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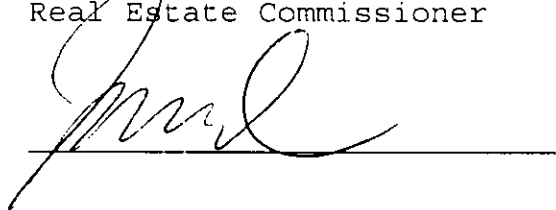
NOW, THEREFORE, IT IS ORDERED that Respondent's
petition for reinstatement is granted and that a real estate
salesperson license be issued to Respondent if Respondent
satisfies the following conditions within nine (9) months from
the date of this Order:

1. Respondent shall take and pass the real estate
salesperson license examination.
2. Respondent shall submit a completed application and
pay the fee for a real estate salesperson license.

This Order shall be effective immediately.

DATED: 6-20 , 2006

JEFF DAVI
Real Estate Commissioner



1 The burden of proving rehabilitation rests with the
2 petitioner (Feinstein v. State Bar (1952) 39 Cal. 2d 541). A
3 petitioner is required to show greater proof of honesty and
4 integrity than an applicant for first time licensure. The proof
5 must be sufficient to overcome the prior adverse judgment on the
6 applicant's character (Tardiff v. State Bar (1980) 27 Cal. 3d
7 395).

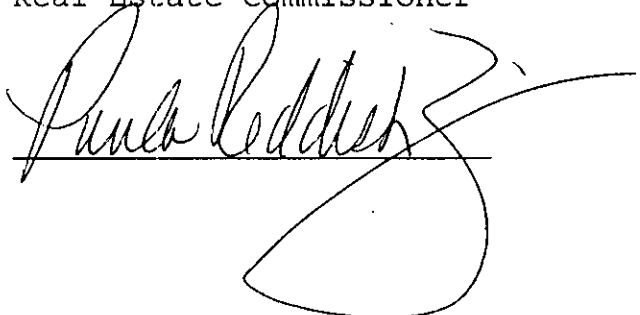
8 Respondent, despite being given numerous opportunities
9 to do so, failed to arrange for an interview with a
10 representative of the Department of Real Estate to review
11 Respondent's rehabilitation. Further, Respondent has otherwise
12 failed to present evidence of such rehabilitation. Therefore, I
13 am not satisfied that Respondent is sufficiently rehabilitated to
14 receive a real estate salesperson license.

15 NOW, THEREFORE, IT IS ORDERED that Respondent's
16 petition for reinstatement of his real estate salesperson license
17 is denied.

18 This Order shall be effective at 12 o'clock noon on
19 February 7 , 2003.

20 DATED: January 13 , 2003.

21
22 PAULA REDDISH ZINNEMANN
23 Real Estate Commissioner

24 
25
26
27

III

At all times herein mentioned, Respondent COUNTRY REALTY, INC. (hereafter CRI) was and is licensed by the Department of Real Estate (hereafter the Department) as a real estate broker corporation, and the license will expire on May 20, 1999. At no time between March 15, 1996 and May 30, 1996, was CRI duly licensed through a designated broker officer.

IV

At all times herein mentioned, Respondent PEGGY CHALLIS PRICKETT was and is licensed by the Department as a real estate broker, and the license will expire on July 21, 1997. At some times herein mentioned, PRICKETT was also licensed by the Department as the designated broker officer of CRI. Her designated broker officer license was canceled from on or about March 15, 1996, through May 30, 1996, was reinstated, and was canceled again effective December 24, 1996.

V

At all times herein mentioned, Respondent WILLIAM RALPH CLYDE (hereafter CLYDE) was and is licensed by the Department as a restricted real estate salesperson. At all times herein mentioned, CLYDE was the owner of more than ten percent of the shares of CRI, and was President and chief executive officer. Respondent CLYDE directed and controlled CRI's business activities and conducted its affairs.

VI

At no time herein between November 18, 1995, and June 20, 1996, was IGNACIO D. LARES (hereafter LARES) licensed by the Department as either a real estate broker or salesperson. On or about June 20, 1996, LARES was licensed by the Department as a real estate salesperson.

VII

At all times herein mentioned, Respondent CRI engaged in the business of, acted in the capacity of, advertised or assumed to act as a real estate broker within the State of California, for or in expectation of compensation, including the operation and conduct of a residential real property sales business with the public wherein buyers and sellers were solicited, and sales and purchases of real property were negotiated and consummated; and a mortgage loan brokerage business with the public wherein lenders and borrowers were solicited for loans secured directly or collaterally by liens on real property, and wherein such loans were arranged, negotiated, processed, and consummated.

FIRST CAUSE OF ACTION

VIII

On or about June 1, 1995, pursuant to the provisions of Section 23302 of the California Revenue and Taxation Code, the corporate powers, rights and privileges of CRI were suspended by the California Secretary of State.

IX

Subsequent to the above suspension, CRI continued to conduct business as described in Paragraph VIII above for which a real estate license is required, including but not limited to the real property sales and loan transactions found below as to the Second, Third, Fourth and Fifth Causes of Action herein.

SECOND CAUSE OF ACTION

X

On or about September 29, 1993, Respondent PRICKETT executed a certification to the Department that she would exercise close supervision over CLYDE's activities for which a real estate license is required, while he operated under a restricted salesperson license in the employ of CRI. Beginning in or about September of 1994, PRICKETT became seriously ill and disabled, and generally stopped working at the business premises of CRI, except for occasional review and initial of some transaction documents.

