



1 petitioner is required to show greater proof of honesty and  
2 integrity than an applicant for first time licensure. The proof  
3 must be sufficient to overcome the prior adverse judgment on the  
4 applicant's character (Tardiff v. State Bar (1980) 27 Cal. 3d  
5 395).

6 The Department has developed criteria in Section 2911  
7 of Title 10, California Code of Regulations to assist in  
8 evaluating the rehabilitation of an applicant for reinstatement  
9 of a license. Among the criteria relevant in this proceeding  
10 are:

11 (i) Completion of, or sustained enrollment in, formal  
12 educational or vocational training courses for economic self-  
13 improvement. Respondent has submitted no evidence of completion  
14 of, or sustained enrollment in, formal educational or vocational  
15 training courses.

16 (k) Correction of business practices resulting in injury to  
17 others or with the potential to cause such injury. Respondent  
18 has not engaged as a broker in the operation of a real estate  
19 brokerage business or otherwise acted in a licensed fiduciary  
20 capacity. Consequently, Respondent has not demonstrated that she  
21 has changed her business practices resulting in disciplinary  
22 action.

23 (l) Significant or conscientious involvement in community,  
24 church, or privately-sponsored programs designed to provide  
25 social benefits or to ameliorate social problems. Respondent  
26 has not presented evidence of significant or conscientious  
27 involvement in community, church, or social programs.

1 (n) Change in attitude from that which existed at the time  
2 of the conduct in question as evidenced by any or all of the  
3 following:

4 (1) Testimony of applicant.

5 (2) Evidence from family members, friends, or other persons  
6 familiar with applicant's previous conduct and with his  
7 subsequent attitudes and behavioral patterns.

8 (3) Evidence from probation or parole officers or law enforcement  
9 officials competent to testify as to applicant's social  
10 adjustments.

11 (4) Evidence from psychiatrists or other persons competent to  
12 testify with regard to neuropsychiatric or emotional  
13 disturbances.

14 Respondent has submitted no evidence of a change in  
15 attitude from that which existed at the time of the conduct in  
16 question. Respondent continues to minimize the nature of the  
17 conduct that led to the disciplinary action in this matter.  
18 Respondent has not demonstrated that she understands or  
19 appreciates the obligations imposed upon a real estate broker  
20 when handling funds held in trust for another. Consequently,  
21 Respondent has not demonstrated a change in attitude from that  
22 which existed at the time of the conduct in question and  
23 Respondent has not presented any evidence of compliance with  
24 Section 2911(n) of the Regulations.

25 Given the fact that Respondent has not established  
26 that she has complied with Sections 2911 (i), (k), (l), and (n)  
27 of the Regulations, I am not satisfied that Respondent is

1 sufficiently rehabilitated to receive a real estate broker  
2 license.

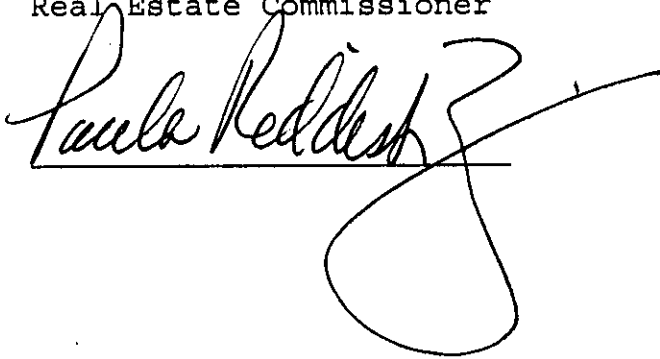
3 NOW, THEREFORE, IT IS ORDERED that Respondent's  
4 petition for reinstatement of Respondent's real estate broker  
5 license is denied.

