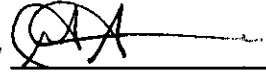


FILED

December 15, 2011

DEPARTMENT OF REAL ESTATE

BEFORE THE DEPARTMENT OF REAL ESTATE

By 

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)

NO. H-4022 SD

EXPEDIA REALTY CORP, a California)
Corporation, and ALAN SCOTT BRAVENDER,)

Respondents.)
_____)

DECISION

This Decision is being issued in accordance with the provisions of Section 11520 of the Government Code, on evidence of compliance with Section 11505 of the Government Code and pursuant to the Order of Default filed on July 21, 2011, and the findings of fact set forth herein, which are based on one or more of the following: (1) Respondent's express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

On July 21, 2011, no Notice of Defense having been filed herein by or on behalf of Respondent EXPEDIA REALTY CORP within the time prescribed by Section 11506 of the Government Code, Respondent's default was entered herein.

1

Respondents EXPEDIA REALTY CORP doing business under the fictitious name of GEMSTONE FUNDING (hereinafter "Respondent EXPEDIA") and ALAN SCOTT BRAVENDER (hereinafter "Respondent BRAVENDER") were licensed and/or have license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereinafter "the Code").

2

The Complainant, JOSEPH AIU, a Deputy Real Estate Commissioner of the State of California, made the Accusation against Respondents in his official capacity.

3

At all times herein mentioned, Respondent EXPEDIA was licensed by the Department of Real Estate (hereinafter "the Department") as a corporate real estate broker.

4

At all times herein mentioned, Respondent BRAVENDER was licensed by the Department as a real estate salesperson and was so licensed in the employ of Sprinter Realty Group, Inc., a licensed corporate real estate broker, beginning on and after December 23, 2008, and at all times herein mentioned, and was so licensed in the employ of Sprinter Realty Group, Inc. At no time has the Department licensed Respondent BRAVENDER as a real estate broker.

5

Whenever reference was made in an allegation in the Accusation to an act or omission of Respondent EXPEDIA, such allegation shall be deemed to mean that the officers, directors, employees, agents and real estate licensees employed by or associated with Respondent EXPEDIA committed such act or omission while engaged in the furtherance of the business or operations of Respondent EXPEDIA and while acting within the course and scope of their corporate authority and employment.

6

At all times herein mentioned, Respondents engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate broker within the meaning of Section 10131(d) of the Code, including soliciting borrowers or lenders for or negotiating loans or collecting payments or performing services for borrowers or lenders or note owners in connection with loans secured directly or collaterally by liens on real property or on a business opportunity.

FIRST CAUSE OF ACTION

7

There is hereby incorporated in the First, separate and distinct, Cause of Action, all of the allegations contained in Paragraphs 1 through 6, inclusive, of the Accusation with the same force and effect as if herein fully set forth.

8

On June 2, 2008, the corporate powers, rights and privileges of Respondent EXPEDIA were suspended by the Secretary of State of the State of California pursuant to Section 23303 of the California Revenue and Taxation Code. At no time since June 2, 2008, have the corporate powers, rights and privileges of Respondent EXPEDIA been reinstated.

The facts alleged in Paragraph 8, above, constitute cause under Chapter 6, Title 10, California Code of Regulations, Section 2742(c) (hereinafter "the Regulations") in conjunction with Section 10177(d) of the Code for the suspension or revocation of all licenses and license rights of Respondent EXPEDIA under the Real Estate Law.

SECOND CAUSE OF ACTION

10

There is hereby incorporated in the Second, separate and distinct, Cause of Action, all of the allegations contained in Paragraphs 1 through 9, inclusive, of the Accusation with the same force and effect as if herein fully set forth.

11

At all times herein mentioned, Respondent EXPEDIA's main office address was listed on the licensing records of the Department as 9591 Waples Street in San Diego, California.

12

Within the three year period prior to the filing of the Accusation, Respondent EXPEDIA failed to notify the Department of the actual main office address of Respondent and/or maintained more than one place of business and failed to apply for and procure an additional license for the branch office Respondent EXPEDIA maintained at 9672 Via Excelencia, in San Diego, California, in violation of Section 2715 of the Regulations and Section 10163 of the Code.