XI

From about September of 1994, to at least March 15, 1996, PRICKETT delegated administration of the daily business of CRI to Respondent CLYDE, in his capacity as a real estate salesperson. PRICKETT thereafter failed to retain overall responsibility for supervision of CRI and CLYDE, and failed to supervise or oversee the office, agents, employees, advertisements, transactions and/or receipt and payment of commissions and fees, including but not limited to the transaction alleged in Paragraph XIV below. At no time herein did PRICKETT supervise the mortgage loan business of CRI and CLYDE.

XII

On or about December 9, 1995, CRI and CLYDE prepared a real estate purchase contract and receipt for deposit (hereafter Deposit Receipt) on behalf of prospective buyer Edward Stephens to constitute Stephen's offer to purchase real property located at Lot 38, Ranchwood Estates, Los Banos, California. CRI and CLYDE negotiated the offer and obtained the acceptance and signature of the seller. Respondent PRICKETT failed to oversee or supervise CLYDE in this transaction, among others, or to review and initial the material transaction documents.

THIRD CAUSE OF ACTION

XIII

During the period from at least March 15, 1996, to June 1, 1996, Respondent CLYDE was employed or associated with CRI when CRI was not duly licensed under a designated broker officer, and CLYDE performed activities for CRI for which a real estate license is required, for or in expectation of compensation. CLYDE and CRI solicited and negotiated sales and purchases of real property, and loans secured by real property, in various transactions, including but not limited to the following:

DATE	BUYER OR BORROWER	PROPERTY	SALE OR LOAN	CRI COMMISSION
3/16/96	Rodriguez	Lot 76 Park Manor	Loan	\$1,319.
3/24/96	Malnburg	Lot 4 Park Manor	Loan	1,561.
4/8/96	Franco	2222 St. Luis St.	Loan	867.
4/15/96	Stephens	Lot 38 Ranchwood	Sale	4,600.
4/21/96	Arriaga/Curiel	Lot 24 Ranchwood	Sale	4,796.
4/21/96	Delgado	1372 E. B Street	Loan	1,923.

FOURTH CAUSE OF ACTION

XIV

During the period from about September of 1994, to March 15, 1996, and from about June 1, 1996, to December 24, 1996, Respondent CLYDE was employed or associated with CRI when CRI was not actively supervised under a designated broker officer. CLYDE acted as the de facto broker officer for the company, and performed activities for CRI for which a real estate license is required, including but not limited to the supervision of other CRI agents and employees in activities requiring a real estate license, and the negotiation of the transaction alleged in Paragraph XII above.

XV

During the period from about March 15, 1996, to June 1, 1996, when CRI was not duly licensed under a designated broker officer, Respondent CLYDE acted as the de facto broker officer for the company, and supervised other CRI agents and employees in activities requiring a real estate license, including but not limited to the following transactions conducted by LETICIA DIANE LOPEZ, a salesperson licensed by the Department, and IGNACIO LARES, an unlicensed agent or employee of CRI, which constituted transactions of CRI:

DATE	BUYER	PROPERTY	AGENT	CRI COMMISSION
3/15/96	Rodriguez	Lot 76 Park Manor	LOPEZ	\$3,996.
3/24/96	Malnburg	Lot 104 Park Manor	LOPEZ	4,996.
3/31/96	Franco	Lot 84 Park Manor	LOPEZ	4,596.
3/31/96	Lopez	Lot 3 Los Banos	LARES	4,600.
4/10/96	Delgado	Lot 85 Park Manor	LOPEZ	4,200.
4/14/96	Meraz	Lot 15 Los Palmes	LOPEZ	4,000.
4/26/96	Beacham	Lot 48 Palm Manor	LOPEZ	5,996.
5/11/96	Portillo	Lot 67 Ranchwood	LOPEZ	4,650.
5/12/96	Holguin	Lot 82 Parkwood	LOPEZ	?

FIFTH CAUSE OF ACTION

XVI

Beginning in or about March of 1996, Respondent LARES was employed as a real estate salesperson with CRI. LARES performed acts and services for CRI for which a real estate license is required, for or in expectation of compensation, and solicited buyers and/or sellers of real property and negotiated and consummated such transactions when he was not duly licensed as either a real estate broker or salesperson, including but not limited to the following:

DATE	BUYER	PROPERTY	CRI COMMISSION
3/31/96	Lopez	Lot #3 Los Banos	\$4,600.

SIXTH CAUSE OF ACTION

XVII

The violations of the Real Estate Law by CLYDE as found in the Third and Fourth Causes of Action above were based on his acts and/or omissions while he was an officer, director or shareholder of CRI, owning or controlling more than ten percent of the corporation's stock.

PRIOR DISCIPLINARY ACTION

XVIII

Effective September 22, 1993, in Case No. H-6769 SF, the Real Estate Commissioner revoked the real estate salesperson license of Respondent CLYDE, and granted the right to a restricted salesperson license on terms and conditions pursuant to Section 490 of the Code.

DETERMINATION OF ISSUES

I

On the First Cause of Action, the suspension found in Paragraph VIII above would have been grounds for the denial of CRI's real estate license under Section 2742 of Title 10, California Code of Regulations (hereafter the Regulations), and constitutes grounds for disciplinary action as to CRI under Section 10177(f) of the Code.