6 This Order shall be effective at 12 o'clock noon on  
7 May 28, 2003.

8 DATED: April 29, 2003.


9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

PAULA REDDISH ZINNEMANN  
Real Estate Commissioner



**FILED**  
MAY 14 1996  
DEPARTMENT OF REAL ESTATE

DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

By 

\* \* \* \* \*

In the Matter of the Accusation of )  
 )  
BARTON FUNDING COMPANY, )  
INC.; and SANDRA JEAN ALLEN, )  
individually and formerly )  
as designated officer of )  
Barton Funding Company, Inc., )  
 )  
Respondents. )

No. H-26253 LA

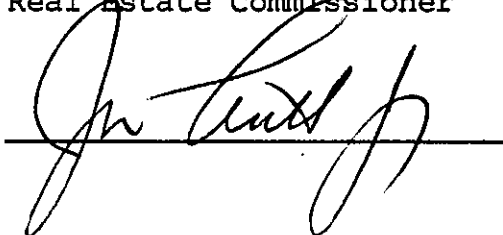
DECISION

The Proposed Decision dated April 3, 1996,  
of Randolph Brendia, Regional Manager, Department of Real Estate,  
State of California, is hereby adopted as the Decision of the  
Real Estate Commissioner in the above-entitled matter.

This Decision shall become effective at 12 o'clock  
noon on June 4, 1996.

IT IS SO ORDERED 4/18/96

JIM ANTT, JR.  
Real Estate Commissioner





## II

BARTON FUNDING COMPANY, INC. (hereinafter "BARTON"), and SANDRA JEAN ALLEN (hereinafter "ALLEN"), sometimes collectively referred to as "Respondents", are presently licensed and/or have license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereinafter "the Code").

## III

At all times material herein, BARTON was licensed by the Department of Real Estate of the State of California (hereinafter "the Department") as a corporate real estate broker by and through ALLEN as the designated officer and broker responsible pursuant to the provisions of Section 10159.2 of the Code for supervising the activities requiring a real estate license conducted on behalf of BARTON, by BARTON's officers, agents and employees.

## IV

At all times material herein, ALLEN was and now is licensed by the Department as a real estate broker. From approximately October 5, 1992, through January 30, 1995, ALLEN was licensed by the Department as the designated officer of BARTON. As the designated broker-officer, ALLEN was at all times material herein responsible for the supervision and control of the activities requiring a real estate license conducted on behalf of BARTON by BARTON's officers, agents and employees as necessary to secure full compliance with the provisions of the Real Estate Law as required pursuant to the provisions of Section 10159.2 of the Code.

## V

All further references to "Respondents" include the parties identified in Findings II through IV, and also include the officers, directors, managers, employees, agents and real estate licensees employed by or associated with said parties, who at all times herein mentioned were engaged in the furtherance of the business or operations of said parties and who were acting within the course and scope of their authority, agency or employment.

## VI

At all times herein mentioned, 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 Section 10131(d) of the Code, including the operation and conduct of a mortgage loan brokerage business with the public wherein Respondents solicited borrowers or lenders for, or negotiated, serviced, processed, or arranged loans for borrowers or lenders or note owners, in connection with loans

secured directly or collaterally by liens on real property for another or others, for or in expectation of compensation.

#### VII

In connection with the above-described loan brokerage business, Respondents engaged in the business of, acted in the capacity of, advertised, or assumed to act as escrow holder, servicer and/or agent, and thereby acted or assumed to act under the exemption from the provisions of the Escrow Law as provided by Section 17006(a)(4) of the California Financial Code.

#### VIII

At all times material herein, in connection with the activities described in Findings VI and VII, Respondents accepted or received funds including funds in trust (hereinafter "trust funds") from or on behalf of actual and prospective borrowers, lenders, investors and/or parties to mortgage loan transactions handled by respondents and thereafter made deposits and/or disbursements of such funds. From time to time herein mentioned said funds were deposited and/or maintained by Respondents in bank accounts including, but not necessarily limited to, Account Number 09706-00359, "Barton Funding Company Inc. Credit and Appraisal Broker Trust Account" at Bank of America, 12421 Valley View St., Garden Grove, California 92645 (hereinafter the "Trust Account"), and Account Number 545 001-018353, "Barton Funding Company Inc. DBA Victorian Escrow" at International City Bank, 780 Atlantic Avenue, Long Beach, California 90813 (hereinafter the "Escrow Account").

#### IX

On or about February 10, 1995, the Department completed an examination of the books and records of Respondents pertaining to activities described in Findings VI through VIII, above, covering a period from approximately July 1, 1993, through November 1, 1994, which examination revealed violations of the Code and Title 10, Chapter 6, California Code of Regulations (hereinafter the "Regulations").

