Continued on page 10

Disciplinary Action: March 08 - May 08

- A list of actions is not published in this *Bulletin* until the 30-day period allowed for court appeal has expired, or if an appeal is filed and the disciplinary action is stayed, until the stay is dissolved. Names of persons to whom licenses are denied on application are not published.
- Licensees are listed alphabetically by the District Office region of responsibility.
- The license type is listed in parentheses after the licensee's name. [REB – Real estate broker; RREB – Restricted real estate broker; RES – Real estate salesperson; RRES – Restricted real estate salesperson; PRLS – Prepaid rental listing service;

RPRLS – Restricted prepaid rental listing service; REO – Real estate officer; REC – Real estate corporation]

- Below are brief summaries of various regulations and code sections. The full text of the sections is available on the DRE Web site www.dre.ca.gov under Real Estate Law and/or Regulations.
- Disciplinary actions that are “stayed” means there is “a delay in carrying out” all or part of the recommended discipline.



Commissioner's Regulations

2710	Failure to submit proof of completion of continuing education
2715	Licensee's failure to maintain current business or mailing address with DRE
2725	Failure of broker to exercise reasonable supervision over the activities of his or her salespersons
2726	Failure to have broker-salesperson agreements
2731	Unauthorized use of fictitious business name
2752	Broker's failure to notify DRE of salesperson employment
2753	Broker's failure to retain salesperson's license at main office or return the license at termination of employment
2801.5	Sale of subdivision interest without public report
2831	Failure to keep proper trust fund records
2831.1	Inadequate separate trust fund beneficiary records
2831.2	Failure to reconcile trust account
2832	Failure to comply with trust fund handling provisions
2832(a)	Failure of broker to place trust funds into hands of owner, into neutral escrow depository or trust fund account within three business days of receipt
2832(d)	Failure of broker holding trust funds contingent on offer of acceptance to properly place funds within 3 days of acceptance
2832.1	Failure to obtain permission to reduce trust fund balance in a multiple beneficiary account
2834	Trust account withdrawals by unauthorized or unbonded person
2835	Retention of broker funds in trust account
2950	Violation of broker-controlled escrow requirements
2950(d)	Failure of broker handling escrows to maintain records and accounts
2950(g)	Broker-handled escrow disbursement without written instructions
2951	Improper record keeping for broker handled escrows

Business and Professions Code

480(a)(3)	Performance of act which would have been grounds for disciplinary action
490	Substantially related criminal conviction
498	License obtained by fraud or misrepresentation
10130	Acting without license
10131(a)	Performing acts for which a real estate license is required
10132	Salesperson working without a broker
10137	Unlawful employment or payment of compensation
10145	Trust fund handling
10145(a)	Trust fund handling
10148	Failure to retain records and make available for inspection
10159.2	Failure by designated officer to supervise licensed acts of corporation
10159.5	Failure to obtain license with fictitious business name

10160	Failure to maintain salesperson licenses in possession of broker
10161.8	Failure of broker to notify Commissioner of salesperson employment
10162	Failure to maintain a place of business
10165	Failure to comply with specified B&P code sections
10176(a)	Making any substantial misrepresentation
10176(b)	Making false promise
10176(e)	Commingling trust funds with brokers funds
10176(h)	Secret profit under option agreement
10176(i)	Fraud or dishonest dealing in licensed capacity
10177(a)	Procuring a real estate license by misrepresentation or material false statement
10177(b)	Conviction of crime
10177(c)	False advertisement
10177(d)	Violation of real estate law or regulations
10177(f)	Conduct that would have warranted denial of a license
10177(g)	Negligence or incompetence in performing licensed acts
10177(h)	Failure to supervise salespersons or licensed acts of corporation
10177(j)	Fraud or dishonest dealing as principal
10177(n)	Violation of real estate syndicate provisions of corporate securities law
10177.4	Acceptance of compensation for referral of customers to certain service providers.
10177.5	Civil fraud judgment based on licensed acts
10231	Accepting loan funds for other than a specific loan
10231.2	Failure to give self-dealing notice
10232.2(a)	Failure to provide independent audit reports
10232.2(b)	Failure to provide statement regarding loan servicing
10232.1	Failure to obtain permission to reduce trust fund balance in a multiple beneficiary account
10232.25	Failure to file trust fund status reports
10232.4	Failure to give lender/purchaser disclosure
10236.4	Failure to include license number or DRE license information telephone number in documents
10238(a)	Failure of broker to notify Commissioner within 30 days of first mortgage transaction or of any material change in required notice
10238(b)	Servicing notification
10238(h)(2)	Exceeding loan to value limits
10238(j)(4)	Failure to submit reports
10238(k)	Failure to have written agreement
10238(k)(3)	Failure to submit independent certified public accountant report
10240	Failure to provide mortgage loan disclosure statement
10241	Improper mortgage loan disclosure statement
11018.1	Failure to give public report
11018.2	Sale of subdivision lots without a public report

Financial Code

4975 et seq.	Violation of covered loan requirements
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REVOKED LICENSES**FRESNO REGION****Cardenas Investments Group, Inc. (REC)**

3201 F Street, Bakersfield
Effective: 4/22/08
Violation: 10148, 10176(i),
 10177(d)(j)

Cardenas, Jesus Cruz (REB)

3901 Kempsey Ct., Bakersfield
Effective: 4/22/08
Violation: 10148, 10176(i),
 10177(d)(j)

Gutierrez, Abram Daniel (RES)

1661 W. Wall Ln., Porterville
Effective: 3/5/08
Violation: 490, 10177(b)

Sack, Robert Howard (RES)

1635 13th St., Los Osos
Effective: 4/21/08
Violation: 480(a)(3), 10177(f)

Whitfield, Dennis Felton (RES)

1011 Sycamore Ave., Modesto
Effective: 3/5/08
Violation: 490, 10177(b)

LOS ANGELES REGION**Adamyan, Gayane (RES)**

1341 N. New Hampshire Ave.,
 Los Angeles
Effective: 5/19/08
Violation: 490, 10177(b)

Amzashvili, George (REB)