13

The acts and/or omissions of Respondent EXPEDIA as alleged in Paragraph 12, above, constitute cause for the suspension or revocation of the licenses and license rights of Respondent under Section 2715 of the Regulations in conjunction with Section 10177(d) of the Code and under Section 10162 and/or 10163 of the Code in conjunction with Sections 10165 and 10177(d) of the Code.

THIRD CAUSE OF ACTION

14

There is hereby incorporated in the Third, separate and distinct, Cause of Action, all of the allegations contained in Paragraphs 1 through 13, inclusive, of the Accusation with the same force and effect as if herein fully set forth.

15

At no time herein mentioned was Respondent BRAVENDER licensed as an individual real estate salesperson in the employ of Respondent EXPEDIA.

Within the three year period prior to the filing of the Accusation and at all times herein mentioned, Respondent EXPEDIA employed Respondent BRAVENDER to perform and engage in the activities set forth in Paragraph 6, above, for which a real estate license is required, for or in expectation of compensation.

Respondent EXPEDIA did not notify the Commissioner of the Department of Real Estate of its employment of Respondent BRAVENDER.

Within the three year period prior to the filing of the Accusation and at all times herein mentioned, in the course and scope of the employment and activities described in Paragraphs 6 and 16, above, Respondent BRAVENDER, solicited borrowers and lenders and/or negotiated loans secured directly or collaterally by liens on real property, wherein such loans were to be brokered, arranged, processed, and/or consummated on behalf of others pursuant to Section 10131(d) of the Code, for or in expectation of compensation, including, but not limited to, the following transaction:

Borrower	Property	Lender	Authorization for Loan Modification Negotiation
Lenora Humphrey-Baker Jerry W. Baker, Sr.	13389 Rosemary St. Hesperia, California	Saxon Mortgage	2/23/09

The facts alleged in Paragraphs 16, 17 and 18, above, constitute cause for the suspension or permanent revocation of the licenses and license rights of Respondents under Section 10137 of the Code in conjunction with Section 10177(d) of the Code.

The failure of Respondent EXPEDIA to notify the Commissioner of the Department of Real Estate in writing on the prescribed form within five days of its employment of Respondent BRAVENDER as alleged in Paragraphs 16, 17, and 18, above, constitute grounds for disciplinary action under Section 2752 of the Regulations and Section 10161.8 of the Code in conjunction with Section 10177(d) of the Code.

FOURTH CAUSE OF ACTION

There is hereby incorporated in the Fourth, separate and distinct, Cause of Action, all of the allegations contained in Paragraphs 1 through 20, inclusive, of the Accusation with the same force and effect as if herein fully set forth.

Within the three period prior to the filing of the Accusation, in connection with the real estate activities described in Paragraphs 6, 16 and 18, above, Respondents claimed, demanded, charged, received, collected, and provided a written contract for advance fees from borrowers for services Respondents were to perform thereafter in obtaining modifications of loans secured or to be secured directly or collaterally by liens on the borrowers' real property including, but not limited to, the following transaction:

Borrower	Property	Lender	Advance Fee Received	Date Received
Lenora Humphrey-Baker Jerry W. Baker, Sr.	13389 Rosemary St. Hesperia, California	Saxon Mortgage	\$1,900.00	3/4/09

The fee described in Paragraph 22, above, constituted an "advance fee" within the meaning of Sections 10026 and 10131.2 of the Code. Said fee constituted trust funds within the meaning of Sections 10145 and 10146 of the Code.

Within the three year period prior to the filing of the Accusation, in order to induce Lenora Humphrey-Baker and Jerry W. Baker, Sr., (hereinafter "borrowers") to provide to Respondent EXPEDIA the advance fee of \$1,900.00 described in Paragraph 22, above, Respondents represented to said borrowers that the fee was fully refundable if the loan modification was not completed within sixty (60) days.

Respondents' representations as described in Paragraph 24, above, were false or misleading and were known by Respondents to be false or misleading when made or were made by Respondents with no reasonable grounds for believing said representations to be true. In truth and in fact: 1.) Respondents had no intention of refunding the advance fee; and, 2.) Respondents could not or would not perform the loan modification within sixty (60) days.

Respondents failed to disclose to the borrowers the true facts that: 1.) Respondents would not refund the advance fee as promised; and, 2.) Respondents could not or would not perform the loan modification within sixty (60) days.

Respondents' acts and omissions as described in Paragraphs 24, 25, and 26, above, constituted misrepresentations, fraud, and dishonest dealing.