II

On the First Cause of Action, CRI's subsequent conduct of business for which a real estate license is required as found in Paragraph IX above violates Section 2742(c) of the Regulations and constitutes grounds for disciplinary action under Section 10177(d) of the Code.

III

On the Second Cause of Action, it is found that although there are no allegations made or proved against the Respondents CRI, CLYDE or LARES therein, the factual matters found in Paragraphs X through XII above are relevant to the remaining findings and causes of action pertaining to said Respondents.

IV

On the Third Cause of Action, the acts and/or omissions of Respondent CLYDE as found in Paragraph XIII above violate Sections 10130 and/or 10137 of the Code, and constitute grounds for disciplinary action under Section 10177(d) of the Code.

V

On the Third Cause of Action, it was found that CRI negotiated the transactions found in Paragraph XIII above when CRI was not duly licensed under a designated broker officer. The above acts and/or omissions of CRI in so conducting business, and in employing and/or compensating CLYDE when CRI was not duly licensed by the Department, violate Section 10130 of the Code and Section 2740 of the Regulations, and constitute grounds for disciplinary action against CRI pursuant to Sections 10137 and 10177(d) of the Code.

VI

On the Fourth Cause of Action, in negotiating the transactions found in Paragraph XV above, CRI conducted licensed activities at a time when CRI was not duly licensed under a designated broker officer. The above acts and/or omissions of CRI in so conducting business, and in employing and/or compensating LOPEZ AND LARES when CRI was not duly licensed by the Department, violate Section 10130 of the Code and Section 2740 of the Regulations, and constitute grounds for disciplinary action against CRI pursuant to Sections 10137 and 10177(d) of the Code.

VII

On the Fourth Cause of Action, the acts and/or omissions of Respondent CLYDE as found in Paragraphs XIV and XV above violate Sections 10130 and/or 10137 of the Code, and constitute grounds for disciplinary action under Sections 10177(d) of the Code.

VIII

On the Fifth Cause of Action, the above acts and/or omissions of LARES as found in Paragraph XVI above, in being employed and/or compensated by CRI when he was not licensed by the Department either as a real estate broker or salesperson, constitute grounds for disciplinary action pursuant to Section 10130 of the Code.

IX

On the Sixth Cause of Action, the violations found in Paragraph XVII regarding CLYDE would have warranted the denial of CRI's application for licensure under Section 10177(f) of the Code. The above violations of CLYDE constitute grounds for disciplinary action against CRI under Sections 10177(d) and 10177(f) of the Code.

X

The standard of proof applied was clear and convincing proof to a reasonable certainty.

ORDER

A. The license(s) and license rights of Respondent COUNTRY REALTY, INC. under the provisions of Part I of Division 4 of the Business and Professions Code are hereby revoked.

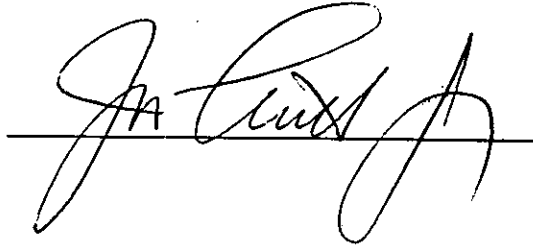
B. The license(s) and license rights of Respondent WILLIAM RALPH CLYDE under the provisions of Part I of Division 4 of the Business and Professions Code are hereby revoked.

C. The license(s) and license rights of Respondent IGNACIO
D. LARES under the provisions of Part I of Division 4 of the Business
and Professions Code are hereby revoked.

This Decision shall become effective at 12 o'clock noon on
August 18, 1998.

DATED: 7/20, 1998.

JIM ANTT, JR.
Real Estate Commissioner

A handwritten signature in black ink, appearing to read "JA Antt Jr", is written over a horizontal line.

FILED
JUN 16 1998

1 DEPARTMENT OF REAL ESTATE
2 P. O. Box 187000
3 Sacramento, CA 95818-7000
4
5 Telephone: (916) 227-0789
6
7

DEPARTMENT OF REAL ESTATE

By Shelly Ely

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11	In the Matter of the Accusation of)	NO. H-1334 FRESNO
12	COUNTRY REALTY, INC.,)	<u>DEFAULT ORDER AS TO</u>
13	PEGGY CHALLIS PRICKETT,)	<u>COUNTRY REALTY, INC.,</u>
14	WILLIAM RALPH CLYDE, and)	<u>WILLIAM RALPH CLYDE, and</u>
15	IGNACIO D. LARES,)	<u>IGNACIO D. LARES</u>
	Respondents.)	

16 Respondents, COUNTRY REALTY, INC., WILLIAM RALPH CLYDE,
17 and IGNACIO D. LARES, having failed to file a Notice of Defense
18 for each of them within the time required by Section 11506 of the
19 Government Code, are each now in default. It is, therefore,
20 ordered that a default be entered on the record in this matter as
21 to COUNTRY REALTY, INC., WILLIAM RALPH CLYDE and IGNACIO D. LARES.

