

FILED

AUG 19 2010

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE

L. Henry

In the Matter of the Accusation of)
WARD REAL ESTATE BROKERAGE &) NO. H- 5180 SAC
FORECLOSURE SERVICES, INC.,)
ALISON ANN JENSEN, and,)
LEESA MARIE WARD)
Respondent.)

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 October 5, 2009, and the findings of fact set forth herein, which are based on one or more of the following: (1) Respondents' express admissions; (2) affidavits; and (3) other evidence.

This Decision revokes the real estate licenses on grounds of violations of the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereinafter "the Code") and associated Regulations of the Real Estate Commissioner, Title 10, Chapter 6 of the California Code of Regulations (hereinafter "the Regulations").

The right to reinstatement of a revoked real estate license is controlled by Section 11522 of the Government Code. A copy of Section 11522 and a copy of the Commissioner's Criteria of Rehabilitation are attached hereto for the information of Respondents WARD REAL ESTATE BROKERAGE & FORECLOSURE SERVICES INC. ("Respondent WREBFS"), ALISON ANN JENSEN ("Respondent JENSEN"), and LEESA MARIE WARD ("Respondent WARD"), (collectively, "Respondents").

FINDINGS OF FACT

1

On March 20, 2009, Joseph M. Carrillo, made the Accusation in his official capacity as a Deputy Real Estate Commissioner of the State of California. The Accusation, Statement to Respondent, and Notice of Defense were mailed, by certified mail, to Respondent's last known mailing address on file with the Department on March 24, 2009.

2

On October 5, 2009, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondents' default was entered herein.

3

At all times mentioned herein, Respondent WREBFS has been licensed by the Department under the Code as a corporate real estate broker, with Respondent JENSEN registered at the corporate designated officer.

4

At all times mentioned herein, Respondent JENSEN has been licensed by the Department under the Code as a real estate broker and is registered as the corporate designated officer of Respondent WREBFS.

5

At all times mentioned herein, Respondent WARD has been licensed by the Department under the Code as a real estate broker, and is registered as a broker associate and chief executive officer of Respondent WREBFS.

6

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

7

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 in the State of California: (a) within the meaning of Section 10131(a) of the Code for or in expectation of compensation, by selling or offering to sell, buying or offering to buy, soliciting prospective sellers or purchasers of, soliciting or obtaining listings of, or negotiating the purchase, sale or exchange of real property or a business opportunity; and, (b) within the meaning of Section 10131(d) of the Code by 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.

FRAUDULENT ACTIVITY

8

Commencing on or before July 12, 2005, and continuing to on or about March 21, 2006, Respondents solicited investment of funds, not secured by real property, from Burnell R. Murray ("Murray") of Berkeley, California, for use by Respondent WREBFS. Respondents represented to Murray that the funds invested would be used by Respondent WREBFS to purchase foreclosed real properties and other distressed properties, repair those properties, and resell the repaired properties at a profit to the investment enterprise.

9

The solicitation described in Paragraph 7, above, included this written assertion:

"There are however, those times when the market changes and unforeseen conditions change profit margins. This is where you still reap the same rewards. Our profits may diminish to nothing on occasion, but as the investor, you take none of that risk. Your monthly payment will always remain the same."

This written representation was reinforced with verbal confirmations from Respondent WARD throughout the investment solicitation process to its completion.

10

Murray relied upon these written and verbal assertions regarding the lack of risk to him in this investment when choosing to invest with Respondents.

11

On March 21, 2006, Murray and Respondent WARD signed a "Straight Interest Bearing Note," by which Murray invested \$394,000.00 in the investment scheme described in Paragraphs 7 and 8, above.

12

In truth and in fact, Respondents' investment program did not guarantee returns, as described in Paragraph 8, above, to investors such as Murray. Respondents were aware that their program was already violating terms of payment to prior investors at the time Murray and Respondent WARD signed the Note described in Paragraph 11, above.

13

Respondents failed to disclose the true facts regarding the investment scheme to induce Murray to invest, which he did, in reasonable reliance on the false representations and failures of Respondents.

The facts alleged in Paragraphs 7 through 12 are grounds for the suspension or revocation of the licenses and license rights of Respondents under Sections 10176(a), (b), and (i) of the Code.

LACK OF CORPORATE STANDING WITH SECRETARY OF STATE

On or about August 9, 2007, the Secretary of State suspended the corporate powers, rights and privileges of Respondent WREBFS. The suspension caused Respondent WREBFS to not be in good standing with the Secretary of State of the State of California effective August 9, 2007 and continuing.