28

The facts alleged in Paragraphs 22, 24, 25, 26 and 27, above, are grounds for the suspension or revocation of the license and license rights of Respondents under Sections 10176(a), 10176(i), 10177(g), and/or 10177(j) of the Code.

FIFTH CAUSE OF ACTION

29

There is hereby incorporated in the Fifth, separate and distinct, Cause of Action, all of the allegations contained in Paragraphs 1 through 28, inclusive, of the Accusation with the same force and effect as if herein fully set forth.

30

In connection with the collection and handling of said advance fees, Respondent EXPEDIA failed to submit an advance fee contract to the Department prior to use as required by Sections 10085 and 10085.5 of the Code and Section 2970 of the Regulations.

31

In connection with the collection, receipt, and handling of the advance fee as described in Paragraph 22, above, Respondent EXPEDIA provided to the borrowers an advance fee contract that had not been submitted to, reviewed and approved by, the Department of Real Estate prior to use as required by Sections 10085 and 10085.5 of the Code and Section 2970 of the Regulations.

32

The acts and/or omissions of Respondent EXPEDIA described in Paragraphs 30 and 31, above, are grounds for the suspension or revocation of the license and license rights of Respondent EXPEDIA under Sections 10085 and 10085.5 of the Code and Section 2970 of the Regulations in conjunction with Section 10177(d) of the Code.

SIXTH CAUSE OF ACTION

33

There is hereby incorporated in the Sixth, separate and distinct, Cause of Action, all of the allegations contained in Paragraphs 1 through 32, inclusive, of the Accusation with the same force and effect as if herein fully set forth.

34

Within the three year period prior to the filing of the Accusation, in connection with the collection, receipt and handling of advance fees described in Paragraphs 22 and 23, above, Respondent EXPEDIA was required to provide to the borrowers a verified accounting of the advance fee trust funds disbursed as required by Section 10146 of the Code and containing the information required by Section 2972 of the Regulations.

Within the three year period prior to the filing of the Accusation, in connection with the collection, receipt and handling of advance fees described in Paragraphs 22 and 23, above, Respondent failed to provide to the borrowers the required verified accounting of the advance fee trust funds and failed to provide any accounting expressly representing the amounts of trust funds disbursed, the date of trust fund disbursement, the commission paid, and overhead and profit.

The acts and omissions of Respondent EXPEDIA described in Paragraphs 34 and 35, above, are grounds for the suspension or revocation of all licenses and license rights of Respondent under Sections 10176(i), 10177(g), and/or 10177(j) of the Code, and Section 10146 of the Code and Section 2972 of the Regulations in conjunction with Section 10177(d) of the Code.

SEVENTH CAUSE OF ACTION

There is hereby incorporated in the Seventh, separate and distinct, Cause of Action, all of the allegations contained in Paragraphs 1 through 36, inclusive, of the Accusation with the same force and effect as if herein fully set forth.

From November 7, 2007, through August 17, 2008, Respondent EXPEDIA was licensed by the Department as a corporate real estate broker under the broker officer license of Doris Onalee Hobbs, through whom it was licensed to act as a real estate broker pursuant to Sections 10159 and 10211 of the Code and Section 2740 of the Regulations. At no time since August 18, 2008, has Respondent EXPEDIA been licensed under a designated broker officer licensee pursuant to Sections 10159 and 10211 of the Code and Section 2740 of the Regulations.

At all times herein mentioned, Respondent EXPEDIA engaged in the activities set forth in Paragraphs 6, 18, and 22, above, when it no longer had a licensed designated broker officer pursuant to Sections 10159 and 10211 of the Code and Section 2740 of the Regulations.

The facts alleged in Paragraphs 38 and 39, above, are grounds for the suspension or revocation of the licenses and license rights of Respondent EXPEDIA under Sections 10130, 10159 and 10211 of the Code and Section 2740 of the Regulations in conjunction with Section 10177(d) of the Code.

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

II

DETERMINATION OF ISSUES

1

The acts and/or omissions of Respondent EXPEDIA REALTY CORP as alleged in the First Cause of Action, above, constitute cause for the suspension or revocation of the licenses and license rights of Respondent EXPEDIA REALTY CORP under Section 2742(c) of the Regulations in conjunction with Section 10177(d) of the Code.

