

FILED

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

JUN 14 2008

4 Telephone: (916) 227-0789

DEPARTMENT OF REAL ESTATE
By R. Ziri

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11	In the Matter of the Accusation of	)	No. H-10115 SF
12	ACR INVESTMENTS INTERNATIONAL, INC.,	)	<u>STIPULATION AND AGREEMENT</u>
13	SANFORD LAMAR TULLIS,	)	<u>IN SETTLEMENT AND ORDER</u>
14	MARIA EUGENIA AVILA and	)	<u>AS TO</u>
15	DAVID J. DEWEY,	)	<u>MARIA EUGENIA AVILA AND</u>
	Respondents.	)	<u>ACR INVESTMENTS</u>
		)	<u>INTERNATIONAL, INC. ONLY</u>

16 It is hereby stipulated by and between MARIA EUGENIA
17 AVILA (hereinafter Respondent "AVILA") and ACR INVESTMENTS
18 INTERNATIONAL, INC. (hereinafter Respondent "ACR") and their
19 attorney of record, David Hamerslough of ROSSI HAMERSLOUGH
20 REISCHL and CHUCK, Attorneys at Law, and the Complainant, acting
21 by and through David B. Seals, Counsel for the Department of
22 Real Estate, as follows for the purpose of settling and
23 disposing of the Accusation as to Respondents AVILA and ARC
24 filed on August 14, 2007, in this matter:

25 1. All issues which were to be contested and all
26 evidence which was to be presented by Complainant and
27 Respondents AVILA and ACR at a formal hearing on the Accusation,

1 which hearing was to be held in accordance with the provisions
2 of the Administrative Procedure Act (APA), shall instead and in
3 place thereof be submitted solely on the basis of the provisions
4 of this Stipulation and Agreement in Settlement.

5 2. Respondents AVILA and ACR have received, read and
6 understand the Statement to Respondent, the Discovery Provisions
7 of the APA and the Accusation filed by the Department of Real
8 Estate in this proceeding.

9 3. A Notice of Defense was filed on August 30, 2007 by
10 Respondents AVILA and ACR, pursuant to Section 11505 of the
11 Government Code for the purpose of requesting a hearing on the
12 allegations in the Accusation. Respondents AVILA and ACR hereby
13 freely and voluntarily withdraw said Notice of Defense.
14 Respondents AVILA and ACR acknowledge that they understand that
15 by withdrawing said Notice of Defense they will thereby waive
16 their right to require the Commissioner to prove the allegations
17 in the Accusation at a contested hearing held in accordance with
18 the provisions of the APA and that they will waive other rights
19 afforded to them in connection with the hearing such as the
20 right to present evidence in defense of the allegations in the
21 Accusation and the right to cross-examine witnesses.

22 4. This Stipulation is based on the factual
23 allegations contained in the Accusation. In the interests of
24 expedience and economy, Respondents AVILA and ACR choose not to
25 contest these allegations, but to remain silent and understand
26 that, as a result thereof, these factual allegations, without
27 being admitted or denied, will serve as a prima facie basis for

1 the disciplinary action stipulated to herein. The Real Estate
2 Commissioner shall not be required to provide further evidence
3 to prove said factual allegations.

4 5. It is understood by the parties that the Real
5 Estate Commissioner may adopt the Stipulation and Agreement in
6 Settlement as his decision in this matter thereby imposing the
7 penalty and sanctions on Respondent AVILA'S and ACR'S real
8 estate licenses and license rights as set forth in the below
9 "Order". In the event that the Commissioner in his discretion
10 does not adopt the Stipulation and Agreement in Settlement, it
11 shall be void and of no effect, and Respondents AVILA and ACR
12 shall retain the right to a hearing and proceeding on the
13 Accusation under all the provisions of the APA and shall not be
14 bound by any admission or waiver made herein.

15 6. The Order or any subsequent Order of the Real
16 Estate Commissioner made pursuant to this Stipulation and
17 Agreement in Settlement shall not constitute an estoppel, merger
18 or bar to any further administrative or civil proceedings by the
19 Department of Real Estate with respect to any matters which were
20 not specifically alleged to be causes for accusation in this
21 proceeding.