#### X

In the course of activities described Findings VI through VIII, and during the examination period described in Finding IX, Respondents acted in violation of the Code and the Regulations, in that:

(a) Respondents failed to maintain complete and adequate separate records for each beneficiary or transaction, accounting therein for all trust funds received, deposited and/or disbursed for the Trust Account, in violation Regulation 2831.1;



(b) Respondents failed to deposit all funds received in trust into the hands of the owner of the funds, into a neutral escrow depository or into a trust fund account maintained pursuant to Regulation 2830 not later than the next business day following receipt of the trust funds, in violation of Code Section 10145 and Regulation 2832;

(c) On or about November 1, 1994, Respondents left their principal place of business, and failed to notify the Commissioner of the Department of the change in the location or address of their principal place of business, no later than the next business day following the change, and are no longer maintaining an office in California to conduct activities requiring a real estate license, in violation of Code Section 10162 and Regulation 2715;

(d) Respondents used the fictitious business name, "Victorian Escrow", in the conduct of activities for which a real estate license is required, without first obtaining a license bearing said fictitious business name, in violation of Code Section 10159.5 and Regulation 2731;

(e) Respondents failed to advise borrowers, in writing, that Respondents had a financial interest as an escrow holder in the transactions, in violation of Regulation 2950(h).

#### XI

The conduct, acts and/or omissions of ALLEN, in allowing, permitting or causing BARTON to violate the Real Estate Law as described in Finding X, constitute a failure by ALLEN, as the officer designated by a corporate broker licensee, to exercise the supervision and control over the activities of BARTON, as required by Code Section 10159.2.

#### XII

On or about January 19, 1994, in Case No. H-25669 LA, a case then pending before the Department, an Order to Desist and Refrain was entered in accordance with the provisions of Section 10086 of the Code. Said Order required Respondents to desist and refrain from violating Code Sections 10159.2, 10240, 10241 and 10241.2, and Regulations 2725 and 2840. Said Order was duly filed and served upon Respondents, and each of them.

#### XIII

ALLENS' conduct in violating Code Section 10159.2, as described Finding XI, after being ordered to desist and refrain from said conduct, violated Code Section 10086.

DETERMINATION OF ISSUES

I

The conduct, acts and/or omissions of Respondents BARTON FUNDING COMPANY, INC., and SANDRA JEAN ALLEN, as described in Finding X, above, constitute cause for the suspension or revocation of all real estate licenses and license rights of Respondents under the provisions of Code Section 10177(d).

II

The conduct, acts and/or omissions of Respondent SANDRA JEAN ALLEN, as described in Finding XI, above, constitute cause for the suspension or revocation of all real estate licenses and license rights of Respondent under the provisions of Code Section 10177(h).

III

The conduct, acts and/or omissions of Respondent SANDRA JEAN ALLEN, as described in Findings XII and XIII, above, constitute cause for the suspension or revocation of all real estate licenses and license rights of Respondent under the provisions of Code Section 10177(d).

IV

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

ORDER

All licenses and license rights of BARTON FUNDING COMPANY, INC., and SANDRA JEAN ALLEN under the provisions of Part 1 of Division 4 of the Business and Professions Code are hereby revoked.

DATED: 3 April 1996

  
RANDOLPH BRENDIA  
Regional Manager  
Department of Real Estate

SACD.  
file

DARLENE AVERETTA, Counsel  
Department of Real Estate  
107 South Broadway, Room 8107  
Los Angeles, California 90012

(213) 897-3937

FILED  
AUG - 3 1995

DEPARTMENT OF REAL ESTATE



DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \* \* \*

In the Matter of the Accusation of	)	No. H-26253 LA
	)	
BARTON FUNDING COMPANY,	)	<u>ACCUSATION</u>
INC.; and SANDRA JEAN ALLEN,	)	
individually and formerly as	)	
as designated officer of	)	
Baron Funding Company, Inc.,	)	
	)	
Respondents.	)	

The Complainant, Peter F. Hurst, a Deputy Real Estate Commissioner of the State of California, for cause of accusation against BARTON FUNDING COMPANY, INC.; and SANDRA JEAN ALLEN, individually and formerly as designated officer of Barton Funding Company, Inc., is informed and alleges in his official capacity as follows:

///  
///  
///  
///  
///

1.