2

The acts and/or omissions of Respondent EXPEDIA REALTY CORP as alleged in the Second Cause of Action, above, constitute cause for the suspension or revocation of the licenses and license rights of Respondent EXPEDIA REALTY CORP under Section 2715 of the Regulations in conjunction with Section 10177(d) of the Code and under Section 10162 and 10163 of the Code in conjunction with Section 10165 and 10177(d) of the Code.

3

The acts and/or omissions of Respondent EXPEDIA REALTY CORP as alleged in the Third Cause of Action, above, constitute cause for the suspension or revocation of the licenses and license rights of Respondent EXPEDIA REALTY CORP under Section 2752 of the Regulations and Section 10161.8 and 10137 of the Code in conjunction with Section 10177(d) of the Code.

4

The acts and/or omissions of Respondent EXPEDIA REALTY CORP as alleged in the Fourth Cause of Action, above, constitute cause for the suspension or revocation of the licenses and license rights of Respondent EXPEDIA REALTY CORP under Sections 10176(a), 10176(i), 10177(g) and 10177(j) of the Code.

5

The acts and/or omissions of Respondent EXPEDIA REALTY CORP as alleged in the Fifth Cause of Action, above, constitute cause for the suspension or revocation of the licenses and license rights of Respondent EXPEDIA REALTY CORP under Section 10085 and 10085.5 of the Code and Section 2970 of the Regulations in conjunction with Section 10177(d) of the Code.

6

The acts and/or omissions of Respondent EXPEDIA REALTY CORP as alleged in the Sixth Cause of Action, above, constitute cause for the suspension or revocation of the licenses and license rights of Respondent EXPEDIA REALTY CORP under Sections 10176(i), 10177(g) and 10177(j) of the Code, and under Section 10146 of the Code and Section 2972 of the Regulations in conjunction with Section 10177(d) of the Code.

The acts and/or omissions of Respondent EXPEDIA REALTY CORP as alleged in the Seventh Cause of Action, above, constitute cause for the suspension or revocation of the licenses and license rights of Respondent EXPEDIA REALTY CORP under Sections 10130, 10159 and 10211 of the Code and Section 2740 of the Regulations all in conjunction with Section 10177(d) of the Code.

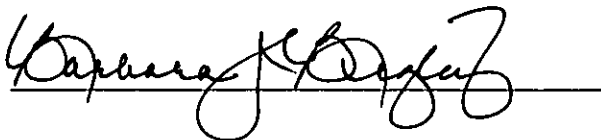
ORDER

All licenses and licensing rights of Respondent EXPEDIA REALTY CORP under the provisions of Part I of Division 4 of the Business and Professions Code, are revoked.

This Decision shall become effective at 12 o'clock noon on 1/5/12.

DATED: 12/7/11.

BARBARA J. BIGBY
Acting Real Estate Commissioner

A handwritten signature in cursive script, appearing to read 'Barbara J. Bigby', is written over a horizontal line.

1 Department of Real Estate
2 P.O. Box 187007
3 Sacramento, CA 95818-7007
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FILED
JUL 21 2011

DEPARTMENT OF REAL ESTATE

By 

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)	
)	NO. H-4022 SD
)	
EXPEDIA REALTY CORP, a California)	<u>DEFAULT ORDER</u>
corporation, and ALAN SCOTT BRAVENDER,)	
)	
Respondents.)	

Respondent, EXPEDIA REALTY CORP, a California corporation, having failed to file a Notice of Defense within the time required by Section 11506 of the Government Code, is now in default. It is, therefore, ordered that a default be entered on the record in this matter.

IT IS SO ORDERED July 19, 2011.

BARBARA BIGBY
Acting Real Estate Commissioner

By 
DOLORES WEEKS
Regional Manager

FILED

OCT 27 2009

DEPARTMENT OF REAL ESTATE

By *R. Frost*

1 MICHAEL B. RICH, Counsel
2 State Bar No. 84257
3 Department of Real Estate
4 P. O. Box 187007
5 Sacramento, CA 95818-7007

6 Telephone: (916) 227-1126

7
8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)
12)
13 EXPEDIA REALTY CORP., a California)
14 corporation, and ALAN SCOTT BRAVENDER,)
15 Respondents.)