22
23 DETERMINATION OF ISSUES

24 I

25 By reason of the foregoing stipulations, admissions
26 and waivers and solely for the purpose of settlement of the
27 pending Accusation without a hearing, it is stipulated and

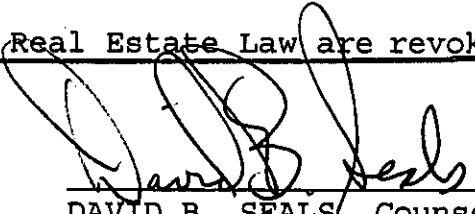
1 agreed that the facts alleged above are grounds for the
2 suspension or revocation of the licenses and license rights of
3 Respondent AVILA and Respondent ACR under Section 10176(b) of
4 the Code.

5 ORDER

6 I

7 All licenses and licensing rights of Respondent MARIA
8 EUGENIA AVILA and ACR under the Real Estate Law are revoked.

9
10 DATED: May 29, 2008


11 DAVID B. SEALS, Counsel
12 DEPARTMENT OF REAL ESTATE

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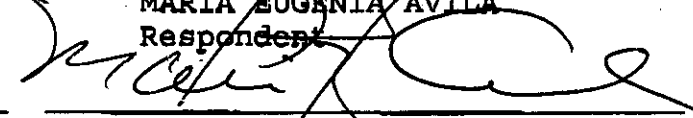
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1 I have read the Stipulation and Agreement, have
2 discussed it with my counsel, and its terms are understood by me
3 and are agreeable and acceptable to me. I understand that I am
4 waiving rights given to me by the California Administrative
5 Procedure Act (including but not limited to Sections 11506,
6 11508, 11509, and 11513 of the Government Code); and I willingly,
7 intelligently, and voluntarily waive those rights, including the
8 right of requiring the Commissioner to prove the allegations in
9 the Accusation at a hearing at which I would have the right to
10 cross-examine witnesses against me and to present evidence in
11 defense and mitigation of the charges.

12
13 DATED: 05/19/08 

MARIA EUGENIA AVILA
Respondent

14
15 DATED: 05/19/08 

ACR INVESTMENTS INTERNATIONAL, INC.
Respondent

* * *

18 I have reviewed the Stipulation and Agreement as to
19 form and content and have advised my client accordingly.

20
21 DATED: 5/19/08 

DAVID HAMERSLOUGH
Attorney for Respondents

* * *

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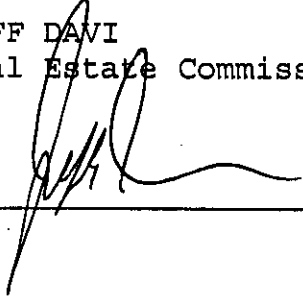
* * *

The foregoing Stipulation and Agreement in Settlement
is hereby adopted by the Real Estate Commissioner as his Decision
and Order and shall become effective at 12 o'clock noon on

JUL - 7 2008

IT IS SO ORDERED 6-11-08

JEFF DAVI
Real Estate Commissioner



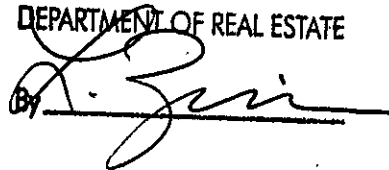
FILED

JUN 14 2008

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

DEPARTMENT OF REAL ESTATE

4 Telephone: (916) 227-0789

By 

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11	In the Matter of the Accusation of	)	No. H-10115 SF
12	ACR INVESTMENTS INTERNATIONAL, INC.,	)	<u>STIPULATION AND AGREEMENT</u>
13	SANFORD LAMAR TULLIS,	)	<u>IN SETTLEMENT AND ORDER</u>
14	MARIA EUGENIA AVILA and	)	<u>AS TO</u>
15	DAVID J. DEWEY,	)	<u>SANFORD LAMAR TULLIS ONLY</u>
	Respondents.)	

16 It is hereby stipulated by and between SANFORD LAMAR
17 TULLIS (hereinafter Respondent "TULLIS") and his attorney of
18 record, David Hamerslough of ROSSI HAMERSLOUGH REISCHL and
19 CHUCK, Attorneys at Law, and the Complainant, acting by and
20 through David B. Seals, Counsel for the Department of Real
21 Estate, as follows for the purpose of settling and disposing of
22 the Accusation as to Respondent TULLIS filed on August 14, 2007,
23 in this matter:

24 1. All issues which were to be contested and all
25 evidence which was to be presented by Complainant and Respondent
26 TULLIS at a formal hearing on the Accusation, which hearing was
27 to be held in accordance with the provisions of the

1 Administrative Procedure Act (APA), shall instead and in place
2 thereof be submitted solely on the basis of the provisions of
3 this Stipulation and Agreement in Settlement.