1  
2 BARTON FUNDING COMPANY, INC. (hereinafter "BARTON"),  
3 and SANDRA JEAN ALLEN (hereinafter "ALLEN"), sometimes  
4 collectively referred to as "Respondents", are presently licensed  
5 and/or have license rights under the Real Estate Law, Part 1 of  
6 Division 4 of the California Business and Professions Code  
7 (hereinafter "the Code").

8 2.

9 At all times material herein, BARTON was licensed by the  
10 Department of Real Estate of the State of California (hereinafter  
11 "the Department") as a corporate real estate broker by and through  
12 ALLEN as the designated officer and broker responsible pursuant to  
13 the provisions of Section 10159.2 of the Code for supervising the  
14 activities requiring a real estate license conducted on behalf of  
15 BARTON, by BARTON's officers, agents and employees.

16 3.

17 At all times material herein, ALLEN was and now is  
18 licensed by the Department as a real estate broker. From  
19 approximately October 5, 1992, through January 30, 1995, ALLEN was  
20 licensed by the Department as the designated officer of BARTON.  
21 As the designated broker-officer, ALLEN was at all times material  
22 herein responsible for the supervision and control of the  
23 activities requiring a real estate license conducted on behalf of  
24 BARTON by BARTON's officers, agents and employees as necessary to  
25 secure full compliance with the provisions of the Real Estate Law  
26 as required pursuant to the provisions of Section 10159.2 of the  
27 Code.



4.

1  
2 All further references to "Respondents" include the  
3 parties identified in Paragraphs 1 through 3, above, and also  
4 include the officers, directors, managers, employees, agents and  
5 real estate licensees employed by or associated with said parties,  
6 who at all times herein mentioned were engaged in the furtherance  
7 of the business or operations of said parties and who were acting  
8 within the course and scope of their authority, agency or  
9 employment.

10 5.

11 At all times herein mentioned, Respondents engaged in  
12 the business of, acted in the capacity of, advertised or assumed  
13 to act as real estate brokers in the State of California, within  
14 the meaning of Section 10131(d) of the Code, including the  
15 operation and conduct of a mortgage loan brokerage business with  
16 the public wherein Respondents solicited borrowers or lenders for,  
17 or negotiated, serviced, processed, or arranged loans for  
18 borrowers or lenders or note owners, in connection with loans  
19 secured directly or collaterally by liens on real property for  
20 another or others, for or in expectation of compensation.

21 6.

22 In connection with the above-described loan brokerage  
23 business, Respondents engaged in the business of, acted in the  
24 capacity of, advertised, or assumed to act as escrow holder,  
25 servicer and/or agent, and thereby acted or assumed to act under  
26 the exemption from the provisions of the Escrow Law as provided by  
27 Section 17006(a) (4) of the California Financial Code.

7.

1  
2 At all times material herein, in connection with the  
3 activities described in Paragraphs 5 and 6, above, Respondents  
4 accepted or received funds including funds in trust (hereinafter  
5 "trust funds") from or on behalf of actual and prospective  
6 borrowers, lenders, investors and/or parties to mortgage loan  
7 transactions handled by respondents and thereafter made deposits  
8 and/or disbursements of such funds. From time to time herein  
9 mentioned said funds were deposited and/or maintained by  
10 Respondents in bank accounts including, but not necessarily  
11 limited to, Account Number 09706-00359, "Barton Funding Company  
12 Inc. Credit and Appraisal Broker Trust Account" at Bank of  
13 America, 12421 Valley View St., Garden Grove, California 92645  
14 (hereinafter the "Trust Account"), and Account Number 545 001-  
15 018353, "Barton Funding Company Inc. DBA Victorian Escrow" at  
16 International City Bank, 780 Atlantic Avenue, Long Beach,  
17 California 90813 (hereinafter the "Escrow Account").

8.

18  
19 On or about February 10, 1995, the Department completed  
20 an examination of the books and records of Respondents pertaining  
21 to activities described in Paragraphs 5 through 7, above, covering  
22 a period from approximately July 1, 1993, through November 1,  
23 1994, which examination revealed violations of the Code and Title  
24 10, Chapter 6, California Code of Regulations (hereinafter the  
25 "Regulations").

