

1 sufficient rehabilitation to warrant the reinstatement of
2 Respondent's real estate broker license.

3 Respondent participated in the submission of a
4 falsified loan application. That application showed an inflated
5 income level for the borrower and enabled the borrower to qualify
6 for and obtain a purchase money loan for which the borrower would
7 otherwise not be qualified. Subsequently, the borrower was
8 unable to make the loan payments and lost the property encumbered
9 by the loan in a foreclosure proceeding. The borrower lost the
10 value of her deposit and the payments made to purchase the
11 property. Respondent has not made any restitution in this
12 matter.

13 Restitution in disciplinary matters is a rehabilitative
14 device analogous to fines or penalties and not the repayment of a
15 debt. The case of Brookman v. State Bar (1988), 46 Cal. 3d 1004,
16 1009, citing Kelly v. Robinson (1986), 479 U.S. 36, holds that
17 "nothing in the Bankruptcy Act, or the cases interpreting that
18 act, prevents imposition of restitution as a condition of
19 probation in an attorney disciplinary matter--even if the
20 underlying subject of the restitution has previously been
21 discharged in bankruptcy, and thus cannot be collected as a debt
22 as such." The Brookman court concluded that requiring
23 restitution of \$48,900 as a condition of probation and the right
24 to practice law was permissible under the federal bankruptcy law.

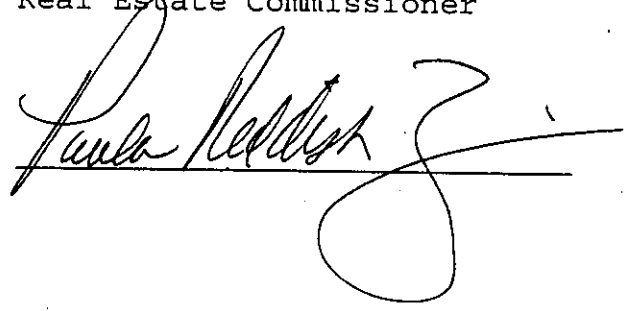
25 Respondent's failure to make restitution constitutes a
26 lack of compliance with Section 2911 (b), Title 10, California
27 Code of Regulations.

1 NOW, THEREFORE, IT IS ORDERED that Respondent's
2 petition for reinstatement of his real estate broker license is
3 denied.

4 This Order shall become effective at 12 o'clock
5 noon on February 7, 2001.

6 DATED: November 20, 2000

7 PAULA REDDISH ZINNEMANN
8 Real Estate Commissioner

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1 Department of Real Estate
107 South Broadway, Room 8107
2 Los Angeles, California 90012
3 Telephone: (213) 897-3937
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FILED
MAY 24 1995
DEPARTMENT OF REAL ESTATE

By C. Song

8 DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * * * *

11 In the Matter of the Accusation of)
12) No. H-25745 LA
13 DAVID IRA GREENHOLTZ and)
MICHAEL GRANVILLE, individually) L-63292
14 and dba Western Express Funding,)
and dba Western Express Mortgage,)
15 Respondents.)

16 STIPULATION AND AGREEMENT IN SETTLEMENT AND ORDER

17 It is hereby stipulated by and between Respondent DAVID
18 IRA GREENHOLTZ (hereinafter "Respondent") represented by Calvin E.
19 Davis, Esq., and the Complainant acting by and through Christopher
20 K.D. Leong, Counsel for the Department of Real Estate, as follows
21 for the purpose of settling and disposing of the Accusation filed
22 on March 15, 1994, in this matter (hereinafter "the Accusation"):

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

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

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

7 C. On March 29, 1994, Respondent filed a Notice of
8 Defense pursuant to Section 11505 of the Government Code for the
9 purpose of requesting a hearing on the allegations in the
10 Accusation. Respondent hereby freely and voluntarily withdraws
11 said Notice of Defense. Respondent acknowledges that he
12 understands that by withdrawing said Notice of Defense, Respondent
13 will thereby waive his right to require the Commissioner to prove
14 the allegations in the Accusation at a contested hearing held in
15 accordance with the provisions of the APA and that Respondent will
16 waive other rights afforded to him in connection with the hearing,
17 such as the right to present evidence in defense of the allegations
18 in the Accusation and the right to cross-examine witnesses.