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

8 3. A Notice of Defense was filed on August 30, 2007
9 by Respondent TULLIS, pursuant to Section 11505 of the
10 Government Code for the purpose of requesting a hearing on the
11 allegations in the Accusation. Respondent TULLIS hereby freely
12 and voluntarily withdraws said Notice of Defense. Respondent
13 TULLIS acknowledges that he understands that by withdrawing said
14 Notice of Defense he will thereby waive his right to require the
15 Commissioner to prove the allegations in the Accusation at a
16 contested hearing held in accordance with the provisions of the
17 APA and that he will waive other rights afforded to him in
18 connection with the hearing such as the right to present
19 evidence in defense of the allegations in the Accusation and the
20 right to cross-examine witnesses.

21 4. This Stipulation is based on the factual
22 allegations contained in the Accusation. In the interests of
23 expedience and economy, Respondent TULLIS chooses not to contest
24 these allegations, but to remain silent and understands that, as
25 a result thereof, these factual allegations, without being
26 admitted or denied, will serve as a prima facie basis for the
27 disciplinary action stipulated to herein. The Real Estate

1 Commissioner shall not be required to provide further evidence
2 to prove said factual allegations.

3 5. It is understood by the parties that the Real
4 Estate Commissioner may adopt the Stipulation and Agreement in
5 Settlement as his decision in this matter thereby imposing the
6 penalty and sanctions on Respondent TULLIS' real estate licenses
7 and license rights as set forth in the below "Order". In the
8 event that the Commissioner in his discretion does not adopt the
9 Stipulation and Agreement in Settlement, it shall be void and of
10 no effect, and Respondent TULLIS shall retain the right to a
11 hearing and proceeding on the Accusation under all the
12 provisions of the APA and shall not be bound by any admission or
13 waiver made herein.

14 6. The Order or any subsequent Order of the Real
15 Estate Commissioner made pursuant to this Stipulation and
16 Agreement in Settlement shall not constitute an estoppel, merger
17 or bar to any further administrative or civil proceedings by the
18 Department of Real Estate with respect to any matters which were
19 not specifically alleged to be causes for accusation in this
20 proceeding.

21 DETERMINATION OF ISSUES

22 I

23 By reason of the foregoing stipulations, admissions
24 and waivers and solely for the purpose of settlement of the
25 pending Accusation without a hearing, it is stipulated and agreed
26 that the facts alleged above are grounds for the suspension or

27 ///

1 revocation of the licenses and license rights of Respondent
2 TULLIS under Section 10177(h) of the Code.

3 ORDER

4 I

5 All licenses and licensing rights of Respondent
6 SANFORD LAMAR TULLIS under the Real Estate Law are revoked;
7 provided, however, a restricted real estate salesperson license
8 shall be issued to Respondent TULLIS pursuant to Section 10156.5
9 of the Business and Professions Code if Respondent TULLIS makes
10 application therefore and pays to the Department of Real Estate
11 the appropriate fee for the restricted license within 90 days
12 from the effective date of this Decision. The restricted license
13 issued to Respondent TULLIS shall be subject to all of the
14 provisions of Section 10156.7 of the Business and Professions
15 Code and to the following limitations, conditions and
16 restrictions imposed under authority of Section 10156.6 of that
17 Code:

18 1. The restricted salesperson license issued to
19 Respondent TULLIS may be suspended prior to hearing by Order of
20 the Real Estate Commissioner in the event of Respondent TULLIS'
21 conviction or plea of nolo contendere to a crime which is
22 substantially related to Respondent TULLIS' fitness or capacity
23 as a real estate licensee.

24 2. The restricted license issued to Respondent TULLIS
25 may be suspended prior to hearing by Order of the Real Estate
26 Commissioner on evidence satisfactory to the Commissioner that
27 Respondent TULLIS has violated provisions of the California Real

1 Estate Law, the Subdivided Lands Law, Regulations of the Real
2 Estate Commissioner or conditions attaching to the restricted
3 license.

4 3. Respondent TULLIS shall not be eligible to apply
5 for the issuance of an unrestricted real estate license nor for
6 the removal of any of the conditions, limitations or
7 restrictions of a restricted license until four (4) years have
8 elapsed from the effective date of this Decision.

