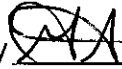


FILED

December 12, 2011

1 DEPARTMENT OF REAL ESTATE
2 P. O. Box 187007
3 Sacramento, CA 95818-7007
4 Telephone: (916) 227-0789

DEPARTMENT OF REAL ESTATE

By 

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)
12)
13 MARIPOSA MORTGAGE, INC., a California)
14 Corporation, VISION QUEST 21, INC., a)
15 California Corporation, BIC D. PHO, MILTON C.)
16 McLAURIN, NATRIAN BERNARD MAXWELL,)
17 MARK DWELLE, FELIPE ARTURO NERI,)
18 JULISSA I. GILL, GERALDINE KATHLEEN)
19 NUNEZ, GLORIA M. ALVAREZ, RUTH MABEL)
20 MEJORADO, ROBERT PAUL ATENCIO, JR.,)
21 ROBERT WARDEN, ROBERT SEAN VILLEGAS,)
EDDIE BURNIAS, PETER G. SANCHEZ,)
MINERVA SANCHEZ, RUSHAWN T. JONES,)
and JOHN TRUNG NGUYEN,)
Respondents.)

DRE NO. H-11208 SF

BAR ORDER
(B&P Code § 10087)

22 TO: BIC D. PHO (hereinafter "Respondent PHO"), MARIPOSA MORTGAGE,
23 INC., (hereinafter "Respondent MMI") and VISION QUEST 21, INC.,
24 (hereinafter Respondent VQ 21"), (hereinafter collectively "Respondents").

25 Pursuant to Section 10087(b) of the California Business and Professions Code
26 (hereinafter "the Code"), you, Respondents failed to request a hearing in writing within fifteen
27 (15) days of service of the *Notice of Preliminary Bar Order and Intention to Issue Final Bar*

1 Order filed and served upon Respondents on August 30, 2011. Pursuant to the authority granted
2 the Commissioner under Section 10087 of the Code. After review and consideration of the
3 relevant facts herein the Commissioner of the Department of Real Estate (hereinafter
4 "Commissioner") makes the following Findings of Facts and Conclusions of Law and issues the
5 following Final Bar Order against Respondents.

6 **FINDINGS OF FACT**

7 1. Respondents were the subject of numerous investigations, including
8 Investigative Case No. 406-0428-005, and the filing of an Accusation under Department of Real
9 Estate Case No. H-10082 SF on July 20, 2007. A First Amended Accusation was filed and
10 served upon Respondents on June 2, 2008.

11 2. The First Amended Accusation alleged that Respondents MMI, and VQ
12 21, had engaged in a repeated pattern of fraudulent mortgage brokering practices, including
13 misrepresentations made to lenders to induce the funding of loans secured by real property.
14 Respondents MMI, and VQ 21, submitted loan applications to lenders that: falsely alleged that
15 the real property securing such loans would serve as the borrower's primary residence; falsely
16 inflated borrowers' incomes; falsified borrowers' occupations or employment; failed to disclose
17 that the purported borrowers were simultaneously purchasing other real properties; and, that
18 failed to disclose that the purported borrowers were incurring additional mortgage debt to
19 finance the other simultaneous purchases of real property. Respondent VQ 21, failed to retain
20 for three years copies of all listings, deposit receipts, canceled checks, trust fund records and
21 other documents executed or obtained by it in connection for which a real estate broker license
22 is required and failed to make such records available to the designated representative of the
23 Commissioner after notice. Respondent MMI, failed to maintain a record of trust funds
24 received and disbursed; failed to maintain a separate record for each beneficiary for trust funds
25 received and disbursed; failed to reconcile once each month the separate beneficiary records
26 with the record of all trust funds held by Respondent; and, failed to place trust funds into the
27 hands of its principal, into a neutral escrow depository, or into a trust account held in the name

1 of the broker as trustee. Respondent MMI, failed to provide to borrowers mortgage loan
2 disclosure statements containing all of the information required under Sections 10236.4, 10240
3 and 10241 of the Code.