19 D. Respondent agrees that the allegations in Paragraphs
20 1 through 17, inclusive, of the Accusation can be the basis of this
21 Stipulation and Agreement in Settlement and Order and that the Real
22 Estate Commissioner shall not be required to provide further
23 evidence of such allegations.

24 E. It is understood by the parties that the Real Estate
25 Commissioner may adopt the Stipulation and Agreement in Settlement
26 and Order as his decision in this matter thereby imposing the
27 penalty and sanctions on Respondent's real estate license and

1 license rights as set forth in the "Order" below. In the event
2 that the Commissioner in his discretion does not adopt the
3 Stipulation and Agreement in Settlement and Order, the Stipulation
4 and Agreement in Settlement and Order shall be void and of no
5 effect, and Respondent shall retain the right to a hearing and
6 proceeding on the Accusation under all the provisions of the APA
7 and shall not be bound by any admission or waiver made herein.

8 DETERMINATION OF ISSUES

9 By reason of the foregoing stipulations, admissions and
10 waivers and solely for the purpose of settlement of the pending
11 Accusation without a hearing, it is stipulated and agreed that the
12 following determination of Issues shall be made:

13 The acts and omissions of Respondent, described in
14 Paragraphs 1 through 17, of the Accusation, are cause for the
15 suspension or revocation of all real estate licenses and license
16 rights of Respondent under the provisions of Section 10176(i) of
17 the Code.

18 ORDER

19 WHEREFORE, THE FOLLOWING ORDER is hereby made:

20 A. The license and license rights of Respondent under
21 the provisions of Part 1 of Division 4 of the Business and
22 Professions Code are hereby revoked commencing on the effective
23 date of the Decision entered herein.

24 1. However, Respondent shall be entitled to apply for
25 and be issued a restricted real estate broker license pursuant to
26 Section 10156.5 of the Code if Respondent makes application
27 therefore and pays to the Department the appropriate fee for said

1 license within one year from the effective date of the Decision
2 herein.

3 2. The restricted license issued to Respondent shall be
4 subject to all of the provisions of Section 10156.7 of the Business
5 and Professions Code and to the following limitations, conditions,
6 and restrictions imposed under authority of Section 10156.6 of the
7 Code.

8 3. The restricted license may be suspended prior to
9 hearing by Order of the Real Estate Commissioner in the event of
10 Respondent's conviction or plea of nolo contendere to a crime which
11 bears a significant relationship to Respondent's fitness or
12 capacity as a real estate licensee.

13 4. The restricted license may be suspended, prior to and
14 pending final determination after formal hearing by Order of the
15 Real Estate Commissioner based upon evidence satisfactory to the
16 Commissioner that Respondent has, subsequent to the date hereof,
17 violated provisions of the California Real Estate Law, the
18 Subdivided Lands Law, Regulations of the Real Estate Commissioner
19 or conditions attaching to this restricted license.

20 5. Respondent shall not be eligible to apply for the
21 issuance of an unrestricted real estate license nor the removal of
22 any of the conditions, limitations or restrictions of the
23 restricted license until at least one year has elapsed from the
24 date of this Order.

25 6. Respondent shall obey all laws of the United States,
26 the State of California and its political subdivisions, and shall
27

1 further obey and comply with all rules and regulations of the Real
2 Estate Commissioner.

3 7. Respondent shall not act as the designated broker of
4 Los Angeles Federal Mortgage Corporation while he has a restricted
5 real estate broker license.

6 8. The restricted license and license rights of
7 Respondent, under the provisions of Part 1 of Division 4 of the
8 Business and Professions Code, are hereby suspended for a period of
9 six (6) months commencing on the effective date of any new
10 restricted real estate broker license issued.