During the period following August 9, 2007 and continuing, Respondent WREBFS engaged in the business of a real estate broker in violation of Section 2742 (c) of the California Code of Regulations (hereinafter the "Regulations").

VIOLATION OF CORPORATE SECURITIES LAW OF 1968

On November 27, 2007, the Department of Corporations of the State of California issued a Desist and Refrain Order naming Respondents WREBFS and WARD, citing violations of Section 25110 of the California Corporations Code. Respondents WREBFS and WARD offered no challenge to the allegations contained within the Order.

Violation by Respondents WREBFS and WARD of the Corporate Securities Law of 1968 [Division 1 (commencing with Section 25000) of Title 4 of the Corporations Code] is a violation of Section 10177(n) of the Code.

MAINTENANCE OF ADDRESS ON FILE WITH DEPARTMENT

The address of the principal place of business for Respondents WREBFS, JENSEN, and WARD, as provided by the Respondents to the Department upon licensure of each, was stated to be 1034 Central Avenue, Tracy, California. This address remains the mailing address and main office address listed with the Commissioner of the Department of Real Estate (Department).

Respondents are no longer at the address maintained on file with the Commissioner. The Department unsuccessfully attempted to contact Respondents by:

- a. Department auditor Nada Dagher (Dagher) mailing an appointment card for an audit of Respondent WREBFS to the address in Paragraph 19, above, which was returned to Dagher on December 17, 2007 labeled, "unable to forward, return to sender, moved left no address."
- b. Dagher left a telephone message on November 2, 2007, with Ray Axton, a salesperson listed with the Department as working under Respondent WREBFS' license. Axton reported to Dagher he could not reach Respondent Jensen to get his original salesperson license from her office, her telephone number had been disconnected, and her office was closed.
- c. Dagher attempted to do an entrance conference for her audit of Respondent WREBFS on November 28, 2007, at the address in Paragraph 19, above. No persons were present in the building at that address, the building was locked, and persons in the area reported in response to Dagher's requests, that they had not seen anyone present in the building "for a long time."
- d. Reviewing title to the address in Paragraph 19, above, and finding that Respondent Ward completed a grant deed dated August 28, 2007, transferring the property at that address to All Loans are Possible, Inc., located at 932 B Street, Tracy, California.
- e. Deputy Chika Sunquist attempted to contact Respondents at the address in Paragraph 19, above, on January 14, 2008. A man present at the office stated that he was an employee of Pickup/Drop Off Service (PODS), hired to clean out the office. A PODS storage bin was unloaded from a truck at the address while Sunquist was present.

The acts and/or omissions by Respondents in the form of their failure to have and maintain a definite place of business and to maintain on file with the Department the address of the licensee's principal place of business are violations of Sections 10162 of the Code and Section 2715, Title 10, of the Regulations.

FAILURE TO SUPERVISE

At all times mentioned herein above, Respondent JENSEN failed to exercise reasonable supervision over the activities of Respondent WREBFS, and permitted, ratified and/or caused the conduct described above. Respondent JENSEN failed to reasonably or adequately review, oversee, inspect and manage the associated brokers and salespersons under her employ, and/or to establish reasonable policies, rules, procedures and systems for such review, oversight, inspection and management.

Respondent JENSEN's failure to supervise as described in Paragraph 21, above, is grounds for discipline under Sections 10159.2(a) and 10177(h) of the Code and Section 2725 of the Regulations.

DETERMINATION OF ISSUES

1

The findings above constitute cause for the suspension or revocation of the Respondents' licenses and license rights as follows:

- a. As to Respondents WREBFS and WARD, the facts alleged in Paragraphs 8 through 14 are grounds for the suspension or revocation of the licenses and license rights of Respondents WREBFS and WARD under Sections 10176(a), (b), and (i) of the Code.
- b. As to Respondent WREBFS, the facts alleged in Paragraphs 15 and 16 are grounds for the suspension or revocation of the license and license rights of Respondent WREBFS under Section 10177(d) of the Code in conjunction with Section 2742(c) of the Regulations.
- c. As to Respondent WREBFS, the facts alleged in Paragraphs 17 and 18 are grounds for the suspension or revocation of the license and license rights of Respondent WREBFS under Section 10177(n) of the Code.
- d. As to Respondents WREBFS, JENSEN, and WARD, the facts alleged in Paragraphs 19 through 20 are grounds for the suspension or revocation of the licenses and license rights of Respondents under Section 10177(d) of the Code in conjunction with Sections 10162 of the Code and Section 2715 of the Regulations.