4 3. The First Amended Accusation alleged that Respondent PHO, while
5 acting as the designated broker/officer for Respondents MMI, and VQ 21, failed to exercise
6 reasonable supervision over the activities of Respondents MMI, and VQ 21, such that the
7 fraudulent activities, failure to maintain records, trust fund handling violations, and mortgage
8 loan disclosure violations set forth above were allowed to occur.

9 4. On May 26, 2011, a hearing was held before the Office of Administrative
10 Hearings in Oakland, California, under OAH Case No. 2011010737, wherein the testimony of
11 witnesses and documentary evidence of fraudulent lending practices, failures to retain records,
12 trust fund handling violations, and of Respondent PHO's failure to supervise was presented and
13 introduced into the evidentiary record.

14 5. On or about August 1, 2011, after the hearing before the Office of
15 Administrative Hearings, the Commissioner signed the Order adopting the Decision of the
16 Administrative Law Judge revoking the real estate licenses and licensing rights of Respondents
17 BIC D. PHO, MARIPOSA MORTGAGE, INC., and VISION QUEST 21, INC. The Order
18 revoking the real estate licenses and licensing rights of Respondents became effective on August
19 22, 2011.

20 6. On or about August 30, 2011, the Commissioner issued and served upon
21 Respondent PHO by certified mail, return receipt request, a *Notice of Preliminary Bar Order*
22 *and Intention to Issue Final Bar Order* which immediately prohibited Respondent PHO from
23 engaging in any business activity involving real estate that is subject to regulations under the
24 real estate law. Respondent PHO was directed to submit a written request for a hearing on the
25 bar order within fifteen (15) days after the mailing or service of the Preliminary Bar Order. The
26 Preliminary Bar Order further informed Respondent that should he or his corporate entities,
27 Respondents MMI, and VQ 21, fail to request a hearing in writing within the 15-day period he

1 and they waived his and their right to a hearing and the Commissioner would issue a final bar
2 order.

3 7. Respondent PHO failed to file, on behalf of himself or on behalf of his
4 corporations, a written notice, or any notice at all, requesting a hearing on the bar orders within
5 the 15-day period required under the statute.

6 CONCLUSIONS OF LAW

7 Based on the findings set forth above, the Commissioner has determined that:

8 1. Respondents failed to request a hearing within fifteen (15) days of service
9 of the *Notice of Preliminary Bar Order and Intention to Issue Final Bar Order*.

10 2. Thus, the Commissioner is required to issue a final bar order against
11 Respondents;

12 3. Effective August 22, 2011, the real estate licenses and licensing rights of
13 BIC D. PHO, MARIPOSA MORTGAGE, INC., and VISION QUEST 21, INC., were revoked.

14 4. A Bar Order is in the public interest;

15 5. Respondents knowingly committed violations of the Real Estate Law; and

16 6. Respondents' violations of the Real Estate Law have caused material
17 damage to the public.

18 FINAL BAR ORDER

19 NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to the authority of
20 Section 10087 of the Code, that BIC D. PHO, MARIPOSA MORTGAGE, INC., and VISION
21 QUEST 21, INC., are hereby barred and prohibited from engaging in any of the following
22 activities in the State of California for a period of thirty-six (36) months from the effective date
23 of this Bar Order:

24 (A) Holding any position of employment, management, or control in a real
25 estate business;

26 (B) Participating in any business activity of a real estate salesperson or a real
27 estate broker;

- 1 (C) Engaging in any real estate related business activity on the premises
2 where a real estate salesperson or real estate broker is conducting
3 business; and participating in any real estate related business activity of a
4 finance lender; residential mortgage lender, bank, credit union, escrow
5 company, title company, or underwritten title company; and
6 (D) Engaging in any business activity involving real estate that is subject to
7 regulation under the Real Estate Law [Business and Professions Code
8 §§ 10000 et seq. and §§ 11000 et seq.].
9