NO. H-4022 SD

ACCUSATION

16 The Complainant, JOSEPH AIU, a Deputy Real Estate Commissioner of the
17 State of California, for Causes of Accusation against EXPEDIA REALTY CORP doing
18 business under the fictitious name of GEMSTONE FUNDING, and ALAN SCOTT
19 BRAVENDER, is informed and alleges as follows:

20 1

21 Respondents EXPEDIA REALTY CORP doing business under the fictitious
22 name of GEMSTONE FUNDING (hereinafter "Respondent EXPEDIA") and ALAN SCOTT
23 BRAVENDER (hereinafter "Respondent BRAVENDER") are presently licensed and/or have
24 license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and
25 Professions Code (hereinafter "the Code").

26 ///

27 ///

1
2

2 The Complainant, JOSEPH AIU, a Deputy Real Estate Commissioner of the
3 State of California, makes this Accusation against Respondents in his official capacity.

4 3

5 At all times herein mentioned, Respondent EXPEDIA was and is licensed by the
6 Department of Real Estate (hereinafter "the Department") as a corporate real estate broker.

7 4

8 At all times herein mentioned, Respondent BRAVENDER was licensed by the
9 Department as a real estate salesperson and was so licensed in the employ of Sprinter Realty
10 Group, Inc., a licensed corporate real estate broker, beginning on and after December 23, 2008,
11 and at all times herein mentioned, and is so currently licensed in the employ of Sprinter Realty
12 Group, Inc. At no time has the Department licensed Respondent BRAVENDER as a real estate
13 broker.

14 5

15 Whenever reference is made in an allegation in this Accusation to an act or
16 omission of Respondent EXPEDIA, such allegation shall be deemed to mean that the officers,
17 directors, employees, agents and real estate licensees employed by or associated with
18 Respondent EXPEDIA committed such act or omission while engaged in the furtherance of the
19 business or operations of Respondent EXPEDIA and while acting within the course and scope
20 of their corporate authority and employment.

21 6

22 At all times herein mentioned, Respondents engaged in the business of, acted in
23 the capacity of, advertised, or assumed to act as a real estate broker within the meaning of
24 Section 10131(d) of the Code, including soliciting borrowers or lenders for or negotiating loans
25 or collecting payments or performing services for borrowers or lenders or note owners in
26 connection with loans secured directly or collaterally by liens on real property or on a business
27 opportunity.

1 FIRST CAUSE OF ACTION

2 7

3 There is hereby incorporated in this First, separate and distinct, Cause of Action,
4 all of the allegations contained in Paragraphs 1 through 6, inclusive, of the Accusation with the
5 same force and effect as if herein fully set forth.

6 8

7 On June 2, 2008, the corporate powers, rights and privileges of Respondent
8 EXPEDIA were suspended by the Secretary of State of the State of California pursuant to
9 Section 23303 of the California Revenue and Taxation Code. At no time since June 2, 2008,
10 have the corporate powers, rights and privileges of Respondent EXPEDIA been reinstated.

11 9

12 -The facts alleged in Paragraph 8, above, constitute cause under Chapter 6, Title
13 10, California Code of Regulations, Section 2742(c) (hereinafter "the Regulations") in
14 conjunction with Section 10177(d) of the Code for the suspension or revocation of all licenses
15 and license rights of Respondent EXPEDIA under the Real Estate Law.

16 SECOND CAUSE OF ACTION

17 10

18 There is hereby incorporated in this Second, separate and distinct, Cause of
19 Action, all of the allegations contained in Paragraphs 1 through 9, inclusive, of the Accusation
20 with the same force and effect as if herein fully set forth.

21 11

22 At all times herein mentioned, Respondent EXPEDIA's main office address was
23 listed on the licensing records of the Department as 9591 Waples Street in San Diego,
24 California.

25 ///

26 //

27 /

Within the three year period prior to the filing of this Accusation, Respondent EXPEDIA failed to notify the Department of the actual main office address of Respondent and/or maintained more than one place of business and failed to apply for and procure an additional license for the branch office Respondent EXPEDIA maintained at 9672 Via Excelencia, in San Diego, California, in violation of Section 2715 of the Regulations and Section 10163 of the Code.

The acts and/or omissions of Respondent EXPEDIA as alleged in Paragraph 12, above, constitute cause for the suspension or revocation of the licenses and license rights of Respondent under Section 2715 of the Regulations in conjunction with Section 10177(d) of the Code and under Section 10162 and/or 10163 of the Code in conjunction with Sections 10165 and 10177(d) of the Code.