26 ///

27 ///

1  
2 In the course of activities described in Paragraphs 5  
3 through 7, above, and during the examination period described in  
4 Paragraph 8, Respondents acted in violation of the Code and the  
5 Regulations in that:

6 (a) Respondents failed to maintain complete and  
7 adequate separate records for each beneficiary or transaction,  
8 accounting therein for all trust funds received, deposited and/or  
9 disbursed for the Trust Account, in violation Regulation 2831.1;

10 (b) Respondents failed to deposit all funds received in  
11 trust into the hands of the owner of the funds, into a neutral  
12 escrow depository or into a trust fund account maintained pursuant  
13 to Regulation 2830 not later than the next business day following  
14 receipt of the trust funds, in violation of Code Section 10145 and  
15 Regulation 2832;

16 (c) On or about November 1, 1994, Respondents left  
17 their principal place of business, and failed to notify the  
18 Commissioner of the Department, of the change in the location or  
19 address of their principal place of business, no later than the  
20 next business day following the change, in violation of Code  
21 Section 10162 and Regulation 2715;

22 (d) Respondents used the fictitious business name,  
23 "Victorian Escrow", in the conduct of activities for which a real  
24 estate license is required, without first obtaining a license  
25 bearing said fictitious business name, in violation of Code  
26 Section 10159.5, and Regulation 2731;

27 ///

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

(e) Respondents failed to advise borrowers, in writing, that Respondents had a financial interest as an escrow holder in the transactions, in violation of Regulation 2950(h).

10.

The conduct, acts and omissions of Respondents as described in Paragraph 9, above, violated the Code and the Regulations as set forth below:

<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
9(a)	Regulation 2831.1
9(b)	Code Section 10145 and Regulation 2832
9(c)	Code Section 10162 and Regulation 2715
9(d)	Code Section 10159.5 and Regulation 2731
9(c)	Regulation 2950(h)

Each of the foregoing violations constitutes cause for the suspension or revocation of all real estate licenses and license rights of Respondents under the provisions of Code Sections 10165 and 10177(d).

SECOND CAUSE OF ACCUSATION

11.

Complainant incorporates herein by reference the Preamble and the allegations of Paragraphs 1 through 10, inclusive, herein above.

///  
///  
///



12.

The conduct, acts and/or omissions of ALLEN, in allowing, permitting or causing BARTON, to violate the Real Estate Law as described herein above, constitutes a failure by ALLEN, as the officer designated by a corporate broker licensee, to exercise the supervision and control over the activities of BARTON, as required by Code Section 10159.2. Said conduct is cause to suspend or revoke the real estate licenses and license rights of ALLEN under Code Section 10177(h).

THIRD CAUSE OF ACCUSATION

13.

Complainant incorporates herein by reference the Preamble and the allegations of Paragraphs 1 through 12, inclusive, herein above.

14.

On or about January 19, 1994, in Case No. H-25669 LA, a case then pending before the Department, an Order to Desist and Refrain was entered in accordance with the provisions of Section 10086 of the Code. Said Order required Respondents to desist and refrain from violating Code Sections 10159.2, 10240, 10241 and 10241.2, and Regulations 2725 and 2840. Said Order was duly filed and served upon Respondents, and each of them.

///

///

///

///

///

1  
2 ALLENS' conduct in violating Code Sections 10159.2, as  
3 described herein above, after being ordered to desist and refrain  
4 from said conduct, violated Code Section 10086. Said violations  
5 are further cause for the suspension or revocation of all licenses  
6 and license rights of Respondent ALLEN, under the provisions of  
7 Section 10177(d) of the Code.

8  
9 WHEREFORE, Complainant prays that a hearing be conducted  
10 on the allegations of this Accusation and, that upon proof  
11 thereof, a decision be rendered imposing disciplinary action  
12 against all licenses and license rights of Respondents BARTON  
13 FUNDING COMPANY, INC.; and SANDRA JEAN ALLEN, individually and  
14 formerly as designated officer of Barton Funding Company, Inc.,  
15 under the Real Estate Law (Part 1 of Division 4 of the Business  
16 and Professions Code) and for such other and further relief as may  
17 be proper under other applicable provisions of law.

18 Dated at Los Angeles, California

19 this 3rd day of August, 1995.

20  
21   
22 Deputy Real Estate Commissioner

23  
24  
25 cc: Barton Funding Company, Inc.  
26 Sandra Jean Allen  
27 SACTO  
MGS