22 IT IS SO ORDERED June 16, 1998.

23 JIM ANTT, JR.
24 Real Estate Commissioner

25
26 By: Steven J. Ellis
27 STEVEN J. ELLIS
Regional Manager

1 DEPARTMENT OF REAL ESTATE
2 P. O. Box 187000
3 Sacramento, CA 95818-7000
4
5 Telephone: (916) 227-0789
6
7

FILED
MAR 12 1998
DEPARTMENT OF REAL ESTATE

Jean Cuneo

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)
12)
13 COUNTRY REALTY, INC.,) NO. H-1334 FRESNO
14 PEGGY CHALLIS PRICKETT,)
15 WILLIAM RALPH CLYDE, and) STIPULATION AND AGREEMENT
16 IGNACIO D. LARES,) AS TO PEGGY CHALLIS
17 Respondents.) PRICKETT ONLY

17 It is hereby stipulated by and between PEGGY CHALLIS
18 PRICKETT only (Respondent), represented by Anthony T. Giacalone,
19 Attorney at Law, and the Complainant, acting by and through
20 Deidre L. Johnson, Counsel for the Department of Real Estate, as
21 follows for the purpose of settling and disposing the Accusation
22 filed on May 20, 1997, in this matter:

23 1. All issues which were to be contested and all
24 evidence which was to be presented by Complainant and Respondent
25 at a formal hearing on the Accusation, which hearing was to be
26 held in accordance with the provisions of the Administrative
27 Procedure Act (APA), shall instead and in place thereof be



1 submitted solely on the basis of the provisions of this
2 Stipulation and Agreement.

3 2. Respondent has received, read and understands
4 the Statement to Respondent, and the Discovery Provisions
5 of the APA filed by the Department of Real Estate in this
6 proceeding.

7 3. On June 16, 1997, Respondent filed a Notice of
8 Defense pursuant to Section 11505 of the Government Code for
9 the purpose of requesting a hearing on the allegations in the
10 Accusation. Respondent hereby freely and voluntarily withdraws
11 said Notice of Defense. Respondent acknowledges that she
12 understands that by withdrawing said Notice of Defense she will
13 thereby waive her right to require the Commissioner to prove the
14 allegations in the Accusation at a contested hearing held in
15 accordance with the provisions of the APA, and that she will waive
16 other rights afforded to her in connection with the hearing such
17 as the right to present evidence in defense of the allegations in
18 the Accusation and the right to cross-examine witnesses.

19 4. Respondent, pursuant to the limitations set forth
20 below, hereby admits that the factual allegations in Paragraphs I
21 through VII of the Preliminary Allegations, and Paragraphs XII
22 through XIV of the Second Cause of Action of the Accusation as to
23 her filed in this proceeding are true and correct, and the Real
24 Estate Commissioner shall not be required to provide further
25 evidence of such allegations.

26 5. It is understood by the parties that the Real Estate
27 Commissioner may adopt the Stipulation and Agreement as his



1 decision in this matter thereby imposing the penalty and sanctions
2 on Respondent's real estate license(s) and license rights as set
3 forth in the below "Order." In the event that the Commissioner in
4 his discretion does not adopt the Stipulation and Agreement, it
5 shall be void and of no effect, and Respondent shall retain the
6 right to a hearing and proceeding on the Accusation under all the
7 provisions of the APA and shall not be bound by any admission or
8 waiver made herein.

9 9. The Order or any subsequent Order of the Real Estate
10 Commissioner made pursuant to this Stipulation and Agreement shall
11 not constitute an estoppel, merger or bar to any further
12 administrative or civil proceedings by the Department of Real
13 Estate with respect to any matters which were not specifically
14 alleged to be causes for accusation in this proceeding.

15 * * *

16 DETERMINATION OF ISSUES

17 By reason of the foregoing stipulations, admissions and
18 waivers, and for the purpose of settlement of the pending
19 Accusation as to Respondent without a hearing, it is stipulated
20 and agreed that the following determination of issues shall be
21 made:

22 The acts and/or omissions of Respondent PEGGY CHALLIS
23 PRICKETT as stipulated in Paragraph IV above constitute grounds
24 for disciplinary action against the real estate license(s) and
25 license rights of Respondent under the provisions of Section
26 10177(h) of the California Business and Professions Code
27 (hereafter the Code).



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ORDER

A. All real estate license(s) and license rights of Respondent PEGGY CHALLIS PRICKETT are hereby revoked.

B. A restricted real estate broker license shall be issued to Respondent pursuant to Section 10156.6 of the Code if she makes application therefor and pays to the Department the appropriate fee for said license within ninety (90) days of the effective date of the decision.

C. The restricted license issued to Respondent shall be subject to all of the provisions of Section 10156.7 of the Business and Professions Code and to the following limitations imposed under authority of Section 10156.6 of said Code:

(1) The restricted license may be suspended prior to hearing by order of the Real Estate Commissioner in the event of Respondent's conviction or plea of nolo contendere to a crime which bears a substantial relationship to Respondent's fitness or capacity as a real estate licensee.

(2) The restricted license may be suspended prior to hearing by Order of the Real estate Commissioner on evidence satisfactory to the Commissioner that Respondent has violated provisions of the California Real Estate Law, the Subdivided Lands Law, Regulations of the Real Estate Commissioner or conditions attaching to the restricted license.



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(3) Respondent shall not be eligible to apply for the issuance of an unrestricted real estate license, nor the removal of any of the conditions of the restricted license, until two (2) years have elapsed from the date of issuance of the restricted license.

(4) Respondent shall, within six (6) months from the effective date of this Decision, take and pass the Professional Responsibility Examination administered by the Department including the payment of the appropriate examination fee. If Respondent fails to satisfy this condition, the Commissioner may order suspension of the restricted license until Respondent passes the examination.

