

RECEIVED
Dept. of Real Estate

DEC 28 2000

FISCAL #6

FILED

APR 06 2000

DEPARTMENT OF REAL ESTATE

By Jean Arnold

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	
)	No. H-27431 LA
LAURENCE SHAUN BENNETT,)	
)	
Respondent.)	
)	

ORDER GRANTING REINSTATEMENT OF LICENSE

On March 23, 1998, an Order was rendered herein revoking the real estate salesperson license of Respondent, but granting Respondent the right to the issuance of a restricted real estate salesperson license. A restricted real estate salesperson license was issued to Respondent on April 21, 1998, and Respondent has operated as a restricted licensee without cause for disciplinary action against Respondent.

On May 21, 1999, Respondent petitioned for reinstatement of said real estate salesperson license, and the Attorney General of the State of California has been given notice of the filing of said petition.

///

DEC 28 2000

FISCAL #6

1 I have considered the petition of Respondent and the
2 evidence and arguments in support thereof including Respondent's
3 record as a restricted licensee. Respondent has demonstrated to
4 my satisfaction that Respondent meets the requirements of law for
5 the issuance to Respondent of an unrestricted real estate
6 salesperson license and that it would not be against the public
7 interest to issue said license to Respondent.

8 NOW, THEREFORE, IT IS ORDERED that Respondent's
9 petition for reinstatement is granted and that a real estate
10 salesperson license be issued to Respondent if Respondent
11 satisfies the following conditions within nine months from the
12 date of this Order:

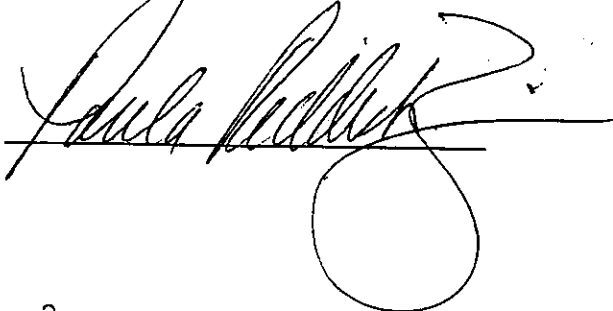
13 1. Submittal of a completed application and payment of
14 the fee for a real estate salesperson license.

15 2. Submittal of evidence of having, since the most
16 recent issuance of an original or renewal real estate license,
17 taken and successfully completed the continuing education
18 requirements of Article 2.5 of Chapter 3 of the Real Estate Law
19 for renewal of a real estate license.

20 This Order shall be effective immediately.

21 DATED: March 20, 2000.

23 PAULA REDDISH ZINNEMANN
24 Real Estate Commissioner

25 
26
27

1 Department of Real Estate
2 107 South Broadway, Room 8107
3 Los Angeles, California 90012
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FILED
JAN 13 1999
DEPARTMENT OF REAL ESTATE

By Laura B. Stone

DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation of)
GENESIS REALTY, INC.;)
JACQUELINE VARTANIAN,)
individually and as)
designated officer of)
Genesis Realty, Inc.,)
Respondents.)

NO. H-27431 LA
STIPULATION AND AGREEMENT

17 It is hereby stipulated by and between GENESIS REALTY, INC.,
18 and JACQUELINE VARTANIAN, individually and as designated officer
19 of Genesis Realty, Inc., (sometimes collectively referred to as
20 Respondents), and the Complainant, acting by and through Elliott
21 Mac Lennan, Counsel for the Department of Real Estate, as follows
22 for the purpose of settling and disposing of the Accusation filed
23 on November 5, 1997, in this matter:

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

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

4 2. Respondents have received, read and understand 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 3. Respondents filed a Notice of Defense pursuant to Section
9 11506 of the Government Code for the purpose of requesting a
10 hearing on the allegations in the Accusation. Respondents hereby
11 freely and voluntarily withdraw said Notice of Defense.

12 Respondents acknowledge that they understand that by withdrawing
13 said Notice of Defense they thereby waive their right to require
14 the Real Estate Commissioner to prove the allegations in the
15 Accusation at a contested hearing held in accordance with the
16 provisions of the APA and that they will waive other rights
17 afforded to them in connection with the hearing such as the right
18 to present evidence in their defense and the right to cross-
19 examine witnesses.

20 4. This Stipulation is based on the factual allegations
21 contained in the Accusation. In the interest of expedience and
22 economy, Respondents choose not to contest these allegations, but
23 to remain silent and understand that, as a result thereof, these
24 factual allegations, without being admitted or denied, will serve
25 as a prima facie basis for the disciplinary action stipulated to
26 herein. The Real Estate Commissioner shall not be required to
27 provide further evidence to prove said factual allegations.

1 5. This Stipulation is based on Respondents' decision not to
2 contest the allegations set forth in the Accusation as a result of
3 the agreement negotiated between the parties. This Stipulation is
4 expressly limited to this proceeding and any further proceeding
5 initiated by or brought before the Department of Real Estate based
6 upon the factual allegations in the Accusation for the sole
7 purpose of reaching an agreed disposition of this proceeding
8 without a hearing. The decision of Respondents not to contest the
9 factual statements alleged is made solely for the purpose of
10 effectuating this Stipulation. It is the intent and understanding
11 of the parties that this Stipulation shall not be binding or
12 admissible against Respondents in any actions against Respondents
13 by third parties.