9 4. Respondent TULLIS shall submit with any application
10 for license under an employing broker, or any application for
11 transfer to a new employing broker, a statement signed by the
12 prospective employing real estate broker on a form approved by
13 the Department of Real Estate which shall certify:

14 (a) That the employing broker has read the Decision
15 of the Commissioner which granted the right to a
16 restricted license; and

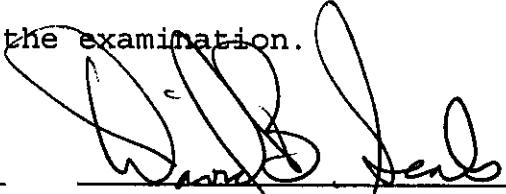
17 (b) That the employing broker will exercise close
18 supervision over the performance by the
19 restricted licensee relating to activities for
20 which a real estate license is required.

21 5. Respondent TULLIS shall, within nine (9) months
22 from the effective date of this Decision, present evidence
23 satisfactory to the Real Estate Commissioner that Respondent
24 TULLIS has, since the most recent issuance of an original or
25 renewal real estate license, taken and successfully completed
26 the continuing education requirements of Article 2.5 of Chapter
27 3 of the Real Estate Law for renewal of a real estate license.

1 If Respondent TULLIS fails to satisfy this condition, the
2 Commissioner may order the suspension of the restricted license
3 until Respondent TULLIS presents such evidence. The Commissioner
4 shall afford Respondent TULLIS the opportunity for a hearing
5 pursuant to the Administrative Procedure Act to present such
6 evidence.

7 6. Respondent TULLIS shall, within six (6) months from
8 the effective date of this Decision, take and pass the
9 Professional Responsibility Examination administered by the
10 Department including the payment of the appropriate examination
11 fee. If Respondent fails to satisfy this condition, the
12 Commissioner may order suspension of Respondent TULLIS' license
13 until Respondent TULLIS passes the examination.

14
15 DATED: May 29, 2008


16 DAVID B. SEALS, Counsel
DEPARTMENT OF REAL ESTATE

17 * * *

18 I have read the Stipulation and Agreement, have
19 discussed it with my counsel, and its terms are understood by me
20 and are agreeable and acceptable to me. I understand that I am
21 waiving rights given to me by the California Administrative
22 Procedure Act (including but not limited to Sections 11506,
23 11508, 11509, and 11513 of the Government Code), and I willingly,
24 intelligently, and voluntarily waive those rights, including the
25 right of requiring the Commissioner to prove the allegations in
26 the Accusation at a hearing at which I would have the right to

27 ///

1 cross-examine witnesses against me and to present evidence in
2 defense and mitigation of the charges.

3
4 DATED: 8/19/08 *Sanford Lamar Tullis*
5 SANFORD LAMAR TULLIS
6 Respondent

7 * * *

8 I have reviewed the Stipulation and Agreement as to
9 form and content and have advised my client accordingly.

10 DATED: 5/19/08 *D. Hamerslough*
11 DAVID HAMERSLOUGH
12 Attorney for Respondent

13 The foregoing Stipulation and Agreement in Settlement
14 is hereby adopted by the Real Estate Commissioner as his Decision
15 and Order and shall become effective at 12 o'clock noon on
16 JUL - 7 2008

17 IT IS SO ORDERED _____, 2008.
18 *Jeff Davi*
19 JEFF DAVI
20 Real Estate Commissioner

FILED

APR 24 2008

DEPARTMENT OF REAL ESTATE

By [Signature]

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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	No. H-10115 SF
ACR INVESTMENT INTERNATIONAL, INC.,)	
SANFORD LAMAR TULLIS,)	
MARIA EUGENIA AVILA, and)	
DAVID J. DEWEY,)	
Respondents.)	

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSE

On August 14, 2007, an Accusation was filed in this matter against Respondent DAVID J. DEWEY.

On March 27, 2008, Respondent DAVID J. DEWEY petitioned the Commissioner to voluntarily surrender his real estate broker license pursuant to Section 10100.2 of the Business and Professions Code.

IT IS HEREBY ORDERED that Respondent DAVID J. DEWEY's petition for voluntary surrender of his real estate broker license is accepted as of the effective date of this Order as set forth below, based upon the understanding and agreement expressed in the Declaration executed by Respondent DAVID J. DEWEY on March 27, 2008 (attached as Exhibit "A" hereto).