(5) During the term of the restricted license, Respondent shall not apply for, or be granted, any license from the Department as the designated broker officer of any corporation applying for a license, or licensed as a real estate broker corporation.

DATED: January 8, 1998

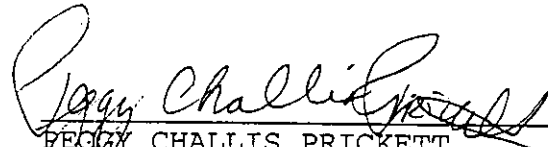
Deidre L. Johnson
DEIDRE L. JOHNSON
Counsel for Complainant

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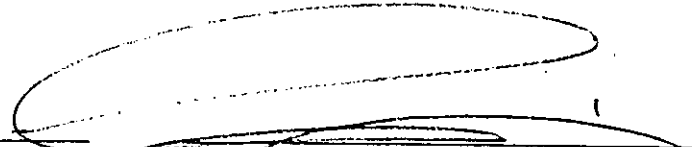
I have read the Stipulation in Settlement and Agreement, have discussed it with my counsel, and its terms are understood by me and are agreeable and acceptable to me. I understand that I am waiving rights given to me by the California Administrative Procedure Act (including but not limited to Sections 11506, 11508, 11509 and 11513 of the Government Code), and I willingly, intelligently and voluntarily waive those rights, including the right of requiring the Commissioner to prove the allegations in the Accusation at a hearing at which I would have the right to cross-examine witnesses against me and to present evidence in defense and mitigation of the charges.

DATED: 12/9/97


PEGGY CHALLIS PRICKETT
Respondent

APPROVED AS TO FORM:

DATED: 12/12/97


ANTHONY J. GIACALONE
Attorney for Respondent

* * *

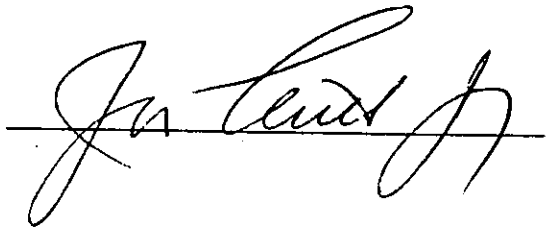
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DECISION

The foregoing Stipulation and Agreement is hereby
adopted as my Decision in this matter and shall become effective
at 12 o'clock noon on April 1, 1998.

IT IS SO ORDERED 2/4, 1998.

JIM ANTT, JR.
Real Estate Commissioner



BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

FILED
OCT 1 1997

DEPARTMENT OF REAL ESTATE

In the Matter of the Accusation of

PEGGY CHALLIS PRICKETT, et al.

By Shelly Elzy

Case No. H-1334 FRESNO

OAH No. N1997090206

Respondent

AMENDED
NOTICE OF HEARING ON ACCUSATION

To the above named respondent:

You are hereby notified that a hearing will be held before the Department of Real Estate at _____
Office of Administrative Hearings, San Jose State Building, Auditorium,
100 Paseo De San Antonio, San Jose, CA 95113

on December 10th & 11th, 1997, at the hour of 9:30 AM,
or as soon thereafter as the matter can be heard, upon the Accusation served upon you. If you object to the place of
hearing, you must notify the presiding administrative law judge of the Office of Administrative Hearings within ten
(10) days after this notice is served on you. Failure to notify the presiding administrative law judge within ten days
will deprive you of a change in the place of the hearing.

You may be present at the hearing. You have the right to be represented by an attorney at your own expense. You
are not entitled to the appointment of an attorney to represent you at public expense. You are entitled to represent
yourself without legal counsel. If you are not present in person nor represented by counsel at the hearing, the
Department may take disciplinary action against you based upon any express admission or other evidence including
affidavits, without any notice to you.

You may present any relevant evidence and will be given full opportunity to cross-examine all witnesses
testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the
production of books, documents or other things by applying to the Department of Real Estate.

The hearing shall be conducted in the English language. If you want to offer the testimony of any witness who
does not proficiently speak the English language, you must provide your own interpreter and pay his or her costs. The
interpreter must be certified in accordance with Sections 11435.30 and 11435.55 of the Government Code.

DEPARTMENT OF REAL ESTATE

Dated: October 2, 1997

By Deidre L. Johnson
DEIDRE L. JOHNSON Counsel

FILED
OCT 1 1997

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE

By Shelley Ely

In the Matter of the Accusation of
PEGGY CHALLIS PRICKETT, et al.

}

Case No. H 1334 FRESNO

OAH No. N1997090206

Respondent

CONTINUED
NOTICE OF HEARING ON ACCUSATION

To the above named respondent:

You are hereby notified that a hearing will be held before the Department of Real Estate at _____

Office of Administrative Hearings, San Jose State Building, Auditorium

100 Paseo De San Antonio, San Jose, CA 95113

on December 10th & 11th, 1997, at the hour of 9:00 AM,
or as soon thereafter as the matter can be heard, upon the Accusation served upon you. If you object to the place of hearing, you must notify the presiding administrative law judge of the Office of Administrative Hearings within ten (10) days after this notice is served on you. Failure to notify the presiding administrative law judge within ten days will deprive you of a change in the place of the hearing.

You may be present at the hearing. You have the right to be represented by an attorney at your own expense. You are not entitled to the appointment of an attorney to represent you at public expense. You are entitled to represent yourself without legal counsel. If you are not present in person nor represented by counsel at the hearing, the Department may take disciplinary action against you based upon any express admission or other evidence including affidavits, without any notice to you.