423 Santa Barbara, Irvine
Effective: 3/13/08
Violation: 2831, 2831.1,
 2831.2, 2832, 10145,
 10176(e)(i),
 10177(d)(g)(j)

Andebe, Oren Mbat (RES)

1800 E. Aroma Dr. #126,
 West Covina
Effective: 3/3/08
Violation: 490, 10177(b)

Anorga, Alejandro Felix (RES)

PO Box 1004,
 Rancho Cucamonga
Effective: 3/18/08
Violation: 490, 10177(b)

Blunt, Candace Lee (RES)

14801 Quezada Way,
 Santa Clarita
Effective: 5/22/08
Violation: 490, 10177(b)

Bramontes, Tanislado J. (RES)

31871 Paseo La Branza,
 San Juan Capistrano
Effective: 3/12/08
Violation: 490, 10177(b)

Bush, Harry Nicholas (REB)

2820 E. Garvey Ave. South 2nd Fl.,
 West Covina
Effective: 5/12/08
Violation: 10137, 10177(d)

Caballero, Rudy Amilcar (RES)

4039 Maxson Rd. Apt. 7,
 El Monte
Effective: 3/12/08
Violation: 490, 10177(b)

Castaneda, Alfred Gary (RES)

1441 Rodney Rd., West Covina
Effective: 3/26/08
Violation: 490, 10177(b)

Citizens Realty, Inc. (REC)

4221 Wilshire Blvd. #170-6B,
 Los Angeles
Effective: 5/19/08
Violation: 2742, 10177(d)(f)(g)

Coburn, Angelica Michele (RES)

c/o Century 21, 17563 Ventura
 Blvd., Encino
Effective: 5/5/08
Violation: 490, 10177(b)

Colonial National Bancorp (REC)

17822 East 17th St., Ste. 412,
 Tustin
Effective: 5/28/08
Violation: 2731, 2752, 2831,
 2832, 2832.1, 2834,
 10137, 10145(a),
 10160, 10176(a),
 10177(d)(g), 10240,
 10236.4

Coto, Walter Gonzalez (RES)

305 N. Second Ave. #253, Upland
Effective: 3/18/08
Violation: 10130, 10177(d)(j)

Cox, Dennis William (REB)

1811 W. Katella Ave., Ste. 205,
 Anaheim
Effective: 5/28/08
Violation: 10159.2, 10177(d)(g)(h)

Densmore, Michael (RES)

1041 Regatta Run, Costa Mesa
Effective: 4/29/08
Violation: 490, 10177(b)

Depert, Denise (RES)

PO Box 15373, Beverly Hills
Effective: 5/12/08
Violation: 490, 10177(b)

Eladli, Omar Adam (RES)

1940 General St.,
 Rancho Palos Verdes
Effective: 5/13/08
Violation: 490, 10177(b)

Flores, Jose Julian (RES)

1441 N Avenue 47, Los Angeles
Effective: 3/12/08
Violation: 490, 10177(b)

Frias, Manuel Adrian (REB)

8635 E. Florence Ave. #105,
 Downey
Effective: 3/5/08
Violation: 490, 10177(b)

Galaviz, Jose Angel (RES)

670 N Arrowhead Ave. #A,
 San Bernardino
Effective: 5/13/08
Violation: 490, 10177(b)

Garner McSweeney, Carole E. (RES)

5153 Irvington Place,
 Los Angeles
Effective: 3/12/08
Violation: 10177(f)

Granville, Gail Ann (REB)

701 W. Manchester Blvd.,
 Inglewood
Effective: 5/7/08
Violation: 490, 10177(b)

Guevara, Seitha Faye (RES)

9140 Morechart Ave., Arleta

Effective: 3/26/08

Violation: 490, 10177(b)

Han, Duk Kyu (RES)

20836 Missionary Ridge Rd.,
 Walnut
Effective: 5/28/08
Violation: 490, 10177(b)

Head Financial Services, Inc. (REC)

961 N. Citrus Dr., La Habra
Effective: 5/5/08
Officer of: Head Financial
 Services, Inc.
Violation: 2715, 10148, 10162,
 10165, 10176(a)(b)(i),
 10177(d)(g)

Head, Charles Christopher (REB, REO)

961 N. Citrus Dr., La Habra
Effective: 5/5/08
Violation: 2715, 10148, 10162,
 10165, 10176(a)(b)(i),
 10177(d)(g)

Hill, Helena Faye (RES)

PO Box 40913, Pasadena
Effective: 5/13/08
Violation: 490, 10177(b)

Hollister, Mandy Nichole (RES)

2200 W. Palmyra #30, Orange
Effective: 5/29/08
Violation: 490, 10177(b)

Hosseini, Azadeh (RES)

26109 Veva Way, Calabasas
Effective: 5/7/08
Violation: 490, 10177(b)

Kennedy, Mary Leigh (RES)

100 W. Valencia Mesa Dr.,
 Fullerton
Effective: 5/7/08
Violation: 10130, 10177(d)(j)

Li, Da (RES)

49 E. Colorado Blvd., Arcadia
Effective: 3/10/08
Violation: 490, 10177(b)

Lin, Cheng Tsung (RES)

4303 Mohawk, Claremont
Effective: 4/23/08
Violation: 490, 10177(b)

Luu, Trang (RES)

31 Whispering Willow Ct., Azusa
Effective: 5/5/08
Violation: 490, 10177(b)

Lyle, Michael Owen (RES)

26022 Topper Ct.,
 Stevenson Ranch
Effective: 5/28/08
Violation: 490, 10177(b)

Lyons, Robert Emmet (RES)

2641 Vanderhoof Dr.,
 West Covina
Effective: 3/12/08
Violation: 490, 10177(b)

Mallett-Corrigan, Kimberly Ann (RES)

6046 Via Naranjo, La Verne
Effective: 3/12/08
Violation: 490, 10177(b)

Maris, Brenda Michelle (RES)

210 62nd St. #271, Newport Beach
Effective: 5/1/08
Violation: 490, 10177(b)

Markovich, Mark Anthony (REB)