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Respondent DAVID J. DEWEY's license certificate and pocket card shall be sent to the below-listed address so that they reach the Department on or before the effective date of this Order:

DEPARTMENT OF REAL ESTATE
Attention: Licensing Flag Section
P. O. Box 187000
Sacramento, CA 95818-7000

This Order shall become effective at 12 o'clock
MAY 15 2008
noon on

DATED: 4-18-08

JEFF DAVI
Real Estate Commissioner



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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of

No. H-10115 SF

ACR INVESTMENT INTERNATIONAL, INC.,
SANFORD LAMAR TULLIS,
MARIA EUGENIA AVILA, and
DAVID J. DEWEY,

Respondents.

DECLARATION

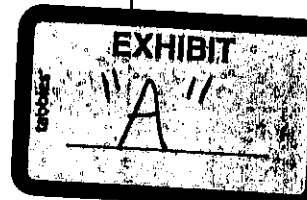
My name is DAVID J. DEWEY, and I am currently licensed as a real estate broker and/or have license rights with respect to said license. I am represented by attorney Edalina Mendonca for the purpose of obtaining a voluntary surrender of my real estate broker license.

In lieu of proceeding in this matter in accordance with the provisions of the Administrative Procedure Act (Sections 11400 et seq., of the Business and Professions Code), I wish to voluntarily surrender my real estate license(s)

RECEIVED TIME MAR. 25. 2:25PM

RECEIVED TIME MAR. 28. 7:35AM

PRINT TIME MAR. 28. 7:37AM



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1 issued by the Department of Real Estate ("Department"),
2 pursuant to Business and Professions Code Section 10100.2.

3 I understand that by so voluntarily surrendering my
4 license(s), I may be relicensed as a broker or as a salesperson
5 only by petitioning for reinstatement pursuant to Section 11522
6 of the Government Code. I also understand that by so
7 voluntarily surrendering my license(s), I agree to the
8 following:

9 1. The filing of this Declaration shall be deemed as
10 my petition for voluntary surrender.

11 2. It shall also be deemed to be an understanding
12 and agreement by me that I waive all rights I have to require
13 the Commissioner to prove the allegations contained in the
14 Accusation filed in this matter at a hearing held in accordance
15 with the provisions of the Administrative Procedure Act
16 (Government Code Sections 11400 et seq.), and that I also waive
17 other rights afforded to me in connection with the hearing such
18 as the right to discovery, the right to present evidence in
19 defense of the allegations in the Accusation and the right to
20 cross-examine witnesses.

21 3. I further agree that upon acceptance by the
22 Commissioner, as evidenced by an appropriate order, all
23 affidavits and all relevant evidence obtained by the Department
24 in this matter prior to the Commissioner's acceptance, and all
25 allegations contained in the Accusation filed in the Department
26 Case No. H-10115 SF, may be considered by the Department to be
27 true and correct for the purpose of deciding whether to grant

- 2 -

RECEIVED TIME MAR. 25. 2:25PM

RECEIVED TIME MAR. 28. 7:35AM

PRINT TIME MAR. 28. 7:37AM

9162279458

1 relicensure or reinstatement pursuant to Government Code Section
2 11522.

3 4. I freely and voluntarily surrender all my licenses
4 and license rights under the Real Estate Law.

5 I declare under penalty of perjury under the laws of
6 the State of California that the above is true and correct and
7 that this declaration was executed March 27, 2008, at
8 Modesto, California.

9
10 
11 DAVID J. DEWEY

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1 DAVID B. SEALS, Counsel (SBN 69378)
2 Department of Real Estate
3 P. O. Box 187007
4 Sacramento, CA 95818-7007

5 Telephone: (916) 227-0789
6 -or- (916) 227-0792 (Direct)

FILED
AUG 14 2007

DEPARTMENT OF REAL ESTATE

By Jean Aronch

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of) No. H-10115 SF
12 ACR INVESTMENTS INTERNATIONAL, INC,) ACCUSATION
13 SANFORD LAMAR TULLIS, MARIA)
14 EUGENIA AVILA, and DAVID J. DEWEY,)
15 Respondents.)

16 The Complainant, Charles W. Koenig, a Deputy Real
17 Estate Commissioner of the State of California for cause of
18 Accusation against ACR INVESTMENTS INTERNATIONAL, INC.
19 (hereinafter "Respondent ARC"), SANFORD LAMAR TULLIS (hereinafter
20 "Respondent TULLIS"), MARIA EUGENIA AVILA (hereinafter
21 "Respondent AVILA") and DAVID J. DEWEY (hereinafter "Respondent
22 DEWEY"), is informed and alleges as follows:

23 I

24 The Complainant, Charles W. Koenig, a Deputy Real
25 Estate Commissioner of the State of California, makes this
26 Accusation in his official capacity.