You may present any relevant evidence and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the production of books, documents or other things by applying to the Department of Real Estate.

The hearing shall be conducted in the English language. If you want to offer the testimony of any witness who does not proficiently speak the English language, you must provide your own interpreter and pay his or her costs. The interpreter must be certified in accordance with Sections 11435.30 and 11435.55 of the Government Code.

DEPARTMENT OF REAL ESTATE

Dated: October 1, 1997

By Deidre L. Johnson
DEIDRE L. JOHNSON Counsel

FILED
SEP 18 1997

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE

By Shelley Ely

In the Matter of the Accusation of

PEGGY CHALLIS PRICKETT

}

Case No. H-1334 FRESNO

OAH No. N1997090206

Respondent

NOTICE OF HEARING ON ACCUSATION

To the above named respondent:

You are hereby notified that a hearing will be held before the Department of Real Estate at _____

Office of Administrative Hearings, 501 J Street, Suite 220,

2nd Floor Hearing Rooms, Sacramento, CA 95814

on Wednesday -- October 29, 1997, at the hour of 9:00 AM, or as soon thereafter as the matter can be heard, upon the Accusation served upon you. If you object to the place of hearing, you must notify the presiding administrative law judge of the Office of Administrative Hearings within ten (10) days after this notice is served on you. Failure to notify the presiding administrative law judge within ten days will deprive you of a change in the place of the hearing.

You may be present at the hearing. You have the right to be represented by an attorney at your own expense. You are not entitled to the appointment of an attorney to represent you at public expense. You are entitled to represent yourself without legal counsel. If you are not present in person nor represented by counsel at the hearing, the Department may take disciplinary action against you based upon any express admission or other evidence including affidavits, without any notice to you.

You may present any relevant evidence and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the production of books, documents or other things by applying to the Department of Real Estate.

The hearing shall be conducted in the English language. If you want to offer the testimony of any witness who does not proficiently speak the English language, you must provide your own interpreter and pay his or her costs. The interpreter must be certified in accordance with Sections 11435.30 and 11435.55 of the Government Code.

DEPARTMENT OF REAL ESTATE

Dated: September 18, 1997

By: Deidre L. Johnson
DEIDRE L. JOHNSON, Counsel

1 DEIDRE L. JOHNSON, Counsel
2 Department of Real Estate
3 P. O. Box 187000
4 Sacramento, CA 95818-7000

5 Telephone: (916) 227-0789

FILED
MAY 20 1997
DEPARTMENT OF REAL ESTATE

By *Kathleen Contreras*

8 BEFORE THE
9 DEPARTMENT OF REAL ESTATE

10 STATE OF CALIFORNIA

11 * * *

12	In the Matter of the Accusation of)	
)	
13	COUNTRY REALTY, INC.,)	
	PEGGY CHALLIS PRICKETT,)	NO. H-1334 FRESNO
14	WILLIAM RALPH CLYDE, and)	
	IGNACIO D. LARES,)	<u>ACCUSATION</u>
15)	
	Respondents.)	
16)	

17 The Complainant, Dolores Vazquez-Ramos, a Deputy Real
18 Estate Commissioner of the State of California, for causes of
19 Accusation against COUNTRY REALTY, INC., PEGGY CHALLIS PRICKETT,
20 WILLIAM RALPH CLYDE, and IGNACIO D. LARES, is informed and alleges
21 as follows:

22 PRELIMINARY ALLEGATIONS

23 I

24 The Complainant, Dolores Vazquez-Ramos, a Deputy Real
25 Estate Commissioner of the State of California, makes this
26 Accusation against Respondents in her official capacity and not
27 otherwise.

1 II

2 Respondents COUNTRY REALTY, INC., PEGGY CHALLIS
3 PRICKETT, WILLIAM RALPH CLYDE, and IGNACIO D. LARES are presently
4 licensed and/or have license rights under the Real Estate Law,
5 Part 1 of Division 4 of the California Business and Professions
6 Code (hereafter the Code).

7 III

8 At all times herein mentioned, Respondent COUNTRY
9 REALTY, INC. (hereafter CRI) was and is licensed by the Department
10 of Real Estate (hereafter the Department) as a real estate broker
11 corporation, and the license will expire on May 20, 1999. At no
12 time between March 15, 1996 and May 30, 1996, was CRI duly
13 licensed through a designated broker officer.

14 IV

15 At all times herein mentioned, Respondent PEGGY CHALLIS
16 PRICKETT was and is licensed by the Department as a real estate
17 broker, and the license will expire on July 21, 1997. At some
18 times herein mentioned, PRICKETT was also licensed by the
19 Department as the designated broker officer of CRI. Her
20 designated broker officer license was canceled from on or about
21 March 15, 1996, through May 30, 1996, was reinstated, and was
22 canceled again effective December 24, 1996.

23 V

24 At all times herein mentioned, Respondent WILLIAM RALPH
25 CLYDE (hereafter CLYDE) was and is licensed by the Department as a
26 restricted real estate salesperson. At all times herein
27 mentioned, CLYDE was the owner of more than ten percent of the



1 shares of CRI, and was President and chief executive officer.
2 Respondent CLYDE directed and controlled CRI's business activities
3 and conducted its affairs.