THIRD CAUSE OF ACTION

There is hereby incorporated in this Third, separate and distinct, Cause of Action, all of the allegations contained in Paragraphs 1 through 13, inclusive, of the Accusation with the same force and effect as if herein fully set forth.

At no time herein mentioned was Respondent BRAVENDER licensed as an individual real estate salesperson in the employ of Respondent EXPEDIA.

Within the three year period prior to the filing of this Accusation and at all times herein mentioned, Respondent EXPEDIA employed Respondent BRAVENDER to perform and engage in the activities set forth in Paragraph 6, above, for which a real estate license is required, for or in expectation of compensation.

///

17

Respondent EXPEDIA did not notify the Commissioner of the Department of Real Estate of its employment of Respondent BRAVENDER.

18

Within the three year period prior to the filing of this Accusation and at all times herein mentioned, in the course and scope of the employment and activities described in Paragraphs 6 and 16, above, Respondent BRAVENDER, solicited borrowers and lenders and/or negotiated loans secured directly or collaterally by liens on real property, wherein such loans were to be brokered, arranged, processed, and/or consummated on behalf of others pursuant to Section 10131(d) of the Code, for or in expectation of compensation, including, but not limited to, the following transaction:

Borrower	Property	Lender	Authorization for Loan Modification Negotiation
Lenora Humphrey-Baker	13389 Rosemary St.	Saxon Mortgage	2/23/09
Jerry W. Baker, Sr.	Hesperia, California		

19

The facts alleged in Paragraphs 16, 17 and 18, above, constitute cause for the suspension or permanent revocation of the licenses and license rights of Respondents under Section 10137 of the Code in conjunction with Section 10177(d) of the Code.

20

The failure of Respondent EXPEDIA to notify the Commissioner of the Department of Real Estate in writing on the prescribed form within five days of its employment of Respondent BRAVENDER as alleged in Paragraphs 16, 17, and 18, above, constitute grounds for disciplinary action under Section 2752 of the Regulations and Section 10161.8 of the Code in conjunction with Section 10177(d) of the Code.

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1 FOURTH CAUSE OF ACTION

2 21

3 There is hereby incorporated in this Fourth, separate and distinct, Cause of
4 Action, all of the allegations contained in Paragraphs 1 through 20, inclusive, of the Accusation
5 with the same force and effect as if herein fully set forth.

6 22

7 Within the three period prior to the filing of this Accusation, in connection with
8 the real estate activities described in Paragraphs 6, 16 and 18, above, Respondents claimed,
9 demanded, charged, received, collected, and provided a written contract for advance fees from
10 borrowers for services Respondents were to perform thereafter in obtaining modifications of
11 loans secured or to be secured directly or collaterally by liens on the borrowers' real property
12 including, but not limited to, the following transaction:

13 Borrower	Property	Lender	Advance Fee Received	Date Received
14 Lenora Humphrey-Baker	13389 Rosemary St.	Saxon Mortgage	\$1,900.00	3/4/09
15 Jerry W. Baker, Sr.	Hesperia, California			

16
17 23

18 The fee described in Paragraph 22, above, constituted an "advance fee" within
19 the meaning of Sections 10026 and 10131.2 of the Code. Said fee constituted trust funds within
20 the meaning of Sections 10145 and 10146 of the Code.

21 24

22 Within the three year period prior to the filing of this Accusation, in order to
23 induce Lenora Humphrey-Baker and Jerry W. Baker, Sr., (hereinafter "borrowers") to provide to
24 Respondent EXPEDIA the advance fee of \$1,900.00 described in Paragraph 22, above,
25 Respondents represented to said borrowers that the fee was fully refundable if the loan
26 modification was not completed within sixty (60) days.

27 ///

1 25

2 Respondents' representations as described in Paragraph 24, above, were false or
3 misleading and were known by Respondents to be false or misleading when made or were made
4 by Respondents with no reasonable grounds for believing said representations to be true. In
5 truth and in fact: 1.) Respondents had no intention of refunding the advance fee; and, 2.)
6 Respondents could not or would not perform the loan modification within sixty (60) days.

7 26

8 Respondents failed to disclose to the borrowers the true facts that: 1.)
9 Respondents would not refund the advance fee as promised; and, 2.) Respondents could not or
10 would not perform the loan modification within sixty (60) days.

11 27

12 Respondents' acts and omissions as described in Paragraphs 23, 24, and 25,
13 above, constituted misrepresentations, fraud, and dishonest dealing.