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II

Respondent ARC is presently licensed and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the California Business and Professions Code (hereinafter the "Code") as a corporate real estate broker dba The Mortgage Company, Mundo Realty, Rancho Grande Financial, Rancho Grande Real Estate, and Realty World Rancho Grande.

III

Respondent TULLIS is presently licensed and/or has license rights under the Code as a real estate broker and as the designated officer of Respondent ARC.

IV

Respondent AVILA is presently licensed and/or has license rights under the Code as a real estate salesperson and at all times mentioned herein was in the employ of Respondent ARC..

V

Respondent DEWEY is presently licensed and/or has license rights under the Code as a real estate broker. However, at all times mentioned herein Respondent DEWEY was licensed as a real estate salesperson in the employ of Respondent ARC.

VI

On or about November 5, 2005, Alberto and Rosa Ramirez (hereinafter the "Ramirez'") had a meeting with Respondent AVILA, employed by Respondent ACR dba Rancho Grande Real Estate, to discuss her assisting them in purchasing a home in Watsonville.

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1 VII

2 Prior to meeting with Respondent AVILA the Ramirez',
3 who were both employed as strawberry pickers earning about \$300 a
4 week each and who both did not speak or read English, decided to
5 pool their resources with Jesus Martinez and his wife
6 (hereinafter the "Martinez'"), who were both employed at a
7 mushroom farm each making about \$500 per week, to share in the
8 purchase and occupancy of a home.

9 VIII

10 On or about November 5, 2005, the Ramirez' and Jesus
11 Martinez discussed with Respondent AVILA their occupations,
12 incomes and that they determined that they could afford to make
13 monthly payments of about \$3,000 on the home.

14 IX

15 At the meeting discussed in Paragraph VIII above,
16 Respondent AVILA advised the Ramirez' and Jesus Martinez that the
17 homes in Hollister were more appropriate for their needs and
18 income and suggested that they look at homes in that area.

19 X

20 On or about November 10, 2005, Respondent AVILA took
21 the Ramirez' and Jesus Martinez to view 960 Central Avenue
22 (hereinafter the "Property"), a home in Hollister on which she
23 had a listing for \$705,000.

24 XI

25 The Ramirez' and Jesus Martinez informed Respondent
26 AVILA that they liked the Property but that they only had about
27 \$3,000 per month to pay for it. Respondent AVILA told them that

1 even though the monthly payments would start at about \$4,800 they
2 wouldn't have to worry because the seller would contribute
3 \$20,000 for closing costs and they could refinance the Property
4 at a lower payment they could afford.

5 XII

6 As a result of the discussion in Paragraph XI, the
7 Ramirez' and Martinez' asked Respondent to write an offer on the
8 Property.

9 XIII

10 On or about November 10, 2005, Alberto Ramirez, as the
11 buyer, signed a PRDS REAL ESTATE PURCHASE CONTRACT (hereinafter
12 the "Contract") prepared by Respondent AVILA for the purchase of
13 the Property.

14 XIV

15 On or about November 27, 2005, Alejandro and Lizbeth
16 Munoz (hereinafter the "Sellers") accepted the Contract.

17 XV

18 The Contract provided, in pertinent part, that the
19 purchase price was \$720,000 with a deposit of \$5,000 to "... be
20 deposited in Escrow Holder's account ... on or before 3 ... days from
21 mutual execution (Acceptance") of this Contract." It also
22 provided for a \$67,000 balance of the down payment to be
23 deposited in time for the escrow to close with the balance of the
24 purchase price to be in the form of a loan for \$648,000. The
25 Contract further provided, "... 2. SOURCE OF FUNDS: Buyer
26 represents that the funds required for the initial deposit,
27 additional deposit, cash balance, and closing costs are readily

1 available. Obtaining these funds is not a contingency of this
2 Contract."

3 XVI

4 At the time Respondent AVILA prepared the Contract she
5 knew that neither the Ramirez' nor the Martinez' had the initial
6 deposit nor the \$67,000 balance required by the Contract and thus
7 misrepresented such facts to the Seller.