9 San Anselmo,
 Rancho Santa Margarita

Effective: 3/19/08

Violation: 490, 10177(b)

Moreno, Paolo A. (RES)

9461 Charleville Blvd. #595,
 Beverly Hills
Effective: 3/12/08
Violation: 490, 10177(b)

Ortega, Robert John (RES)

458 N. Maclay, San Fernando
Effective: 4/3/08
Violation: 490, 10177(b)

Page, Ray Andrew (RES)

1403 N. Tustin Ave. #380, Tustin
Effective: 5/19/08
Violation: 490, 10177(b)

Pak, Huong (RES)

6415 E. Nance Cir., Orange
Effective: 5/28/08
Violation: 490, 10177(b)

Payne, Derick Whitfield (REB)

11090 Artesia Blvd., Ste. E,
 Cerritos
Effective: 4/28/08
Violation: 490, 10177(b)

Phelan, Mervyn Austin (REB)

13902 Gershon Place, Santa Ana
Effective: 5/22/08
Violation: 490, 10177(b)

Rapelian, Raffi (RES)

c/o First Banker Mortgage Corp.
 17563 Ventura Blvd., Encino
Effective: 5/8/08
Violation: 490, 10177(b)

Rethorn, Hans-Werner (RES)

2911 S. Bristol St., Santa Ana
Effective: 3/12/08
Violation: 490, 10177(b)

Reynoso, Vincent Gaudalpe (RES)

PO Box 23062, Santa Ana
Effective: 4/23/08
Violation: 10177(b)

Rodriguez, James (RES)

PO Box 291256, Los Angeles
Effective: 4/29/08
Violation: 490, 10177(b)

Sahagun, Mayra Belen (RES)

755 West 15th St., San Pedro
Effective: 3/27/08
Violation: 490, 10177(b)

Salazar, Domingo Jr. (RES)

1670 Pleasant Hill Dr.,
 Chino Hills
Effective: 5/28/08
Violation: 490, 10177(b)

Sharar, Harry Clark Jr. (REB)

1811 W. Katella Ave., Ste. 205,
 Anaheim
Effective: 5/28/08
Violation: 10159.2, 10177(d)(g)(h)

Siever, Daniel Bernard (REB)

4875 E. La Palma Ave. #608,
 Anaheim
Effective: 5/19/08
Violation: 490, 498, 10177(a)(b)

Skinner, Darren Fredrick (RES)

10850 Bennett Dr., Fontana
Effective: 3/12/08
Violation: 490, 10177(b)

Slater, Vernon O. (RES)

436 West 62nd St., Los Angeles
Effective: 5/20/08
Violation: 490, 10177(b)

Suri, George Luis (RES)

1727 W. Thelborn St.,
West Covina
Effective: 4/17/08
Violation: 10177(b)

Szapak, Gregory Anthony (RES)

23582 Via Barra, Valencia
Effective: 5/28/08
Violation: 490, 10177(b)

Teele, James Laron (RES)

2223 West 75th St., Los Angeles
Effective: 5/19/08
Violation: 490, 10177(b)

Torres, Lonnie Lee (RES)

6364 Palo Alto Ave., Yucca Valley
Effective: 3/17/08
Violation: 490, 498, 10177(a)(b)

Truong, Thierry (RES)

9023 Bental Ave., Rosemead
Effective: 5/29/08
Violation: 490, 10177(b)

Truscott, Terrence O. (RES)

10429 La Reina Ave. #A-7,
Downey
Effective: 3/12/08
Violation: 490, 10177(b)

United Pacific Bancorp (REC)

9640 Center Ave. #120,
Rancho Cucamonga
Effective: 5/14/08
Violation: 10137

Wareham, Jarred Allen (RES)

42138 52nd St. West, Quartz Hill
Effective: 5/22/08
Violation: 490, 10177(b)

Weitzman, Steven Jason (RES)

1214 West 30th St., Los Angeles
Effective: 5/13/08
Violation: 490, 10177(b)

Winslow, Gary Russell (RES)

PO Box 10112, Costa Mesa
Effective: 5/28/08
Violation: 490, 10177(b)

Yip, Paul (REB)

5220 N Rosemead Blvd. #A,
San Gabriel
Effective: 3/19/08
Violation: 490, 10177(b)

OAKLAND REGION**Arreola, Salvador (RES)**

3009 Fowler Rd., San Jose
Effective: 5/2/08
Violation: 490, 10177(b)

Brown, Michael Morales (RES)

15 Poncetta Dr. #310, Daly City
Effective: 5/2/08
Violation: 490, 10177(b)

Collins, Daniel E. (RES)

790 First St., Gilroy
Effective: 5/2/08
Violation: 490, 10177(b)

Ho, Kuei-chen (RES)

5962 Royal Ann Dr., San Jose
Effective: 5/22/08
Violation: 490, 10177(b)

Hung, Dickson (RES)

1009 Crocker Ave., Daly City
Effective: 5/2/08
Violation: 490, 10177(b)

Lee, Yvonne Huiyi Chao (REB)

345 9th St. #207, Oakland

Effective: 5/27/08

Violation: 10177(c)(j)

Proctor, Stuart Paul (RES)

72 La Cuesta Rd., Orinda
Effective: 5/2/08
Violation: 490, 10177(b)

Sullivan, Shawna Ree (RES)

1933 Garden Dr., Apt. 300,
Burlingame
Effective: 5/22/08
Violation: 490, 10177(b)

Wesley, Shantayne Marie (RES)

5058 Creely Ave., Richmond
Effective: 3/4/08
Violation: 490, 10177(b)

Wilson, David Earl (RES)

1107 Dennis Ct., Rodeo
Effective: 5/2/08
Violation: 490, 10177(b)

SACRAMENTO REGION**Babiasz, Joseph (RES)**

108 Marinette Ct., Roseville
Effective: 3/28/08
Violation: 480, 10177(a)

Casey, Cecil Lewis (REB)

5801 Pomegranate, Sacramento
Effective: 3/27/08
Violation: 10159.2, 10177(d)(g)(h)

Casey, Michael Patrick (RES)