11 9. Respondent shall, within six months from the
12 effective date of the restricted license, take and pass the
13 Professional Responsibility Examination administered by the
14 Department including the payment of the appropriate examination
15 fee. If Respondent fails to satisfy this condition, the
16 Commissioner may order suspension of the restricted license until
17 Respondent passes the examination.


18 10. Respondent shall, within 12 months from the
19 effective date of the Decision, present evidence satisfactory to
20 the Real Estate Commissioner that he has, since the most recent
21 issuance of an original or renewal real estate license, taken and
22 ~~successfully completed the continuing education requirements of~~
23 Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a
24 real estate license. If Respondent fails to satisfy this
25 condition, the Real Estate Commissioner shall afford Respondent the
26 opportunity for a hearing pursuant to the Administrative Procedure
27 Act to present such evidence.

EXECUTION OF STIPULATION

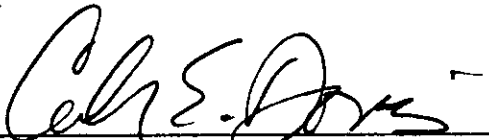
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I have read the Stipulation and Agreement in Settlement and Order and its terms are understood by me and are agreeable and acceptable to me. I understand that I am waiving rights given to me by the California Administrative Procedure Act (including but not limited to Sections 11506, 11508, 11509 and 11513 of the Government Code), and I willingly, intelligently and voluntarily waive those rights, including the right of requiring the Commissioner to prove the allegations in the Accusation at a hearing at which I would have the right to cross-examine witnesses against me and to present evidence in defense and mitigation of the charges.

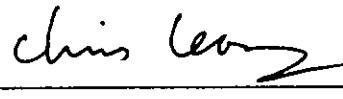
DATED: 3-14-95


DAVID IRA GREENHOLTZ
Respondent

DATED: 3/15/95


CALVIN E. DAVIS, ESQ.
Respondent's Attorney

DATED: 4/28/95


CHRISTOPHER K.D. LEONG, ESQ.
Counsel for Complainant

ORDER

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The foregoing Stipulation and Agreement in Settlement is hereby adopted as the Decision and Order of the Real Estate Commissioner in the above-entitled matter with respect to Respondent DAVID IRA GREENHOLTZ.

This Decision shall become effective at 12 o'clock noon on June 13, 1995.

IT IS SO ORDERED

May 15, 1995

JOHN R. LIBERATOR
Interim Commissioner

By:

Betty R. Ludeman

Betty R. Ludeman
Assistant Commissioner
Enforcement

1 Department of Real Estate
107 South Broadway, Room 8107
2 Los Angeles, California 90012
3 Telephone: (213) 897-3937

FILED
MAY 24 1995
DEPARTMENT OF REAL ESTATE

By *C. [Signature]*

8 DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * * * *

11 In the Matter of the Accusation of)
12 DAVID IRA GREENHOLTZ and) No. H-25745 LA
13 MICHAEL GRANVILLE, individually) L-63292
and dba Western Express Funding,)
14 and dba Western Express Mortgage,)
Respondents.)

16 STIPULATION AND AGREEMENT IN SETTLEMENT AND ORDER

17 It is hereby stipulated by and between Respondent MICHAEL
18 GRANVILLE, individually and dba Western Express Funding, and dba
19 Western Express Mortgage (hereinafter "Respondent") represented by
20 Frank M. Buda, Esq., and the Complainant acting by and through
21 Christopher K.D. Leong, Counsel for the Department of Real Estate,
22 as follows for the purpose of settling and disposing of the
23 Accusation filed on March 15, 1994, in this matter (hereinafter
24 "the Accusation"):

25 A. All issues which were to be contested and all
26 evidence which was to be presented by Complainant and Respondent at
27 a formal hearing on the Accusation, which hearing was to be held in

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

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

8 C. On March 17, 1994, Respondent filed a Notice of
9 Defense pursuant to Section 11505 of the Government Code for the
10 purpose of requesting a hearing on the allegations in the
11 Accusation. Respondent hereby freely and voluntarily withdraws
12 said Notice of Defense. Respondent acknowledges that he
13 understands that by withdrawing said Notice of Defense, Respondent
14 will thereby waive his right to require the Commissioner to prove
15 the allegations in the Accusation at a contested hearing held in
16 accordance with the provisions of the APA and that Respondent will
17 waive other rights afforded to him in connection with the hearing,
18 such as the right to present evidence in defense of the allegations
19 in the Accusation and the right to cross-examine witnesses.