8 XVII

9 Between November 5, 2005 and December 5, 2005,
10 Respondent DEWEY, while in the employ of Respondent ACR dba The
11 Mortgage Company, prepared a Uniform Residential Loan Application
12 on behalf of Alberto Ramirez which indicated, among other things
13 that his base employment income was \$8,750 per month as a self-
14 employed person at Farm Management, 241 Ford Street, Watsonville,
15 CA 95076 and that he had other income from soil testing of \$4,950
16 per month at the same address. The residence address of the
17 Ramirez' at that time was 241 Ford Street. The ethnicity of the
18 borrower was indicated as "Not Hispanic or Latino".

19 XVIII

20 The representations on the Uniform Residential Loan
21 Application discussed in Paragraph XVII were false and
22 Respondents DEWEY and AVILA knew them to be false but had Alberto
23 Ramirez sign the application even though he could not read the
24 application, because it was in English, and was not aware of what
25 the consequences were of his signing the application.

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27 ///

1 XIX

2 Escrow on the Property closed on or about December 14,
3 2005. However, neither the Ramirez' nor the Martinez' placed a
4 \$5,000 deposit into escrow as required by the Contract. Neither
5 put \$67,000 as a down payment prior to close of escrow. The only
6 money that the Ramirez' and Martinez' put into escrow was
7 \$134.79. There were two loans to finance the property from New
8 Century Mortgage Company. The 1st was an adjustable rate mortgage
9 (ARM) for \$576,000 at 7.45% (\$3,769.23 per month) for two years
10 with a cap of 14.45% for 30 years with a balloon payment at the
11 end and a 2nd loan for \$144,000 at 12.25% for 30 years (\$1,508.98
12 per month). The total initial monthly house payment was
13 \$5,278.21.

14 XX

15 During the months from February 2006 through November
16 2006 Respondent wrote checks to Alberto Ramirez totaling over
17 \$22,000. However, the Ramirez' and the Martinez' have still not
18 been able to meet their monthly mortgage payments. Nor have they
19 been able to refinance the loans to make their payments come
20 within their budget.

21 XXI

22 At no time mentioned did the Ramirez' and/or the
23 Martinez' have sufficient income to make the payments on the
24 loans obtained for them by Respondents AVILA, DEWEY, and ACR.

25 XXII

26 Respondents AVILA and DEWEY knew or should have known
27 that their misrepresentations as discussed herein above would

1 result in the placing the Ramirez' and Martinez' in the position
2 of losing their home and the money they have put into it.

3 XXIII

4 Respondent ACR through Rancho Grande Real Estate
5 received \$32,400 in commissions at close of escrow on the
6 Property of which Respondent AVILA received \$31,950. Respondent
7 ACR also received \$4,873.45 at close of escrow of which
8 Respondent DEWEY received \$3,132.80.

9 XXIV

10 Respondent ARC maintained a website using the name RG
11 Brokers. However, Respondent ARC does not have a license from the
12 Department bearing such fictitious name in violation of Section
13 10159.5 of the Code and Section 2731, Title 10, California Code
14 of Regulations (hereinafter the "Regulations").

15 XXV

16 At all times mentioned herein, Respondent TULLIS failed
17 to exercise reasonable supervision over the activities of
18 Respondent ACR and its employees, and permitted, ratified and/or
19 caused the conduct described above. Respondent TULLIS failed to
20 reasonably or adequately review, oversee, inspect and manage the
21 persons under the employ of Respondent ARC and/or to establish
22 reasonable policies, rules, procedures and systems for such
23 review, oversight, inspection and management.

24 XXVI

25 The acts and/or omissions of Respondents described
26 above are grounds for the suspension or revocation of
27 Respondents' licenses and license rights as follows:

- 1 (1) as to Respondents AVILA and DEWEY under Sections
2 10176(a), (b), (c), and (i) and/or Section
3 10177(g) of the Code;
- 4 (2) as to Respondent ACR under Sections 10159.5,
5 10176(a), (b), (c), and (i) and/or Section
6 10177(g) of the Code and Section 2731 of the
7 Regulations in conjunction with Section 10177(d)
8 of the Code; and
- 9 (3) as to Respondent TULLIS under Section 10177(h) of
10 the Code and Section 2725 of the Regulations in
11 conjunction with Section 10177(d) of the Code.

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

19
20
21 
22 CHARLES W. KOENIG
23 Deputy Real Estate Commissioner

24 Dated at Oakland, California,
25 this 14th day of August, 2007.
26
27