10 THIS BAR ORDER IS EFFECTIVE IMMEDIATELY.
11

12 IT IS SO ORDERED 12/7/11
13

14 
15 BARBARA J. BIGBY
16 Acting Real Estate Commissioner

17 NOTICE

18 Pursuant to Section 10185 of the Business and Professions Code:

19 Any person, including officers, directors, agents or employees of corporations, who willfully
20 violates or knowingly participates in the violation of this (Bar Order) shall be guilty of a
21 misdemeanor punishable by a fine not exceeding ten thousand dollars (\$10,000), or by
22 imprisonment in the county jail not exceeding six months, or by a fine and imprisonment.¹

23 ¹Business and Professions Code Section 10087: (a) In addition to acting pursuant to the authority provided
24 under Sections 10086, 10176, and 10177, the commissioner may, after appropriate notice and opportunity
25 for a hearing, by order, suspend, or bar from any position of employment, management, or control, for a
26 period not exceeding 36 months, a real estate salesperson or real estate broker, or an unlicensed person
27 issued an order under Section 10086, if the commissioner finds either of the following:

(1) That the suspension or bar is in the public interest and that the person has committed or caused a
violation of this division or rule or order of the commissioner, which violation was either known or should
have been known by the person committing or causing it or has caused material damage to the public.

(2) That the person has been convicted of or pleaded nolo contendere to any crime, or has been held liable in
any civil action by final judgment, or any administrative judgment by any public agency, if that crime or civil
or administrative judgment involved any offense involving dishonesty, fraud, or deceit, or any other offense
reasonably related to the qualifications, functions, or duties of a person engaged in the real estate business in
accordance with the provisions of this division.

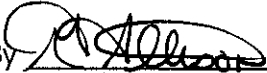
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1 DEPARTMENT OF REAL ESTATE
2 P. O. Box 187007
3 Sacramento, CA 95818-7007

August 30, 2011

4 Telephone: (916) 227-0789

DEPARTMENT OF REAL ESTATE

BY  _____

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11	In the Matter of the Accusation of)	NO. H-11208 SF
12	MARIPOSA MORTGAGE, INC., a California)	
13	Corporation, VISION QUEST 21, INC., a)	<u>PRELIMINARY BAR ORDER</u>
14	California corporation, BIC D. PHO, MILTON C.)	<u>AND NOTICE OF INTENTION TO</u>
15	McLAURIN, NATRIAN BERNARD MAXWELL,)	<u>ISSUE FINAL BAR ORDER</u>
16	MARK DWELLE, FELIPE ARTURO NERI,)	(B&P Code § 10087)
17	JULISSA I. GILL, GERALDINE KATHLEEN)	
18	NUNEZ, GLORIA M. ALVAREZ, RUTH MABEL)	
19	MEJORADO, ROBERT PAUL ATENCIO, JR.,)	
20	ROBERT WARDEN, ROBERT SEAN VILLEGAS,)	
21	EDDIE BURNIAS, PETER G. SANCHEZ,)	
22	MINERVA SANCHEZ, RUSHAWN T. JONES,)	
23	and JOHN TRUNG NGUYEN,)	
24)	
25	Respondents.)	
26)	

22 TO: BIC D. PHO, MARIPOSA MORTGAGE, INC., and VISION QUEST 21, INC.

24 Pursuant to Section 10087(b) of the California Business and Professions Code¹
25 (hereinafter "the Code"), you, Respondent, are hereby notified of the intention of the California
26 Real Estate Commissioner (hereinafter "Commissioner") to issue a Bar Order pursuant to
27 Section 10087(a) of the California Business and Professions Code based upon the administrative

1 judgment effective August 22, 2011, in Department of Real Estate Case No. H-10082 SF and
2 Office of Administrative Hearings Case No. 2011010737 finding Respondents committed
3 offenses reasonably related to the qualifications, functions, or duties of a person engaged in the
4 real estate business in accordance with Division 4 of the California Business and Professions
5 Code that involved dishonesty, fraud and deceit.

