FILED

AUG 1 4 2013 BUREAU OF REAL ESTATE

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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In the Matter of the Accusation of

FSF, <u>AARON GREGORY NEW</u>, and ALEKSANDR VOROBETS

No. H-5969 SAC

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 June 24, 2013, and the findings of fact set forth herein, which are based on one or more of the following: (1) Respondent AARON GREGORY NEW's (Respondent) express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

1

On March 12, 2013, Tricia Sommers made the Accusation in her 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 and regular mail, to Respondent's last known mailing address on file with the Department of Real Estate (Department) on March 14, 2013.

On June 24, 2013, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondent's default was entered herein.

Respondent is presently licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the Business and Professions Code (Code).

3

At all times mentioned, FSF was and is licensed by the State of California Department of Real Estate (Department) as a real estate broker corporation. From November 17, 2011, to present, FSF was and is licensed to use the fictitious business name Fresh Start Foundation.

4

At all times after August 23, 2012, FSF was and is licensed by the Department as a mortgage loan originator. At no time prior to August 23, 2012 was FSF licensed as a mortgage loan originator.

5

At all times mentioned, Respondent was and is licensed by the Department individually as a real estate broker. From on or about March 30, 2011 through May 21, 2012, Respondent was licensed as the designated broker officer of FSF. As said designated officerbroker, Respondent was responsible pursuant to Section 10159.2 of the Code for the supervision of the activities of the officers, agents, real estate licensees and employees of FSF for which a license is required.

6

At no time mentioned did Respondent have a license endorsement issued by the Department authorizing him to act as a mortgage loan originator.

7

From on or about July 4, 2009, through February 26, 2012, Aleksandr Vorobets (Vorobets) was licensed by the Department as a real estate salesperson. From on or about July 20, 2009, through February 26, 2012, Vorobets salesperson license was affiliated under the brokerage of AKA New Inc.

8

As of February 27, 2012, Vorobets was and is licensed by the Department individually as a real estate broker. From May 24, 2012, to present, Vorobets was and is licensed as the designated broker officer of FSF. As said designated officer-broker, Vorobets was

responsible pursuant to Section 10159.2 of the Code for the supervision of the activities of the officers, agents, real estate licensees and employees of FSF for which a license is required.

9

Beginning December 13, 2011, Vorobets was and is licensed by the Department of as a mortgage loan originator.

10

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

11

At all times mentioned Respondent, FSF, and Vorobets 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 operation and conduct of a mortgage loan brokerage business with the public wherein Respondents solicited lenders and borrowers for loans secured directly or collaterally by liens on real property or a business opportunity, and wherein such loans were arranged, negotiated, processed, and consummated by FSF on behalf of others for compensation or in expectation of a compensation.

12

Prior to August 23, 2012, FSF engaged in business as a mortgage loan originator as that term is defined by Section 10166.01(b)(1) (activities related to loan modifications) of the Code, which includes but is not limited to the conduct of mortgage loan modification activities, and failed to obtain and maintain a real estate license endorsement identifying that FSF are a licensed mortgage loan originator, in violation of Section 10166.02(b) (failure to obtain license endorsement) of the Code, including by not limited to the following:

Date of Agreement	Borrower	Property
2/11/11	Edward H.	1118 Campbell Street, Oakland
12/23/10	Carolina P.	7717 Renton Way, Sacramento
1/23/11	Loren and Janet S.	13848 Aurora Drive, San Leandro
8/5/11	Danilo B. and Amor R.	351 Morton Drive, Daly City
11/22/10	Darren T.	523 Viewmont Street, Benicia

On or about January 5, 2012, FSF failed to immediately notify the Real Estate Commissioner (Commissioner) in writing that real estate salesperson, Vorobets, was employed by FSF as required by Section 10161.8 (salesperson employment) of the Code and Section 2752 (notice of change of broker) of the Regulations.

14

Prior to November 17, 2011, FSF operated its real estate business, under the fictitious business names of "Fresh Start Foundation" without obtaining a license bearing said fictitious business name in violation of Section 10159.5 (fictitious name) of the Code and Section 2731 (use of fictitious name) of the Regulations.

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Respondent failed to exercise reasonable supervision over the acts of FSF in such a manner as to allow the acts and events above to occur.

16

The acts and omissions of Respondent described above, constitute failure on the part of Respondent, as designated broker-officer for FSF, to exercise reasonable supervision and control over the licensed activities of FSF as required by Section 10159.2 of the Code.

DETERMINATION OF ISSUES

1

Cause for disciplinary action against Respondent exists pursuant to Sections 10177(g) and 10177(h) of the Code, and Section 10159.2 of the Code in conjunction with Section 10177(d) of the Code.

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

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<u>ORDER</u>

All licenses and licensing rights of AARON GREGORY NEW 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 SEP 0 3 2013

CIUS DATED:

REAL ESTATE COMMISSIONER -... JUH

By: JEFFREY MASON Chief Deputy Commissioner