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Department of Real Estate
107 South Broadway, Room 8107
Los Angeles, CA 90012

NOV 20 1989

DEPARTMENT OF REAL ESTATE
Laura B. C...

DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * *

TO:)	NO. H-1705 SD
)	
LA JOLLA PACIFIC MORTGAGE)	<u>ORDER TO DESIST</u>
SERVICE, a California)	<u>AND REFRAIN</u>
corporation; LADRUE RAY)	
JORDAN; and VICKIE WAGNER.)	
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)	

The Real Estate Commissioner of the State of California has caused an investigation to be made of your activities and based upon the findings of that investigation, as set forth below, is of the opinion that, while engaged in activities which require a real estate broker license under the provisions of Section 10131(d) of the Business and Professions Code, (hereinafter "Code"), you violated Sections 10130 and 10137 of the Code and Section 2740 of Chapter 6, Title 10, California Code of Regulations (hereinafter the "Regulations").

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I

At all times material herein, LA JOLLA PACIFIC MORTGAGE SERVICE (hereinafter "LA JOLLA PACIFIC") was and now is licensed by the Department of Real Estate of the State of California (hereinafter "Department") as a corporate real estate broker.

II

At all times material herein, LADRUE RAY JORDAN (hereinafter "JORDAN") was and now is licensed by the Department as a real estate broker.

III

At all times material herein from September 26, 1986 to June 9, 1989, JORDAN was licensed by the Department as the designated officer of LA JOLLA PACIFIC. As the designated officer of LA JOLLA PACIFIC, JORDAN was responsible for the supervision and control of the activities conducted on behalf of the corporation by its officers and employees as necessary to secure full compliance with the Real Estate Law as set forth in Section 10159.2 of the Code.

IV

At no time mentioned herein was VICKIE WAGNER (hereinafter "WAGNER") licensed by the Department as a real estate broker or real estate salesperson.

V

At all times mentioned herein, LA JOLLA PACIFIC engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate broker in the State of California within the meaning of Section 10131(d) of the Code including the

1 operation of a mortgage loan brokerage business with the public,
2 wherein LA JOLLA PACIFIC solicited borrowers and lenders for loans
3 secured by liens on real property all for or in expectation of
4 compensation.

5 VI

6 All further reference to LA JOLLA PACIFIC shall be
7 deemed to refer to, in addition to LA JOLLA PACIFIC, to the
8 officers, directors, employees, agents, and real estate licensees
9 employed by or associated with LA JOLLA PACIFIC, who at all times
10 herein mentioned were engaged in the furtherance of the business
11 or operations of said parties and who were acting within the
12 course and scope of their corporate authority and employment.

13 VII

14 In or about June, 1988, JORDAN terminated his employment
15 with LA JOLLA PACIFIC. However, JORDAN and LA JOLLA PACIFIC, and
16 each of them, failed to notify the Department that JORDAN had
17 terminated his employment with LA JOLLA PACIFIC. On June 9, 1989,
18 LA JOLLA PACIFIC designated real estate broker Edwin Erwin Wilson
19 as the designated licensed officer to replace JORDAN in said
20 capacity. From June, 1988 to June 9, 1989, LA JOLLA PACIFIC
21 conducted the above-described mortgage loan brokerage business
22 without a designated licensed real estate broker in fact to
23 supervise the real estate activities of LA JOLLA PACIFIC.

24 VIII

25 You, LA JOLLA PACIFIC, violated Section 10130 of the
26 Code and Regulation 2740 by performing acts which require a real
27 estate license without an actual designated licensed real estate

1 broker to supervise such acts, as described in Paragraph VII
2 hereinabove.

3 IX

4 At all times material herein from September 15, 1986 to
5 December, 1988, LA JOLLA PACIFIC employed and compensated Wagner
6 for soliciting borrowers and lenders for loans secured by liens on
7 real property in connection with the above-described mortgage loan
8 brokerage business of LA JOLLA PACIFIC.

9 X

10 The activity of WAGNER in soliciting borrowers and
11 lenders for loans secured by liens on real property, as described
12 in Paragraph IX hereinabove, constitutes conduct which requires a
13 real estate license within the meaning of Section 10131(d) of the
14 Code. You, Wagner, violated Section 10130 of the Code by
15 performing such activity when you were not licensed by the
16 Department as a real estate broker or salesperson.

17 XI

18 During 1988 and 1989, LA JOLLA PACIFIC employed or
19 compensated other persons who were not licensed by the Department,
20 including Cris Rhoads, to solicit borrowers and lenders for loans
21 secured by liens on real property.

22 XII

23 You, LA JOLLA PACIFIC, violated Section 10137 of the
24 Code by employing and compensating unlicensed persons to perform
25 acts which require a real estate license, as described in
26 Paragraphs IX, X and XI hereinabove.

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XIII

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You, JORDAN, violated Section 10159.2 and 10177(h) of the Code by allowing LA JOLLA PACIFIC to employ and compensate unlicensed persons in connection with the operation of its mortgage loan brokerage business and by failing to properly notify the Department of your termination at LA JOLLA PACIFIC thereby allowing said company to operate without supervision of a designated licensed real estate broker, as described in Paragraphs VII through XII hereinabove.

NOW, THEREFORE, YOU, LA JOLLA PACIFIC MORTGAGE SERVICE, AND YOUR AGENTS AND EMPLOYEES ARE ORDERED TO DESIST AND REFRAIN from performing any activities for which a real estate license is required unless said activities are performed in compliance with Sections 10130 and 10137 of the Code and Regulation 2740.

YOU, VICKIE WAGNER ARE FURTHER ORDERED TO DESIST AND REFRAIN from performing acts which require a real estate license without holding a license issued by the Department at the time said acts are performed.

YOU, LADRUE RAY JORDAN, ARE FURTHER ORDERED TO DESIST AND REFRAIN from authorizing or permitting the performance of any acts, for which a real estate license is required, by or in the

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1 name of any corporate real estate broker, unless you supervise
2 those acts in accordance with the Real Estate Law and Section
3 10159.2 of the Code.

4 DATED: August 7, 1989.

5 JAMES A. EDMONDS, JR.
6 Real Estate Commissioner

7
8 By: John R. Liberator
9 JOHN R. LIBERATOR
Chief Deputy Commissioner

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TLN:RLC
cc: La Jolla Pacific Mortgage
1020 Prospect Street, Ste. 10
La Jolla, CA 92037
21
LaDrue Ray Jordan
22 1147 Bellvine Trail
El Cajon, CA 92020
23
lbo Vickie Wagner
24 4205 Asher Street, #30
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