6 Please take notice that the Commissioner seeks to bar and prohibit BIC D. PHO,
7 MARIPOSA MORTGAGE, INC., and VISION QUEST 21, INC. for a period of thirty-six (36)
8 months from the effective date of the Bar Order from engaging in any of the following activities
9 in the State of California:

- 10 (A) Holding any position of employment, management, or control in a real
11 estate business;
- 12 (B) Participating in any business activity of a real estate salesperson or a real
13 estate broker;
- 14 (C) Engaging in any real estate related business activity on the premises
15 where a real estate salesperson or real estate broker is conducting
16 business; and,
- 17 (D) Participating in any real estate related business activity of a finance
18 lender, residential mortgage lender, bank, credit union, escrow company,
19 title company, or underwritten title company.

20 **YOU ARE IMMEDIATELY PROHIBITED FROM ENGAGING IN ANY BUSINESS**
21 **ACTIVITY INVOLVING REAL ESTATE THAT IS SUBJECT TO REGULATIONS**
22 **UNDER THE REAL ESTATE LAW.**

23 - - -

24 **NOTICE OF RIGHT AND OPPORTUNITY FOR A HEARING**

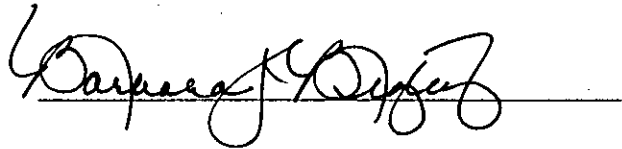
25 Pursuant to Section 10087 of the California Business and Professions Code, you
26 have the right to request a hearing under the California Administrative Procedure Act (Chapter
27 4.5 – commencing with Section 11400 of the Government Code). If you desire a hearing, you

1 must submit a written request within fifteen (15) days after the mailing or service of this
2 "Preliminary Bar Order and Notice of Intention to Issue Final Bar Order." The request may be
3 in any form provided it is in writing; includes your current return address; indicates that you
4 want a hearing; is signed by you or on your behalf; and is mailed to the Department of Real
5 Estate, P. O. Box 187007, Sacramento, California 95818-7007, attention: Legal Section; or,
6 delivered personally to the offices of the Department of Real Estate, 2201 Broadway,
7 Sacramento, California.

8 If no hearing is requested within said fifteen (15) day time period, your failure to
9 request a hearing shall constitute a waiver of the right to a hearing.

10 It is so ordered this 29th day of August, 2011.

11
12 BARBARA J. BIGBY
13 Acting Real Estate Commissioner

14 
15

16
17 **NOTICE**

18 **Pursuant to Section 10185 of the Business and Professions Code: Any person, including**
19 **officers, directors, agents or employees of corporations, who willfully violates or**
20 **knowingly participates in the violation of this (Bar Order) shall be guilty of a**
21 **misdemeanor punishable by a fine not exceeding ten thousand dollars (\$10,000), or by**
22 **imprisonment in the county jail not exceeding six months, or by a fine and imprisonment.**

23 ¹Business and Professions Code Section 10087: (a) In addition to acting pursuant to the authority provided
24 under Sections 10086, 10176, and 10177, the commissioner may, after appropriate notice and opportunity for a
25 hearing, by order, suspend, or bar from any position of employment, management, or control, for a period not
26 exceeding 36 months, a real estate salesperson or real estate broker, or an unlicensed person issued an order
27 under Section 10086, if the commissioner finds either of the following:

(1) That the suspension or bar is in the public interest and that the person has committed or caused a
violation of this division or rule or order of the commissioner, which violation was either known or should
have been known by the person committing or causing it or has caused material damage to the public.

(2) That the person has been convicted of or pleaded nolo contendere to any crime, or has been held liable
in any civil action by final judgment, or any administrative judgment by any public agency, if that crime or
civil or administrative judgment involved any offense involving dishonesty, fraud, or deceit, or any other
offense reasonably related to the qualifications, functions, or duties of a person engaged in the real estate
business in accordance with the provisions of this division.