3259 Rancho Silva Dr.,
Sacramento
Effective: 5/5/08
Violation: 480, 10177(a)

Coxeter, Blayne Charles (RES)

23554 Old 44 Dr., Millville
Effective: 4/22/08
Violation: 490, 10177(b)

Garcia, Michael (RES)

7529 Sunset Ave., Ste. A,
Fair Oaks
Effective: 5/28/08
Violation: 490, 10177(b)

Greenfield, Nashelli N. (RES)

15 Lloyd Ct., Napa
Effective: 5/23/08
Violation: 490, 498, 10177(b)

Hysom, Keith Monroe (REB)

PO Box 1767, Grass Valley
Effective: 5/1/08
Violation: 2832.1, 10145,
10176(e), 10177(d),
10232.2(a)(b),
10232.25, 10238(a)(b)

Lewis, Travis James (RES)

704 20th St. #5, Sacramento
Effective: 3/28/08
Violation: 490, 10177(b)

Western Monarch Group (REC)

7250 Auburn Blvd., #200,
Citrus Heights
Effective: 3/27/08
Violation: 2831.1, 2832.1

Willes, Jeremy Todd (RES)

100 Milan Ct., Lincoln
Effective: 3/13/08
Violation: 490, 10177(b)

SAN DIEGO REGION**Garwick, Rex Edward (RES)**

2807 E. Bainbridge Rd.,
San Diego

Effective: 5/28/08

Violation: 490, 10177(b)

Malanga, Carmine Rocco (RES)

2734 W. Canyon Ave., San Diego
Effective: 5/29/08
Violation: 490, 10177(b)

Ng, Ramon Casimiro (RES)

69 H Street, Chula Vista
Effective: 5/2/08
Violation: 10176(i), 10177(j)

Tallamante, Eileen (RES)

5359 Aztec Dr. #30, La Mesa
Effective: 5/20/08
Violation: 490, 10177(b)

Welcome Home Realty (REC)

4499 Calavo Dr., La Mesa
Effective: 4/21/08
Violation: 2710, 2752, 2831,
2831.1, 2831.2,
2834, 2832.1, 2950
(d)(g), 2951, 10145,
10160, 10161.8,
10176(i), 10177(d)(j)

**REVOKED WITH A RIGHT
TO A RESTRICTED
LICENSE****LOS ANGELES REGION****Adams, Richard David (RES)**

17070 San Bruno, Apt. I-9,
Fountain Valley
Effective: 5/19/08
Violation: 490, 10177(b)
Right to RRES license on terms
and conditions

Barbera, John Robert (RES)

311 E. Meda Ave. #5, Glendora
Effective: 4/23/08
Violation: 490, 10177(b)
Right to RRES license on terms
and conditions

Beglaryan, Karen Gary (RES)

600 N. Brighton St., Burbank
Effective: 4/2/08
Violation: 490, 10177(b)
Right to RRES license on terms
and conditions

Cazarez, Jennifer Alice (RES)

PO Box 2356, Hawaiian Gardens
Effective: 5/27/08
Violation: 490, 10177(b)
Right to RRES license on terms
and conditions

Cherney, Michael Joseph (REB)

20951 Brookhurst,
Huntington Beach
Effective: 5/29/08
Violation: 490, 10177(b)
Right to RRES license on terms
and conditions

Deovlet, Lawrence John (RES)

2150 Hathaway Ave.,
Thousand Oaks
Effective: 3/19/08
Violation: 490, 10177(b)(f)(n)
Right to RRES license on terms
and conditions

Erskine, Mark Anthony (REB)

801 S. Broadway #14,
Santa Maria
Effective: 3/12/08

Violation: 490, 10177(b)

Right to RRES license on terms
and conditions

Franco, Jacob Shawn (RES)

PO Box 260413, Encino
Effective: 4/28/08
Violation: 10130, 10177(d)(g)
Right to RRES license on terms
and conditions

Haft, Brandon Michael (RES)

7735 McLaren Ave., West Hills
Effective: 5/1/08
Violation: 490, 10177(b)
Right to RRES license on terms
and conditions

Jordan, Joseph Woodrow (RES)

8345 Whiteoak Ave., Northridge
Effective: 3/20/08
Violation: 10137
Right to RRES license on terms
and conditions

Jordan, Willie W. (REB)

12875 Tilden Dr.,
Rancho Cucamonga
Effective: 5/27/08
Violation: 10177(a)(b)
Right to RRES license on terms
and conditions

Littlefield, David James (REB)

3436 N. Verdugo Rd. #105,
Glendale
Effective: 5/20/08
Officer of: United Pacific Bancorp
Violation: 10177.5
Right to RRES license on terms
and conditions

Moran, Mario Alfonso (REB, REO)

917 N. Walnut Ave., San Dimas
Effective: 5/14/08
Violation: 10159.2, 10177(g)(h)
Right to RRES license on terms
and conditions

Parks, Christopher Scott (RES)

609 Marine Ave.,
Manhattan Beach
Effective: 5/22/08
Violation: 490, 10177(b)
Right to RRES license on terms
and conditions

Pennington, Alan Lee (RES)

PO Box 57, Valyermo
Effective: 3/3/08
Violation: 490, 10177(b)
Right to RRES license on terms
and conditions

Pomeroy, Neils Kimball (RES)

4527 Vista St., Long Beach
Effective: 4/28/08
Violation: 10130, 10177(d)
Right to RRES license on terms
and conditions

York, Susan Ann (RES)

29441 Christiana Way,
Laguna Niguel
Effective: 3/11/08
Violation: 490, 498, 10177(a)(b)
Right to RRES license on terms
and conditions