2

As to Respondent JENSEN, the facts alleged in Paragraphs 8 through 23 are grounds for the suspension or revocation of the licenses and license rights of Respondent JENSEN under Section 10177(d) of the Code in conjunction with Sections 10177(h) and 10159.2(a) of the Code and Section 2725 of the Regulations.

3

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

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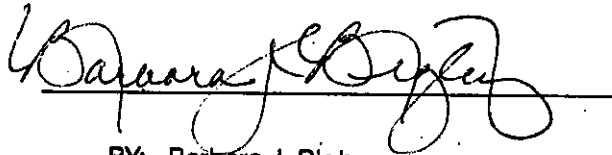
ORDER

All licenses and licensing rights of Respondents WARD REAL ESTATE BROKERAGE & FORECLOSURE SERVICES, INC., ALISON ANN JENSEN, and, LEESA MARIE WARD under the provisions of Part 1 of Division 4 of the Business and Professions Code are hereby revoked.

This Decision shall become effective at 12 o'clock noon on
SEP 8 2010.

DATED: 8-19-2010

JEFF DAVI
Real Estate Commissioner

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

BY: Barbara J. Bigby
Chief Deputy Commissioner

1 DEPARTMENT OF REAL ESTATE
2 P. O. Box 187007
3 Sacramento, CA 95818-7007

4 Telephone: (916) 227-0789

FILED

OCT - 5 2009

DEPARTMENT OF REAL ESTATE

By [Signature]

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of

12 WARD REAL ESTATE BROKERAGE &
13 FORECLOSURE SERVICES, INC.,
14 ALISON ANN JENSEN, and,
15 LEESA MARIE WARD,

Respondents.

NO. H-5180 SAC
DEFAULT ORDER

16 Respondents WARD REAL ESTATE BROKERAGE & FORECLOSURE
17 SERVICES, INC., ALISON ANN JENSEN, and LEESA MARIE WARD, having failed to
18 file Notices of Defense within the time required by Section 11506 of the Government Code, are
19 now in default. It is, therefore, ordered that a default be entered on the record in this matter as to
20 Respondents WARD REAL ESTATE BROKERAGE & FORECLOSURE SERVICES, INC.,
21 ALISON ANN JENSEN, and LEESA MARIE WARD.

22 IT IS SO ORDERED September 28, 2009.

23 JEFF DAVI
24 Real Estate Commissioner

25 By:

[Signature]
26 CHARLES W. KOENIG
27 Regional Manager

1 DANIEL E. KEHEW, Counsel (SBN 231550)
2 Department of Real Estate
3 P. O. Box 187007
4 Sacramento, CA 95818-7007

5 Telephone: (916) 227-0789
6 -or- (916) 227-0425 (Direct)

FILED

MAR 20 2009

DEPARTMENT OF REAL ESTATE

By R. Henry

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)

12 WARD REAL ESTATE BROKERAGE &)
13 FORECLOSURE SERVICES INC.,)
14 ALISON ANN JENSEN, and)
15 LEESA MARIE WARD,)

Respondents.

No. H- 5180 SAC

ACCUSATION

16 The Complainant, Joe M. Carrillo, a Deputy Real Estate Commissioner of the
17 State of California for cause of Accusation against WARD REAL ESTATE BROKERAGE &
18 FORECLOSURE SERVICES INC. ("Respondent WREBFS"), ALISON ANN JENSEN
19 ("Respondent JENSEN"), and LEESA MARIE WARD ("Respondent WARD"), (collectively,
20 "Respondents"), is informed and alleges as follows:

21 1

22 The Complainant makes this Accusation in his official capacity.

23 2

24 Respondent WREBFS is licensed and/or has license rights under the Real Estate
25 Law, Part 1 of Division 4 of the California Business and Professions Code (hereinafter "Code")
26 as a real estate corporation, with Respondent JENSEN registered at the corporate designated
27 officer.

1 3

2 Respondent JENSEN is licensed and/or has license rights under the Code as a
3 real estate broker and is registered as the corporate designated officer of Respondent WREBFS.

4 4

5 Respondent WARD is licensed and/or has license rights under the Code as a
6 real estate broker, and is registered as a broker associate and chief executive officer of
7 Respondent WREBFS.