20 D. Respondent agrees that the allegations in Paragraphs
21 1 through 11, and 16 through 17, inclusive, of the Accusation can
22 be the basis of this Stipulation and Agreement in Settlement and
23 Order and that the Real Estate Commissioner shall not be required
24 to provide further evidence of such allegations.

25 E. It is understood by the parties that the Real Estate
26 Commissioner may adopt the Stipulation and Agreement in Settlement
27 and Order as his decision in this matter thereby imposing the

1 penalty and sanctions on Respondent's real estate licenses and
2 license rights as set forth in the "Order" below. In the event
3 that the Commissioner in his discretion does not adopt the
4 Stipulation and Agreement in Settlement and Order, the Stipulation
5 and Agreement in Settlement and Order shall be void and of no
6 effect, and Respondent shall retain the right to a hearing and
7 proceeding on the Accusation under all the provisions of the APA
8 and shall not be bound by any admission or waiver made herein.

9 DETERMINATION OF ISSUES

10 By reason of the foregoing stipulations, admissions and
11 waivers and solely for the purpose of settlement of the pending
12 Accusation without a hearing, it is stipulated and agreed that the
13 following determination of Issues shall be made:

14 The acts and omissions of Respondent, described in
15 Paragraphs 1 through 11, and 16 through 17, of the Accusation, are
16 cause for the suspension or revocation of all real estate licenses
17 and license rights of Respondent under the provisions of Section
18 10177(h) of the Code.

19 ORDER

20 WHEREFORE, THE FOLLOWING ORDER is hereby made:

21 A. The license and license rights of Respondent under
22 the provisions of Part 1 of Division 4 of the Business and
23 Professions Code are hereby revoked commencing on the effective
24 date of the Decision entered herein.

25 1. However, Respondent shall be entitled to apply for
26 and be issued a restricted real estate broker license pursuant to
27 Section 10156.5 of the Code if Respondent makes application

1 therefore and pays to the Department the appropriate fee for said
2 license within one year from the effective date of the Decision
3 herein.
4

5 2. The restricted license issued to Respondent shall be
6 subject to all of the provisions of Section 10156.7 of the Business
7 and Professions Code and to the following limitations, conditions,
8 and restrictions imposed under authority of Section 10156.6 of the
9 Code.

10 3. The restricted license may be suspended prior to
11 hearing by Order of the Real Estate Commissioner in the event of
12 Respondent's conviction or plea of nolo contendere to a crime which
13 bears a significant relationship to Respondent's fitness or
14 capacity as a real estate licensee.

15 4. The restricted license may be suspended, prior to and
16 pending final determination after formal hearing by Order of the
17 Real Estate Commissioner based upon evidence satisfactory to the
18 Commissioner that Respondent has, subsequent to the date hereof,
19 violated provisions of the California Real Estate Law, the
20 Subdivided Lands Law, Regulations of the Real Estate Commissioner
21 or conditions attaching to this restricted license.

22 5. Respondent shall not be eligible to apply for the
23 issuance of an unrestricted real estate license nor the removal of
24 any of the conditions, limitations or restrictions of the
25 restricted license until at least one year has elapsed from the
26 date of this Order.

27 6. Respondent shall obey all laws of the United States,
the State of California and its political subdivisions, and shall

1 further obey and comply with all rules and regulations of the Real
2 Estate Commissioner.