OAKLAND REGION**Childs, John T. (RES)**

105 Chadbourne Dr., Danville
Effective: 5/27/08
Violation: 490, 10177(b)

- Right to RRES license on terms and conditions
- Duncan, Clay Edward (REB)**
950 John Daly Blvd., Ste. 200, Daly City
Effective: 4/22/08
Violation: 10159.2, 10177(d)(g)(h)
Right to RREB license on terms and conditions
- Gage, Gerald Bernard (RES)**
240 E. Cashmere, San Francisco
Effective: 4/22/08
Violation: 10177(b)
Right to RRES license on terms and conditions
- Hall, Juan Mario (REB)**
1511 Myrtle St., Ste. 101, Oakland
Effective: 4/21/08
Violation: 2831, 2832, 2835, 10145, 10177(d), 10240, 10241
Right to RREB license on terms and conditions
- Harvey, Eliot Jerome (RES)**
1271 Washington Blvd. #118, San Leandro
Effective: 4/23/08
Violation: 490, 10177(b)
Right to RRES license on terms and conditions
- Ramirez, Carlos Manuel (REB)**
577 Second St., Ste. 200, San Francisco
Effective: 4/23/08
Violation: 490, 10177(b)
Right to RREB license on terms and conditions
- Saxe Mortgage & Financial Services, Inc. (REC)**
950 John Daly Blvd., Ste. 200, Daly City
Effective: 4/22/08
Violation: 2731, 2831, 2831.1, 2832, 2832.1, 2950, 10145, 10159.5, 10177(d), 10231, 10231.2, 10232.4, 10238(h)(2), 10238(k)(3), 10238(j)(4)
Right to RREC license on terms and conditions
- Smith, Greg A. (RES)**
4585 Sandalwood Dr., Pleasanton
Effective: 4/29/08
Violation: 490, 10177(b)
Right to RRES license on terms and conditions
- Vargas, Charlie A. (RES)**
850 Ventura St., Richmond
Effective: 5/29/08
Violation: 490, 10177(b)
Right to RRES license on terms and conditions
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- SACRAMENTO REGION**
- Amaradio, Kenneth William (REB)**
22070 Palo Way #2, Palo Cedro
Effective: 4/2/08
Violation: 2832, 2832.1, 10145, 10177(d)
Right to RRES license on terms and conditions
- Huang, Yajen (RES)**
720 Taylor St., Folsom
Effective: 4/21/08
Violation: 10130, 10137, 10177(d)
Right to RRES license on terms and conditions
- Witte, Thomas (RES)**
8137 Sunset Ave., Ste. 110, Fair Oaks
Effective: 4/30/08
Violation: 10177(f)(g)
Right to RRES license on terms and conditions
- Yarak Realty, Inc. (REC)**
6806 Fallsbrook Ct., Ste. 1, Granite Bay
Effective: 5/2/08
Violation: 2801.5, 10177(d), 11018.1, 11018.2
Right to RREC license on terms and conditions
- Yarak, Thomas Robert (REB)**
6806 Fallsbrook Ct., Ste. 1, Granite Bay
Effective: 5/2/08
Violation: 2801.5, 10177(d), 11018.1, 11018.2
Right to RREB license on terms and conditions
-
- SAN DIEGO REGION**
- Kiely & Kruse, Inc. (REC)**
3110 Camino Del Rio South #311, San Diego
Effective: 4/21/08
Violation: 2831, 2832, 2832.1, 2834, 2950(d)(g), 2951, 10145, 10176, 10177(d)
Right to RREC license on terms and conditions
- Kruse, Patrick Eugene (REB)**
3110 Camino Del Rio South #311, San Diego
Effective: 4/21/08
Violation: 10159.2, 10177(d)(g)(h)
Right to RREB license on terms and conditions
- Tiso, Anthony Julius (RES)**
33152 Vermont Rd., Temecula
Effective: 5/12/08
Violation: 490, 10177(b)
Right to RRES license on terms and conditions
-
- SUSPENDED WITH STAY**
-
- FRESNO REGION**
- Prasad, Babu (REB)**
2701 Marlboro Pl., Modesto
Effective: 4/17/08
Violation: 2831, 2832, 2835, 10145, 10176(e), 10177(d)
Suspended for 30 days—stayed for 2 years on terms and conditions
-
- LOS ANGELES REGION**
- Belson, Jay Michael (REB)**
23586 Calabasas Rd.,
Effective: 3/6/08
Violation: 10177(d), 10177.4
Suspended for 90 days—stayed for 2 years on terms and conditions
- Boulevard Brokerage Group, Inc. (REC)**
23586 Calabasas Rd., Ste. 102, Calabasas
Effective: 3/6/08
Officer of: United Real Estate Brokers
Violation: 10177(d)(g), 10177.4
Suspended for 90 days—stayed for 2 years on terms and conditions
- Cascioppo, Daniel J. (REB, REO)**
20422 Beach Blvd., Ste. 235, Huntington Beach
Effective: 3/17/08
Violation: 10137, 10177(d)
Suspended for 60 days—30 days stayed for 2 years on terms and conditions
- Coastal Alliance Holdings, Inc. (REC)**
5550 East 7th St., Long Beach
Effective: 3/24/08
Officer of: Coastal Alliance Holdings, Inc.
Violation: 10177(d)
Suspended for 90 days—stayed for 2 years on terms and conditions
- Conrad, Kristine (REB, REO)**
5550 East 7th St., Long Beach
Effective: 3/24/08
Violation: 10177(d)(h)
Suspended for 90 days—stayed for 2 years on terms and conditions
- Gamez, Rosario (RES)**
1633 E. 4th St., #248, Santa Ana
Effective: 5/12/08
Violation: 10130, 10177(d)
Suspended for 120 days—60 days stayed for 2 years on terms and conditions
- Glendale Properties, Inc. (REC)**
1025 N. Brand Blvd., Ste. 300, Glendale
Effective: 3/21/08
Violation: 2832(a), 2832.1, 10145, 10177(d)
Suspended for 90 days—stayed for 2 years on terms and conditions
- Hacker, William Edmund (RES)**
30699 Russell Ranch Rd. Ste. 100, Westlake Village
Effective: 5/12/08
Officer of: Samtim, Inc.
Violation: 10176(a)
Suspended for 60 days—30 days stayed for 2 years on terms and conditions
- Holborn, Ronald (REB, REO)**
1441 Brea Blvd., Fullerton
Effective: 5/7/08
Violation: 10137, 10177(d)
Suspended for 60 days—stayed for 2 years on terms and conditions
- Home Bancorp International (REC)**
12740 Central Ave., Chino
Effective: 5/5/08
Violation: 10137, 10177(d)
Suspended for 120 days—stayed for 2 years on terms and conditions
- Irvin, Jack D. (RES)**
5550 East 7th St., Long Beach
Effective: 3/24/08
Officer of: Home Bancorp International
Violation: 10177(d)
Suspended for 90 days—stayed for 2 years on terms and conditions
- Love, Steve (REB, REO)**
8335 Winnetka Ave. #103, Winnetka
Effective: 5/5/08
Violation: 10137, 10177(d)
Suspended for 120 days—stayed for 2 years on terms and conditions
- Platinum Equity Corp. (REC)**
23449 Sandstone, Mission Viejo
Effective: 3/5/08
Officer of: Venture Strategy Group
Violation: 10137, 10177(d)
Suspended for 60 days—stayed for 2 years on terms and conditions
- Rawitch, Lawrence Daniel (REB, REO)**
342 Ambrose, Newport Coast
Effective: 5/29/08
Violation: 2715, 10162, 10177(d)
Suspended for 30 days—stayed for 2 years on terms and conditions
- Samtim, Inc. (REC)**
1441 Brea Blvd., Fullerton
Effective: 5/7/08
Officer of: California Haroworld, Inc.
Violation: 10137, 10177(d)
Suspended for 60 days—stayed for 2 years on terms and conditions
- Scholl, Sandra P. (REB, REO)**
1205 Cedar Ave., Redlands
Effective: 5/19/08
Violation: 2831, 2831.1, 2831.2, 2832(d), 2834, 10130, 10137, 10145, 10159.2, 10177(d)(g)(h)
Suspended for 60 days—30 days stayed for 2 years on terms and conditions
- Trueblood, Mark Christopher (REB, REO)**
1025 N. Brand Blvd. #300, Glendale
Effective: 3/21/08
Violation: 2832(a), 2832.1, 10145, 10159.2, 10177(d)(h)
Suspended for 90 days—stayed for 2 years on terms and conditions
- United Real Estate Brokers (REC)**
20422 Beach Blvd., Ste. 235, Huntington Beach
Effective: 3/17/08
Officer of: Platinum Equity Corp.
Violation: 10137, 10177(d)
Suspended for 60 days—30 days stayed for 2 years on terms and conditions
- Williams, Steven Todd (REB, REO)**
23449 Sandstone, Mission Viejo