14 28

15 The facts alleged in Paragraphs 22, 24, 25, 26 and 27, above, are grounds for the
16 suspension or revocation of the license and license rights of Respondents under Sections
17 10176(a), 10176(i), 10177(g), and/or 10177(j) of the Code.

18 FIFTH CAUSE OF ACTION.

19 29

20 There is hereby incorporated in this Fifth, separate and distinct, Cause of Action,
21 all of the allegations contained in Paragraphs 1 through 28, inclusive, of the Accusation with the
22 same force and effect as if herein fully set forth.

23 30

24 In connection with the collection and handling of said advance fees, Respondent
25 EXPEDIA failed to submit an advance fee contract to the Department prior to use as required by
26 Sections 10085 and 10085.5 of the Code and Section 2970 of the Regulations.

27 ///

In connection with the collection, receipt, and handling of the advance fee as described in Paragraph 22, above, Respondent EXPEDIA provided to the borrowers an advance fee contract that had not been submitted to, reviewed and approved by, the Department of Real Estate prior to use as required by Sections 10085 and 10085.5 of the Code and Section 2970 of the Regulations.

The acts and/or omissions of Respondent EXPEDIA described in Paragraphs 30 and 31, above, are grounds for the suspension or revocation of the license and license rights of Respondent EXPEDIA under Sections 10085 and 10085.5 of the Code and Section 2970 of the Regulations in conjunction with Section 10177(d) of the Code.

SIXTH CAUSE OF ACTION

There is hereby incorporated in this Sixth, separate and distinct, Cause of Action, all of the allegations contained in Paragraphs 1 through 32, inclusive, of the Accusation with the same force and effect as if herein fully set forth.

Within the three year period prior to the filing of this Accusation, in connection with the collection, receipt and handling of advance fees described in Paragraphs 22 and 23, above, Respondent EXPEDIA was required to provide to the borrowers a verified accounting of the advance fee trust funds disbursed as required by Section 10146 of the Code and containing the information required by Section 2972 of the Regulations.

Within the three year period prior to the filing of this Accusation, in connection with the collection, receipt and handling of advance fees described in Paragraphs 22 and 23, above, Respondent failed to provide to the borrowers the required verified accounting of the advance fee trust funds and failed to provide any accounting expressly representing the amounts

1 of trust funds disbursed, the date of trust fund disbursement, the commission paid, and overhead
2 and profit.

3 36

4 The acts and omissions of Respondent EXPEDIA described in Paragraphs 34 and
5 35, above, are grounds for the suspension or revocation of all licenses and license rights of
6 Respondent under Sections 10176(i), 10177(g), and/or 10177(j) of the Code, and Section 10146
7 of the Code and Section 2972 of the Regulations in conjunction with Section 10177(d) of the
8 Code.

9 SEVENTH CAUSE OF ACTION

10 37

11 There is hereby incorporated in this Seventh, separate and distinct, Cause of
12 Action, all of the allegations contained in Paragraphs 1 through 36, inclusive, of the Accusation
13 with the same force and effect as if herein fully set forth.

14 38

15 From November 7, 2007, through August 17, 2008, Respondent EXPEDIA was
16 licensed by the Department as a corporate real estate broker under the broker officer license of
17 Doris Onalee Hobbs, through whom it was licensed to act as a real estate broker pursuant to
18 Sections 10159 and 10211 of the Code and Section 2740 of the Regulations. At no time since
19 August 18, 2008, has Respondent EXPEDIA been licensed under a designated broker officer
20 licensee pursuant to Sections 10159 and 10211 of the Code and Section 2740 of the
21 Regulations.

22 39

23 At all times herein mentioned, Respondent EXPEDIA engaged in the activities
24 set forth in Paragraphs 6, 18, and 22, above, when it no longer had a licensed designated broker
25 officer pursuant to Sections 10159 and 10211 of the Code and Section 2740 of the Regulations.

26 ///

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The facts alleged in Paragraphs 38 and 39, above, are grounds for the suspension or revocation of the license(s) and license rights of Respondent under Sections 10159 and 10211 of the Code and Section 2740 of the Regulations in conjunction with Section 10177(d) of the Code.

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 license(s) 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.


JOSEPH AIU
Deputy Commissioner

Dated at San Diego, California

this 22 day of December, 2009