3 7. The restricted license and license rights of
4 Respondent, under the provisions of Part 1 of Division 4 of the
5 Business and Professions Code, are hereby suspended for a period of
6 15 days commencing on the effective date of any new restricted real
7 estate broker license issued.

8 The 15-day suspension period of Respondent's license
9 shall be stayed if, prior to the effective date of the Decision
10 herein, said Respondent, pursuant to Section 10175.2 of the Code,
11 pays \$1,500.00 to the Real Estate Recovery Account. The adoption
12 of this provision in the Decision of the Real Estate Commissioner
13 shall constitute a determination that it would not be against the
14 public interest to permit said Respondent to pay a monetary
15 penalty. Payment of the monetary penalty shall be by certified or
16 cashier's check made payable to the Department of Real Estate.

17 If it is determined pursuant to the Administrative
18 Procedure Act that further cause for disciplinary action against
19 the real estate license and license rights of Respondent has
20 occurred within one (1) year from the effective date of this
21 Decision, the stay of suspension hereby granted, or such portion
22 thereof, as the Real Estate Commissioner shall deem to be
23 appropriate, shall be immediately vacated.

24 If no further cause for disciplinary action against the
25 real estate license and license rights of Respondent shall occur
26 within one (1) year from the effective date of this Decision, the
27 stay hereby granted shall become permanent.

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8. Respondent shall, within six months from the
effective date of the restricted license, take and pass the
Professional Responsibility Examination administered by the
Department including the payment of the appropriate examination
fee. If Respondent fails to satisfy this condition, the
Commissioner may order suspension of the restricted license until
Respondent passes the examination.

9. Respondent shall, within 12 months from the effective
date of the Decision, present evidence satisfactory to the Real
Estate Commissioner that he has, since the most recent issuance of
an original or renewal real estate license, taken and successfully
completed the continuing education requirements of Article 2.5 of
Chapter 3 of the Real Estate Law for renewal of a real estate
license. If Respondent fails to satisfy this condition, the Real
Estate Commissioner shall afford Respondent the opportunity for a
hearing pursuant to the Administrative Procedure Act to present
such evidence.

EXECUTION OF STIPULATION

I have read the Stipulation and Agreement in Settlement
and Order and its terms are understood by me and are agreeable and
acceptable to me. I understand that I am waiving rights given to me
by the California Administrative Procedure Act (including but not
limited to Sections 11506, 11508, 11509 and 11513 of the Government
Code), and I willingly, intelligently and voluntarily waive those
rights, including the right of requiring the Commissioner to prove
the allegations in the Accusation at a hearing at which I would have

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

3

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DATED: 9.16.95

Michael Granville
MICHAEL GRANVILLE, individually
and dba Western Express Funding,
and dba Western Express Mortgage,
Respondent

6

7

8

AS TO FORM:

9

DATED: 3-6-95

Frank M. Buda
FRANK M. BUDA, ESQ.
Respondent's Attorney

10

11

12

13

DATED: 4/28/95

Chris Leong
CHRISTOPHER K.D. LEONG, ESQ.
Counsel for Complainant

14

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ORDER

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The foregoing Stipulation and Agreement in Settlement is hereby adopted as the Decision and Order of the Real Estate Commissioner in the above-entitled matter with respect to Respondent MICHAEL GRANVILLE, individually and dba Western Express Funding, and dba Western Express Mortgage.

This Decision shall become effective at 12 o'clock noon on June 13, 1995.

IT IS SO ORDERED May 15, 1995

JOHN R. LIBERATOR
Interim Commissioner

By: Betty R. Ludeman
Betty R. Ludeman
Assistant Commissioner
Enforcement

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of) Case No. H-25745 LA
)
DAVID IRA GREENHOLTZ and)
MICHAEL GRANVILLE,) OAH No. L-63292
)
individually and dba Western)
Express Funding, and dba)
Western Express Mortgage,)

FILED
AUG 29 1994
DEPARTMENT OF REAL ESTATE

Respondent(s)

By C. Bay

NOTICE OF CONTINUED HEARING ON ACCUSATION

To the above-named Respondent(s):

You are hereby notified that a hearing will be held before the Department of Real Estate at the Office of Administrative Hearings, 314 W. First Street, Los Angeles, CA 90012 on October 27 and 28, 1994, at the hour of 9:00 A.M., or as soon thereafter as the matter can be heard, upon the Accusation served upon you.