8 5

9 Whenever reference is made in an allegation in this Accusation to an act or
10 omission of Respondent WREBFS, such allegation shall be deemed to mean that the officers,
11 directors, employees, agents and real estate licensees employed by or associated with
12 Respondent WREBFS committed such act or omissions while engaged in furtherance of the
13 business or operation of Respondent WREBFS and while acting within the course and scope of
14 their corporate authority and employment.

15 6

16 At all times herein mentioned, Respondents engaged in the business of, acted in
17 the capacity of, advertised, or assumed to act as a real estate broker in the State of California:
18 (a) within the meaning of Section 10131(a) of the Code for or in expectation of compensation, by
19 selling or offering to sell, buying or offering to buy, soliciting prospective sellers or purchasers
20 of, soliciting or obtaining listings of, or negotiating the purchase, sale or exchange of real
21 property or a business opportunity; and, (b) within the meaning of Section 10131(d) of the Code
22 by soliciting borrowers or lenders for or negotiating loans or collecting payments or performing
23 services for borrowers or lenders or note owners in connection with loans secured directly or
24 collaterally by liens on real property or on a business opportunity.

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1 FRAUDULENT ACTIVITY

2 7

3 Commencing on or before July 12, 2005, and continuing to on or about March 21,
4 2006, Respondents solicited investment of funds, not secured by real property, from Burnell R.
5 Murray ("Murray") of Berkeley, California, for use by Respondent WREBFS. Respondents
6 represented to Murray that the funds invested would be used by Respondent WREBFS to
7 purchase foreclosed real properties and other distressed properties, repair those properties, and
8 resell the repaired properties at a profit to the investment enterprise.

9 8

10 The solicitation described in Paragraph 7, above, included this written assertion:

11 "There are however, those times when the market changes and
12 unforeseen conditions change profit margins. This is where you
13 still reap the same rewards. Our profits may diminish to nothing on
14 occasion, but as the investor, you take none of that risk. Your
15 monthly payment will always remain the same."

16 This written representation was reinforced with verbal confirmations from
17 Respondent WARD throughout the investment solicitation process to its completion.

18 9

19 Murray relied upon these written and verbal assertions regarding the lack of risk
20 to him in this investment when choosing to invest with Respondents.

21 10

22 On March 21, 2006, Murray and Respondent WARD signed a "Straight Interest
23 Bearing Note," by which Murray invested \$394,000.00 in the investment scheme described in
24 Paragraphs 7 and 8, above.

25 11

26 In truth and in fact, Respondents' investment program did not guarantee returns,
27 as described in Paragraph 8, above, to investors such as Murray. Respondents were aware that

1 their program was already violating terms of payment to prior investors at the time Murray and
2 Respondent WARD signed the Note described in Paragraph 10, above.

3 12

4 Respondents failed to disclose the true facts regarding the investment scheme to
5 induce Murray to invest, which he did, in reasonable reliance on the false representations and
6 failures of Respondents.

7 13

8 The facts alleged in Paragraphs 7 through 12 are grounds for the suspension or
9 revocation of the licenses and license rights of Respondents under Sections 10176(a), (b), and (i)
10 of the Code.

11 LACK OF CORPORATE STANDING WITH SECRETARY OF STATE

12 14

13 On or about August 9, 2007, the Secretary of State suspended the corporate
14 powers, rights and privileges of Respondent WREBFS. The suspension caused Respondent
15 WREBFS to not be in good standing with the Secretary of State of the State of California
16 effective August 9, 2007 and continuing.

17 15

18 During the period following August 9, 2007 and continuing, Respondent
19 WREBFS engaged in the business of a real estate broker in violation of Section 2742 (c) of the
20 California Code of Regulations (hereinafter the "Regulations").

21 VIOLATION OF CORPORATE SECURITIES LAW OF 1968

22 16

23 On November 27, 2007, the Department of Corporations of the State of California
24 issued a Desist and Refrain Order naming Respondents WREBFS and WARD, citing violations
25 of Section 25110 of the California Corporations Code. Respondents WREBFS and WARD
26 offered no challenge to the allegations contained within the Order.

27 ///

Violation by Respondents WREBFS and WARD of the Corporate Securities Law of 1968 [Division 1 (commencing with Section 25000) of Title 4 of the Corporations Code] is a violation of Section 10177(n) of the Code.