Effective: 3/5/08
 Violation: 10137, 10177(d)
 Suspended for 60 days—stayed for 2 years on terms and conditions

OAKLAND REGION

BSM Enterprises, Inc. (REC)

201 Miller Ave., Mill Valley
 Effective: 5/23/08
 Violation: 2726, 2831, 2831.1, 2832, 2832.1, 10145, 10177(d)

Suspended for 30 days—stayed for 2 years on terms and conditions

Freeman, Jon Orville (REB)

4300 Stevens Creek Blvd. #275, San Jose
 Effective: 5/27/08
 Violation: 2725, 10130, 10137, 10176(h), 10177(d)

Suspended for 60 days—stayed for 2 years on terms and conditions

Kiwi & Co. (REC)

4300 Stevens Creek Blvd. #275, San Jose
 Effective: 5/27/08
 Violation: 10137

Suspended for 60 days—stayed for 2 years on terms and conditions

Liu, Sun Yuen (REB)

12175C Saratoga-Sunnyvale Rd., Saratoga
 Effective: 4/25/08
 Violation: 2725, 10177(h)

Suspended for 60 days—stayed for 2 years on terms and conditions

Reinstra, Teresa Ann (REB)

44865 Fremont Blvd. #1, Fremont
 Effective: 3/4/08
 Violation: 2731, 2831, 2831.2, 2832.1, 10145, 10177(d)

Suspended for 90 days—stayed for 2 years on terms and conditions

United American Investments, Inc. (REC)

12175C Saratoga-Sunnyvale Rd., Saratoga
 Effective: 4/25/08
 Violation: 2753, 10240, 10241
 Suspended for 60 days—stayed for 2 years on terms and conditions

Yuan, Gloria Kwang-Yu (RES)

1180 Countess Ct., San Jose
 Effective: 4/25/08
 Violation: 10130, 10131(a), 10132, 10137, 10177(d)

Suspended for 60 days—stayed for 2 years on terms and conditions

SACRAMENTO REGION

Bell-Zehnder, Jennifer Philips (REB)

3017 Douglas Blvd. #300, Roseville
 Effective: 4/23/08
 Violation: 2725, 10177(d)(h)

Suspended for 100 days—stayed for 2 years on terms and conditions

Brown, Tracy Lynn (REB)

10840 Woodring Dr., Mather
 Effective: 5/29/08
 Violation: 10159.2, 10177(h)
 Suspended for 60 days—stayed for 2 years on terms and conditions

TBROWN Real Estate Group, Inc. (REC)

10840 Woodring Dr., Mather
 Effective: 5/29/08
 Violation: 2831.2, 2832, 2832.1, 2905, 10145, 10148, 10177(d)

Suspended for 60 days—stayed for 2 years on terms and conditions

Yarak, Virginia Ann (RES)

6806 Fallsbrook Ct., Ste. 1, Granite Bay
 Effective: 5/2/08
 Violation: 2801.5, 10177(d), 11018.1, 11018.2

Suspended for 150 days—stayed for 2 years on terms and conditions

SAN DIEGO REGION

Aragon, Steve Lance (REB)

3322 Sweetwater Springs Blvd. #103, Spring Valley
 Effective: 3/6/08
 Violation: 2801.5, 10177(d), 11018.2

Suspended for 30 days—stayed for 2 years on terms and conditions

LICENSE SURRENDERED

(Licensed voluntarily surrendered per B&P Code §10100.2 during an administrative action/investigation)

LOS ANGELES REGION

Allen, Vicki L. (RES)

2705 W. 182nd Pl., Redondo Beach
 Effective: 3/26/08

Bagshaw, Thomas Lincoln Jr. (RES)