You may be present at the hearing. You have the right to be represented by an attorney at your own expense. You are not entitled to the appointment of an attorney to represent you at public expense. You are entitled to represent yourself without legal counsel. If you are not present in person nor represented by counsel at the hearing, the Department may take disciplinary action against you based upon any express admission or other evidence including affidavits, without any notice to you.

You may present any relevant evidence and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the production of books, documents or other things by applying to the Department of Real Estate.

The hearing shall be conducted in the English language. If you want to offer the testimony of any witness who does not proficiently speak the English language, you must provide your own interpreter. The interpreter must be approved by the Administrative Law Judge conducting the hearing as someone who is proficient in both English and the language in which the witness will testify. You are required to pay the costs of the interpreter unless the Administrative Law Judge directs otherwise.

DEPARTMENT OF REAL ESTATE

Dated: August 29, 1994

By Christopher K.D. Leong
CHRISTOPHER K.D. LEONG, Counsel

cc: David Ira Greenholtz
Michael Granville
Frank M. Buda, Esq.
✓ Sacto.
OAH

CEB

RE 501 (La Mac 11/92)

Sack

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)
)
DAVID IRA GREENHOLTZ and)
MICHAEL GRANVILLE,)
individually and dba Western)
Express Funding, and dba)
Western Express Mortgage,)

Case No. H-25745 LA
OAH No. L-63292

FILED
April 22, 1994
DEPARTMENT OF REAL ESTATE

Respondent (s)

NOTICE OF HEARING ON ACCUSATION

To the above-named Respondent (s):

By *C. Leong*

You are hereby notified that a hearing will be held before the Department of Real Estate at the Office of Administrative Hearings, 314 W. First Street, Los Angeles, CA 90012 on SEPTEMBER 15 and 16, 1994, at the hour of 9:00 A.M., or as soon thereafter as the matter can be heard, upon the Accusation served upon you.

You may be present at the hearing. You have the right to be represented by an attorney at your own expense. You are not entitled to the appointment of an attorney to represent you at public expense. You are entitled to represent yourself without legal counsel. If you are not present in person nor represented by counsel at the hearing, the Department may take disciplinary action against you based upon any express admission or other evidence including affidavits, without any notice to you.

You may present any relevant evidence and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the production of books, documents or other things by applying to the Department of Real Estate.

The hearing shall be conducted in the English language. If you want to offer the testimony of any witness who does not proficiently speak the English language, you must provide your own interpreter. The interpreter must be approved by the Administrative Law Judge conducting the hearing as someone who is proficient in both English and the language in which the witness will testify. You are required to pay the costs of the interpreter unless the Administrative Law Judge directs otherwise.

DEPARTMENT OF REAL ESTATE

Dated: April 22, 1994

By *Chris Leong*
CHRISTOPHER K.D. LEONG, Counsel

cc: David Ira Greenholtz
Michael Granville
Frank M. Buda, Esq.
✓ Sacto.
OAH

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RE 501 (La Mac 11/92)

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CHRISTOPHER K.D. LEONG, Counsel
Department of Real Estate
107 South Broadway, Room 8107
Los Angeles, CA 90012

(213) 897-3937

FILED

MAR 15 1994

DEPARTMENT OF REAL ESTATE
BY C. Bay

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation of)	No. H-25745 LA
DAVID IRA GREENHOLTZ and)	A C C U S A T I O N
MICHAEL GRANVILLE, individually)	
and dba Western Express Funding,)	
and dba Western Express Mortgage,)	
Respondents.)	