4 VI

5 At no time herein between November 18, 1995, and
6 June 20, 1996, was IGNACIO D. LARES (hereafter, LARES) licensed by
7 the Department as either a real estate broker or salesperson. On
8 or about June 20, 1996, LARES was licensed by the Department as a
9 real estate salesperson.

10 VII

11 At all times herein mentioned, Respondent CRI engaged in
12 the business of, acted in the capacity of, advertised or assumed
13 to act as a real estate broker within the State of California, for
14 or in expectation of compensation, including the operation and
15 conduct of a residential real property sales business with the
16 public wherein buyers and sellers were solicited, and sales and
17 purchases of real property were negotiated and consummated; and a
18 mortgage loan brokerage business with the public wherein lenders
19 and borrowers were solicited for loans secured directly or
20 collaterally by liens on real property, and wherein such loans
21 were arranged, negotiated, processed, and consummated.

22
23 FIRST CAUSE OF ACTION
24 (CRI - Corporate Suspension)

25 VIII

26 On or about June 1, 1995, pursuant to the provisions of
27 Section 23302 of the California Revenue and Taxation Code, the

1 corporate powers, rights and privileges of CRI were suspended by
2 the California Secretary of State.

3 IX

4 Subsequent to the above suspension, CRI continued to
5 conduct business as described in Paragraph VIII above for which a
6 real estate license is required, including but not limited to the
7 real property sales and loan transactions alleged in the Second,
8 Third, Fourth and Fifth Causes of Action herein.

9 X

10 Said suspension would have been grounds for the denial
11 of CRI's real estate license under Section 2742 of Title 10,
12 California Code of Regulations (hereafter the Regulations), and
13 constitutes grounds for disciplinary action as to CRI under
14 Section 10177(f) of the Code.

15 XI

16 CRI's subsequent conduct of business for which a real
17 estate license is required as alleged in Paragraph IX above
18 violates Section 2742(c) of the Regulations and constitutes
19 grounds for disciplinary action under Section 10177(d) of the
20 Code.

21
22 SECOND CAUSE OF ACTION

23 (PRICKETT - Broker Failure to Supervise)

24 XII

25 On or about September 29, 1993, Respondent PRICKETT
26 executed a certification to the Department that she would exercise
27 close supervision over CLYDE's activities for which a real estate



1 license is required, while he operated under a restricted
2 salesperson license in the employ of CRI. Beginning in or about
3 September of 1994, PRICKETT became seriously ill and disabled,
4 and generally stopped working at the business premises of CRI,
5 except for occasional review and initial of some transaction
6 documents.

7 XIII

8 From about September of 1994 to at least March 15, 1996,
9 PRICKETT delegated administration of the daily business of CRI to
10 Respondent CLYDE, in his capacity as a real estate salesperson.
11 PRICKETT thereafter failed to retain overall responsibility for
12 supervision of CRI and CLYDE, and failed to supervise or oversee
13 the office, agents, employees, advertisements, transactions and/or
14 receipt and payment of commissions and fees, including but not
15 limited to the transaction alleged in Paragraph XIV below. At no
16 time herein did PRICKETT supervise the mortgage loan business of
17 CRI and CLYDE.

18 XIV

19 On or about December 9, 1995, CRI and CLYDE prepared a
20 real estate purchase contract and receipt for deposit (hereafter
21 Deposit Receipt) on behalf of prospective buyer Edward Stephens to
22 constitute Stephen's offer to purchase real property located at
23 Lot 38, Ranchwood Estates, Los Banos, California. CRI and CLYDE
24 negotiated the offer and obtained the acceptance and signature of
25 the seller. Respondent PRICKETT failed to oversee or supervise
26 CLYDE in this transaction, among others, or to review and initial
27 the material transaction documents.



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XV

The acts and/or omissions of PRICKETT as alleged above constitute grounds for disciplinary action under the provisions of Sections 10177(g) and 10177(h) of the Code.

THIRD CAUSE OF ACTION

(CRI and CLYDE - No Duly Licensed Employing Broker)

XVI

During the period from at least March 15, 1996 to June 1, 1996, Respondent CLYDE was employed or associated with CRI when CRI was not duly licensed under a designated broker officer, and CLYDE performed activities for CRI for which a real estate license is required, for or in expectation of compensation. CLYDE and CRI solicited and negotiated sales and purchases of real property, and loans secured by real property, in various transactions, including but not limited to the following:

DATE	BUYER OR BORROWER	PROPERTY	SALE OR LOAN	CRI COMMISSION
3/16/96	Rodrigues	Lot 76 Park Manor	Loan	\$1,319.
3/24/96	Malnburg	Lot 4 Park Manor	Loan	1,561.
4/8/96	Franco	2222 St. Luis St.	Loan	867.
4/15/96	Stephens	Lot 38 Ranchwood	Sale	4,600.
4/21/96	Arriaga/Curiel	Lot 24 Ranchwood	Sale	4,796.
4/21/96	Delgado	1372 E. B Street	Loan	1,923.

XVII

The acts and/or omissions of Respondent CLYDE as alleged in Paragraph XVI above violate Sections 10130 and/or 10137 of the



1 Code, and constitute grounds for disciplinary action under Section
2 10177(d) of the Code.

3 XVIII

4 In negotiating the transactions alleged in Paragraph XVI
5 above, CRI conducted licensed activities at a time when CRI was
6 not duly licensed under a designated broker officer. The above
7 acts and/or omissions of CRI in so conducting business, and in
8 employing and/or compensating CLYDE when CRI was not duly licensed
9 by the Department, violate Section 10130 of the Code and Section
10 2740 of the Regulations, and constitute grounds for disciplinary
11 action against CRI pursuant to Sections 10137 and 10177(d) of the
12 Code.