5001 Ixworth Pl., Westminster
 Effective: 3/19/08

Crystalview Mortgage Corporation (REC)

10685 Magnolia Ave., Riverside
 Effective: 3/17/08

Feng, Eh Eddy (RES)

1908 South 1st Ave., Arcadia
 Effective: 5/5/08

Kinsey, Kevin Duane (RES)

6169 Wooster Ave., Los Angeles
 Effective: 4/22/08

Lantow, John Nelson (RES)

149 Sunset Terrace, Laguna Beach
 Effective: 5/19/08

Oso, Salvatore P. (REB)

1925 Century Park East, Ste. 500, Los Angeles
 Effective: 4/22/08

Rodriguez, Richard Jr. (RES)

12525 Beverly Blvd., Whittier
 Effective: 4/24/08

Ryan, Robert Edward (REB)

32145 Via Barrida, San Juan Capistrano
 Effective: 5/5/08

Sloan, Michael K. (REB)

PO Box 15763, Newport Beach
 Effective: 5/14/08

Venture Strategy Group (REC)

342 Ambrose, Newport Coast
 Effective: 5/29/08

Westland Finance Corporation (REC)

3660 Wilshire Blvd., Ste. 800M, Los Angeles
 Effective: 5/27/08

OAKLAND REGION

Brookwood Mortgage and Investment Corp. (REC)

100 Brown St. #220, Sebastopol
 Effective: 5/29/08

Dewey, David J. (REB)

6155 Almaden Expy., Ste. 400, San Jose
 Effective: 5/15/08

Gest, Michael Stephen (REB)

2635 Cleveland Ave. #8, Santa Rosa
 Effective: 5/29/08

Stewart, Arnold Charles (REB)

3621 Country Club Terrace, Danville
 Effective: 5/1/08

SACRAMENTO REGION

Obee, Terry L. (REB)

702 Tuolumne St., Vallejo
 Effective: 5/7/08

United Funding Solutions, Inc. (REC)

PO Box 130, Rocklin
 Effective: 4/23/08

SAN DIEGO REGION

Hardwick, Sharon Kline (REB)

31630 Railroad Canyon Rd., Canyon Lake
 Effective: 5/23/08
 Officer of: Crystalview Mortgage Corporation

Laughrey, Raymond Leroy Jr. (REB, REO)

10685 Magnolia Ave., Riverside
 Effective: 3/17/08

Levesque, Fred (REB)

66290 2nd St. #B, Desert Hot Springs
 Effective: 5/6/08

INDEFINITE SUSPENSIONS

(under Recovery Acct. provisions)

Los Angeles Region

Galindo, Michele (RES)

1518 Valley Park Dr., Oxnard
 Effective: 4/02/08

American Liberty Funding (REC)

11 Golden Shore, #110, Long Beach
 Effective: 4/17/08

Gold, Stephen Ward (REB)

15720 Ventura Blvd., #400, Encino
 Effective: 4/17/08

Hamari, Roy Donald (RES)

4011-2H Calle Sonora, Laguna Hills
 Effective: 4/23/08

Records Retention

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system that provides ready access to a desired document or record, appropriate quality control of the storage process to ensure the quality of imaged documents or records, and date ordered arrangement of stored documents or records to assure a consistent and logical flow of paperwork to preclude unnecessary search time.

6. Records copied and stored under this section shall be retained for three years pursuant to §10148 of the B&P Code.

Additionally, Commissioner's Regulation 2729 does require the broker to maintain at the broker's office a means of viewing copies of documents or records stored pursuant to this Regulation. Also, the broker shall provide, at the broker's expense, a paper copy of any document or record requested by the Department of Real Estate ("DRE").

Regulation 2729 thus allows a real estate broker to utilize current technology while at the same time complying with B&P Code §10148. Done properly, a real estate broker can maintain real estate documentation as required while saving

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Records Retention

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valuable office space or reducing the concerns about the high storage costs and adequate protection of his or her real estate files at an offsite facility.

Production of Records

The DRE has the right to examine, inspect and copy a real estate broker's records upon reasonable notice. Although the law on this subject is clear, there are brokers who refuse to produce records when requested to do so. The failure to do so also constitutes a basis for disciplinary action against the broker's license pursuant to B&P Code §10148.

When a representative from the DRE requests records in connection with a specific transaction, audit, or office survey, the best course of action is to comply. Further, the records produced must be full, complete and unaltered. To do less could establish a basis for disciplinary action.

Safeguarding and Non-Abandonment of Records

Since the downturn in the California real estate market, some brokerages


have closed their operations and simply abandoned records. In certain cases brought to the attention of the DRE, hundreds of files were left behind and/or scattered about in vacated offices. Many of those files contained private, personal, sensitive and confidential information and documents. Such abandonment of records demonstrates a flagrant and inexcusable disregard for the privacy rights of the principals and other individuals to whom the records are related.

Despite the closing of an office, a real estate broker is still required to retain and maintain records for the period required by law. It is clearly unacceptable for, and a dereliction of duty by, a broker, when ceasing the broker's business operations, to simply leave behind records containing personal information. The failure by a broker to adequately address privacy and security issues with respect to the treatment of records of personal information can have very harmful consequences for the individuals to whom this information relates.

The abandonment of records can

raise a whole host of problems for the real estate broker, including forming the basis for disciplinary action by the DRE and possible civil liability under federal and state law.

California Civil Code §1798.81.5 requires businesses that collect specified personal information (name plus social security number, driver's license or state identification number, financial account number, or medical information) on California residents to use reasonable and appropriate safeguards to protect it from unauthorized access, destruction, use, modification, or disclosure. A good source of information about personal information security and privacy protection is the California Office of Information Security and Privacy Protection (www.oispp.ca.gov). It offers guidance and advice on best practices for businesses, security breach notification, privacy laws and the like.

The point that must be underscored here is that brokers have a duty to ensure that records of personal information are retained, safeguarded, returned/transferred, and ultimately disposed of in a secure and confidential manner. 

Victim's Fund

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funds may have to pay additional court filing fees (in a civil or bankruptcy case, but not in a criminal case) if it is determined that a formal court proration action is required.