MAINTENANCE OF ADDRESS ON FILE WITH DEPARTMENT

The address of the principal place of business for Respondents WREBFS, JENSEN, and WARD, as provided by the Respondents to the Department upon licensure of each, was stated to be 1034 Central Avenue, Tracy, California. This address remains the mailing address and main office address listed with the Commissioner of the Department of Real Estate (Department).

Respondents are no longer at the address maintained on file with the Commissioner. The Department unsuccessfully attempted to contact Respondents by:

- a. Department auditor Nada Dagher (Dagher) mailing an appointment card for an audit of Respondent WREBFS to the address in Paragraph 5, above, which was returned to Dagher on December 17, 2007 labeled, "unable to forward, return to sender, moved left no address."
- b. Dagher left a telephone message on November 2, 2007, with Ray Axton, a salesperson listed with the Department as working under Respondent WREBFS' license. Axton reported to Dagher he could not reach Respondent Jensen to get his original salesperson license from her office, her telephone number had been disconnected, and her office was closed.
- c. Dagher attempted to do an entrance conference for her audit of Respondent WREBFS on November 28, 2007, at the address in Paragraph 5, above. No persons were present in the building at that address, the building was locked,

1 and persons in the area reported in response to Dagher's requests, that they
2 had not seen anyone present in the building "for a long time."

- 3 d. Reviewing title to the address in Paragraph 5, above, and finding that
4 Respondent Ward completed a grant deed dated August 28, 2007, transferring
5 the property at that address to All Loans are Possible, Inc., located at 932 B
6 Street, Tracy, California.
- 7 e. Deputy Chika Sunquist attempted to contact Respondents at the address in
8 Paragraph 5, above, on January 14, 2008. A man present at the office stated
9 that he was an employee of Pickup/Drop Off Service (PODS), hired to clean
10 out the office. A PODS storage bin was unloaded from a truck at the address
11 while Sunquist was present.

12 20

13 The acts and/or omissions by Respondents in the form of their failure to have and
14 maintain a definite place of business and to maintain on file with the Department the address of
15 the licensee's principal place of business are violations of Sections 10162 of the Code and
16 Section 2715, Title 10, of the Regulations.

17 FAILURE TO SUPERVISE

18 21

19 At all times mentioned herein above, Respondent JENSEN failed to exercise
20 reasonable supervision over the activities of Respondent WREBFS, and permitted, ratified
21 and/or caused the conduct described above. Respondent JENSEN failed to reasonably or
22 adequately review, oversee, inspect and manage the associated brokers and salespersons under
23 her employ, and/or to establish reasonable policies, rules, procedures and systems for such
24 review, oversight, inspection and management.

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Respondent JENSEN's failure to supervise as described in Paragraph 21, above, is grounds for discipline under Sections 10159.2(a) and 10177(h) of the Code and Section 2725 of the Regulations.

The acts and/or omissions of Respondents described above in this cause of action are grounds for the suspension or revocation of Respondents' licenses and license rights as follows:

- a. As to Respondents WREBFS and WARD, the facts alleged in Paragraphs 7 through 13 are grounds for the suspension or revocation of the licenses and license rights of Respondents WREBFS and WARD under Sections 10176(a), (b), and (i) of the Code.
- b. As to Respondent WREBFS, the facts alleged in Paragraphs 14 and 15 are grounds for the suspension or revocation of the license and license rights of Respondent WREBFS under Section 10177(d) of the Code in conjunction with Section 2742 (c) of the Regulations.
- c. As to Respondent WREBFS, the facts alleged in Paragraphs 16 and 17 are grounds for the suspension or revocation of the license and license rights of Respondent WREBFS under Section 10177(n) of the Code.
- d. As to Respondents WREBFS, JENSEN, and WARD, the facts alleged in Paragraphs 18 through 20 are grounds for the suspension or revocation of the licenses and license rights of Respondents under Section 10177(d) of the Code in conjunction with Sections 10162 of the Code and Section 2715 of the Regulations.
- e. As to Respondent JENSEN, the facts alleged in Paragraphs 7 through 22 are grounds for the suspension or revocation of the licenses and license rights of Respondent Jensen under Section 10177(d) of the Code in conjunction with

1 Sections 10177(h) and 10159.2(a) of the Code and Section 2725 of the
2 Regulations.

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

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9 
10 JOSEPH M. CARILLO
11 Deputy Real Estate Commissioner

12 Dated at Sacramento, California,
13 this 20th day of March, 2009.
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