The Complainant, Steven J. Ellis, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against DAVID IRA GREENHOLTZ (hereinafter "GREENHOLTZ") and MICHAEL GRANVILLE, individually and dba Western Express Funding, and dba Western Express Mortgage (hereinafter "GRANVILLE") (hereinafter sometimes both referred to as "Respondents"), is informed and alleges as follows:

1.

The Complainant, Steven J. Ellis, a Deputy Real Estate Commissioner of the State of California, makes this Accusation against Respondents in his official capacity.

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2.

At all times herein mentioned, Respondents were licensed by, or had license rights with, the Department of Real Estate of the State of California (hereinafter "Department").

3.

Respondent GRANVILLE is presently licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the Business and Professions Code (hereinafter "the Code") as a real estate broker.

4.

Respondent GREENHOLTZ is presently licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the Business and Professions Code (hereinafter "the Code") as a real estate broker. From October 25, 1990 through September 22, 1992, Respondent GREENHOLTZ was licensed as a real estate salesperson and was employed by GRANVILLE.

5.

From June 1, 1991 to present, in Los Angeles County, California, Respondents engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers in the State of California within the meaning of Sections 10131(d) and 10131.2 of the Code, including the solicitation and negotiation of loans secured by interest in real property, wherein borrowers and lenders were solicited for loans, wherein such loans were arranged, negotiated, processed, and consummated on behalf of others and for fees often collected in advance.

1 two copies of loan application forms, one handwritten and signed
2 and the other was typed and unsigned. Both application forms
3 list a second employment with a company named Air Design, Too in
4 Sherman Oaks, with an income of \$2,800 per month. Ledoux has
5 never worked for this company. Ledoux visited the address
6 listed and found that the company does not exist at the location
7 listed.

8 9.

9 On or about July 18, 1991, this loan was funded. The
10 lender, GN relied on Ledoux's incomes from both jobs. GN
11 received Verifications of Employment (hereinafter "VOE") and W-2
12 Forms and pay check stubs from Western Express Funding
13 (hereinafter "WEF") for both jobs. Susie Wallace, an employee
14 of GN, verified employment with Air Design, Too by phoning
15 (818)505-6585, and speaking with Dan Cohen, President of the
16 company. This phone number was listed under the name of Rachel
17 and Dan Cohen, who are husband and wife.

18 10.

19 On or about December 2, 1992, Ray Conen (hereinafter
20 "Conen"), manager and co-owner of WEF, sent to Ledoux a letter
21 with a credit report attached that purportedly verified the
22 secondary employment. Rachel Cohen is also a co-owner of WEF.

23 11.

24 Ledoux subsequently lost her employment at Allied
25 Signal and the Clybourn property went into foreclosure. As a
26 result, Ledoux lost the value of her deposit and payments.
27

1 a violation of Section 10177(g) of the Code and is cause to
2 suspend or revoke the real estate licenses and license rights of
3 Respondents.

4 THIRD CAUSE OF ACCUSATION

5 (Violation by Respondent GRANVILLE of Section 10177(h) of the
6 Code)

7 16.

8 As a third Cause of Accusation, Complainant
9 incorporates by this reference the Preamble and each of the
10 allegations in Paragraphs 1 through 11, herein above.

11 17.

12 The conduct of Respondent GRANVILLE in allowing
13 GREENHOLTZ and WEF to: 1) alter Ledoux's loan application from
14 one job to two, and 2) change her job title from machinist to
15 clerk, as described herein above, constitutes a failure to
16 supervise, in violation of Section 10177(h) of the Code and is
17 cause to suspend or revoke the real estate license and license
18 rights of Respondent.

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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 licenses and license rights of Respondents DAVID IRA GREENHOLTZ and MICHAEL GRANVILLE, individually and dba Western Express Funding, and dba Western Express Mortgage, 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 applicable provisions of law.

Dated at Los Angeles, California
this 15th day of March, 1994.

STEVEN J. ELLIS
Deputy Real Estate Commissioner

cc: David Ira Greenholtz
Michael Granville
Sacto.
MG