In one recent case, there were approximately 90 victims included in a criminal restitution order against a real estate broker and a salesperson, both of whom were convicted of fraud. The total amount of restitution ordered was approximately \$2,200,000. In that case, both the broker and the salesperson committed their own acts of intentional fraud, and so there were two "limits" of \$100,000 each available from the Recovery Account, for a total of \$200,000. Of the 90+ victims included in the restitution order, 78 filed applications for payment from the Recovery Account. The amounts paid to those 78 victims ranged from \$162.26 to \$16,327.81.

What is the effect of payment from the Recovery Account on a real estate licensee?

When an application for payment from the Recovery Account is granted, any license or license rights held by the licensee / judgment debtor will be suspended immediately upon payment, and will remain suspended until the amount

paid from the Recovery Account is paid back with 10% interest.

Where can I get more information?

The staff of the Recovery Account Unit is located in the Department's Sacramento office. Their task is to process applications and to make sure that each applicant provides all of the information required by law to qualify for payment. Information about the process of filing an application for payment from the Recovery Account. The application and other required forms are available on the Department of Real Estate's website at <http://www.dre.ca.gov> under the "Consumers" tab. You can find the forms at http://www.dre.ca.gov/frm_recovery.html. If you have any further questions about the Recovery Account, you can contact the Recovery Account Unit directly at 916-227-3947. 

1. As of June 1, 2008, Assembly Bill 2454 is pending in the California Legislature. If enacted as law, it will increase the liability of the Recovery Account for qualifying applications filed on or after January 1, 2009 to \$50,000 for one transaction and \$250,000 for one licensee.



Real estate publications

Ordering information

DRE publications are available:

On the Internet—All DRE publications are available free of charge on the DRE Web site at www.dre.ca.gov.

In person from District Offices — Complete Parts A, B, and C (if appropriate). Offices are located in Sacramento, Los Angeles, Oakland, Fresno, and San Diego.

By mail — Photocopy or remove this page from your *Bulletin*. Complete Parts A, B, and C (if appropriate). Mail it with the proper fee to:

Department of Real Estate
Book Orders
P.O. Box 187006
Sacramento, CA 95818-7006

By fax — Complete Parts A, B, and C.

Fax form to (916) 227-0361.

By phone — Have credit card information ready, then call Book Order desk at (916) 227-0852.

Acceptable payment methods

- Personal check, cashier's check or money order should be made payable to: Department of Real Estate.
- VISA, MasterCard, and American Express credit cards may be used to purchase DRE publications.
- Cash is acceptable only if purchasing in person and only if it's the exact amount of purchase.

California sales tax

Use 7.25% tax rate, unless purchase location or delivery address is in the following counties: Alameda (8.25%),

Fresno (7.875%), Los Angeles (8.25%), Marin (7.75%), Sacramento (7.75%), and San Diego (7.75%). Requests and fees will be returned if the appropriate sales tax is not included.

Miscellaneous information

- **Publications noted as free are limited to one copy;** DRE grants requestor permission to reproduce these publications for complimentary distribution only.
- Prices are subject to change.
- Orders received with incorrect payments will be returned.
- **All sales are final — no refunds.**
- Allow 4–6 weeks for delivery.
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PART A PUBLICATIONS

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	6	Disclosures in Real Property Transactions	\$10		
	8	Operating Cost Manual for Homeowner Associations	\$10		
	25	Reserve Study Guidelines for Homeowner Association Budgets	\$10		
	4	Instructions to License Applicants	free		
	13	Trust Funds	free		
	34	A Guide for Residents Purchasing Their Mobile Home Park	free		
	35	Trust Deed Investments — What You Should Know!!	free		
	35A	Using the Services of a Mortgage Broker	free		
	39	Living in a California Common Interest Development	free		
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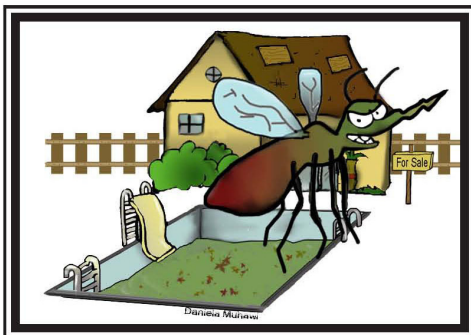
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Official Publication
 CALIFORNIA DEPARTMENT OF REAL ESTATE
 P.O. Box 187000
 Sacramento, California 95818-7000

Real Estate Bulletin — Fall 2008

West nile virus and neglected swimming pools: information for real estate licensees

Due to the inherent risk of mosquitos carrying the harmful West Nile Virus, the California Department of Health requests that real estate licensees and any other professionals who regularly access unoccupied or foreclosed homes report “green” pools to their local mosquito and vector control agency. “Green” swimming pools can breed thousands of potentially disease-carrying mosquitoes. The increase in unoccupied and foreclosed homes has resulted in more green pools.



These important sources of mosquito production are difficult for mosquito and vector control personnel to locate because they are in privately-owned backyards.



Moved or moving? New address? Use the *eLicensing* online system at www.dre.ca.gov to make the change or submit the appropriate “change” form: RE 214 for salespersons; RE 204 for brokers; RE 204A for corporations.

A “green” pool is characterized by abundant organic matter, bacterial growth, leaves, and other debris resulting in green or blackish colored water. These pools are not properly maintained with filtration and chemicals and are generally neglected. Green pools are an ideal place for mosquitoes to lay their eggs because they have standing water.

Swimming pools are not the only source of standing water that you may find at a home. Other sources which can turn into mini green pools include trash cans, bird baths, boats, aquariums, hot tubs, and baby pools.

If you identify a source of standing water, you are encouraged to dump and turn over any small standing water sources, and notify your local mosquito and vector control agency. To find out if your area has a local agency, you can visit California’s West Nile Virus Web site, www.westnile.ca.gov or call 1-877-968-2473 (1-877-WNV-BIRD). In cases where there is not a local agency in your area, report the green pool to your local health or environmental health department. Reports can be filed anonymously. 🏠