13
14 FOURTH CAUSE OF ACTION

15 (CRI and CLYDE - Acting as De Facto Broker)

16 XIX

17 During the period from about September of 1994 to
18 March 15, 1996, and from about June 1, 1996, to December 24, 1996,
19 Respondent CLYDE was employed or associated with CRI when CRI was
20 not actively supervised under a designated broker officer. CLYDE
21 acted as the de facto broker officer for the company, and
22 performed activities for CRI for which a real estate license is
23 required, including but not limited to the supervision of other
24 CRI agents and employees in activities requiring a real estate
25 license, and the negotiation of the transaction alleged in
26 Paragraph XIV above.

27 ///



1 XX

2 During the period from about March 15, 1996 to June 1,
3 1996, when CRI was not duly licensed under a designated broker
4 officer, Respondent CLYDE acted as the de facto broker officer for
5 the company, and supervised other CRI agents and employees in
6 activities requiring a real estate license, including but not
7 limited to the following transactions conducted by LETICIA DIANE
8 LOPEZ, a salesperson licensed by the Department, and IGNACIO
9 LARES, an unlicensed agent or employee of CRI, which constituted
10 transactions of CRI:

11

12 DATE	BUYER	PROPERTY	AGENT	CRI COMMISSION
13 3/15/96	Rodriguez	Lot 76 Park Manor	LOPEZ	\$3,996.
14 3/24/96	Malnburg	Lot 104 Park Manor	LOPEZ	4,996.
15 3/31/96	Franco	Lot 84 Park Manor	LOPEZ	4,596.
16 3/31/96	Lopez	Lot 3 Los Banos	LARES	4,600.
17 4/10/96	Delgado	Lot 85 Park Manor	LOPEZ	4,200.
18 4/14/96	Meraz	Lot 15 Los Palmes	LOPEZ	4,000.
19 4/26/96	Beacham	Lot 48 Palm Manor	LOPEZ	5,996.
20 5/11/96	Portillo	Lot 67 Ranchwood	LOPEZ	4,650.
21 5/12/96	Holguin	Lot 82 Parkwood	LOPEZ	?

22 XXI

23 In negotiating the transactions alleged in Paragraph XX
24 above, CRI conducted licensed activities at a time when CRI was
25 not duly licensed under a designated broker officer. The above
26 acts and/or omissions of CRI in so conducting business, and in
27 employing and/or compensating LOPEZ AND LARES when CRI was not



1 duly licensed by the Department, violate Section 10130 of the Code
2 and Section 2740 of the Regulations, and constitute grounds for
3 disciplinary action against CRI pursuant to Sections 10137 and
4 10177(d) of the Code.

5 XXII

6 The acts and/or omissions of Respondent CLYDE as alleged
7 in Paragraphs XIX and XX above violate Sections 10130 and/or 10137
8 of the Code, and constitute grounds for disciplinary action under
9 Sections 10177(d) of the Code.

10
11 FIFTH CAUSE OF ACTION
12 (LARES - Unlicensed Agent)

13 XXIII

14 Beginning in or about March of 1996, Respondent LARES
15 was employed as a real estate salesperson with CRI. LARES
16 performed acts and services for CRI for which a real estate
17 license is required, for or in expectation of compensation, and
18 solicited buyers and/or sellers of real property and negotiated
19 and consummated such transactions when he was not duly licensed as
20 either a real estate broker or salesperson, including but not
21 limited to the following:

22

DATE	BUYER	PROPERTY	CRI COMMISSION
3/31/96	Lopez	Lot #3 Los Banos	\$4,600.

23
24

25 XXIV

26 The above acts and/or omissions of LARES, in being
27 employed and/or compensated by CRI when he was not licensed by the



1 Department either as a real estate broker or salesperson,
2 constitute grounds for disciplinary action pursuant to Section
3 10130 of the Code.

4
5 SIXTH CAUSE OF ACTION

6 (CRI - Corporate Discipline Based
7 on Control by Violator)

8 XXV

9 The violations of the Real Estate Law by CLYDE as
10 charged in the Third and Fourth Causes of Action above were based
11 on his acts and/or omissions while he was an officer, director or
12 shareholder of CRI, owning or controlling more than ten percent of
13 the corporation's stock. Such violations would have warranted the
14 denial of CRI's application for licensure under Section 10177(f)
15 of the Code. The above violations of CLYDE constitute grounds for
16 disciplinary action against CRI under Sections 10177(d), 10177(f)
17 and/or 10177(j) of the Code.

18 PRIOR DISCIPLINARY ACTION

19 XXVI

20 Effective September 22, 1993, in Case No. H-6769 SF, the
21 Real Estate Commissioner revoked the real estate salesperson
22 license of Respondent CLYDE, and granted the right to a restricted
23 salesperson license on terms and conditions pursuant to Section
24 490 of the Code.

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WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof a decision be rendered imposing disciplinary action against all licenses and license rights of Respondents, under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code), and for such other and further relief, as may be proper under other provisions of law.


DOLORES VAZQUEZ-RAMOS
Deputy Real Estate Commissioner

Dated at Fresno, California,
this 16th day of May, 1997.