14 6. It is understood by the parties that the Real Estate
15 Commissioner may adopt this Stipulation as his Decision in this
16 matter thereby imposing the penalty and sanctions on Respondents'
17 real estate licenses and license rights as set forth in the
18 "Order" herein below. In the event that the Real Estate
19 Commissioner in his discretion does not adopt the Stipulation, it
20 shall be void and of no effect and Respondents shall retain the
21 right to a hearing and proceeding on the Accusation under the
22 provisions of the APA and shall not be bound by any stipulation or
23 waiver made herein.

24 7. The Order or any subsequent Order of the Real Estate
25 Commissioner made pursuant to this Stipulation shall not
26 constitute an estoppel, merger or bar to any further
27 administrative or civil proceedings by the Department of Real



1 Estate with respect to any matters which were not specifically
2 alleged to be causes for Accusation in this proceeding.

3
4 DETERMINATION OF ISSUES

5 By reason of the foregoing stipulations and solely for the
6 purpose of settlement of the pending Accusation without a hearing,
7 it is stipulated and agreed that the following determination of
8 issues shall be made:

9 I

10 The conduct of GENESIS REALTY, INC., as described in
11 Paragraph 4, is in violation of Section 10145 of the Business and
12 Professions Code (Code) and Sections 2831, 2831.1, and 2832.1 of
13 Title 10, Chapter 6 of the California Code of Regulations and is a
14 basis for the suspension or revocation of Respondent's license and
15 license rights pursuant to Section 10177(d) of the Code.

16 II

17 The conduct of JACQUELINE VARTANIAN, as described in
18 Paragraph 4, constitutes a failure to keep GENESIS REALTY, INC. in
19 compliance with the Real Estate Law during the time that
20 Respondent was the officer designated by a corporate broker
21 licensee, and is a basis for the suspension or revocation of
22 Respondent's license pursuant to Sections 10159.2 and 10177(h) of
23 the Code.

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1 ORDER

2 WHEREFORE THE FOLLOWING ORDER IS MADE PURSUANT
3 TO THE WRITTEN STIPULATION OF THE PARTIES:

4 I

5 All license and license rights of Respondents GENESIS REALTY,
6 INC. and JACQUELINE VARTANIAN under the Real Estate Law are
7 suspended for a period of ninety (90) days from the effective date
8 of this Decision, sixty days stayed; provided, however, that if a
9 Respondent petitions, the remaining thirty (30) days of said
10 suspension (or a portion thereof) shall be permanently stayed upon
11 condition that:

12 1. Respondents pay a monetary penalty pursuant to
13 Section 10175.2 of the Code at the rate of \$100.00 for each
14 day of said suspension stayed, for a total monetary penalty
15 of \$3,000 each.

16
17 2. Said payment shall be in the form of a cashier's check or
18 certified check made payable to the Recovery Account of the
19 Real Estate Fund. Said check must be delivered to the
20 Department prior to the effective date of the Decision.

21 3. If a Respondent fails to pay the monetary penalty in
22 accordance with the terms of the Decision, the Commissioner,
23 may, without a hearing, order the immediate execution of all
24 or any part of the 30 day stayed suspension, in which event
25 the Respondent shall not be entitled to any repayment nor
26
27



1 credit, prorated or otherwise, for money paid to the
2 Department under the terms of this Decision.

3
4 4. The remaining sixty (60) days of the ninety (90) day
5 suspension shall be stayed for two (2) years upon the
6 following terms and conditions:

7 (a) Respondents shall obey all laws, rules and
8 regulations governing the rights, duties and
9 responsibilities of a real estate licensee in the State
10 of California; and

11 (b) That no final subsequent determination be made
12 after hearing or upon stipulation, that cause for
13 disciplinary action occurred within two (2) years of the
14 effective date of this Decision. Should such a
15 determination be made, the Commissioner may, in his
16 discretion, vacate and set aside the stay order and
17 reimpose all or a portion of the stayed suspension.
18 Should no such determination be made, the stay imposed
19 herein shall become permanent.

20 II

21 Pursuant to Section 10148 of the Code, GENESIS REALTY, INC.
22 and JACQUELINE VARTANIAN, or either of them, shall pay the Real
23 Estate Commissioner's reasonable cost for an audit to determine if
24 Respondents are presently in compliance with the Real Estate Law.
25 In calculating the amount of the Real Estate Commissioner's
26 reasonable cost, the Real Estate Commissioner may use the
27 estimated average hourly salary for all persons performing audits

1 of real estate brokers, and shall include an allocation for travel
2 time to and from the auditor's place of work. Respondents shall
3 pay such cost, not to exceed \$1,500, within 45 days of receiving
4 an invoice from the Real Estate Commissioner detailing the
5 activities performed during the audit and the amount of time spent
6 performing those activities. The Real Estate Commissioner may
7 suspend the license issued to either Respondent pending a hearing
8 held in accordance with Section 11500, et seq., of the Government
9 Code, if payment is not timely made as provided for herein, or as
10 provided for in a subsequent agreement between the Respondents and
11 the Real Estate Commissioner. The suspension shall remain in
12 effect until payment is made in full or until Respondents enter
13 into an agreement satisfactory to the Real Estate Commissioner to
14 provide for payment, or until a decision providing otherwise is
15 adopted following a hearing held pursuant to this condition.

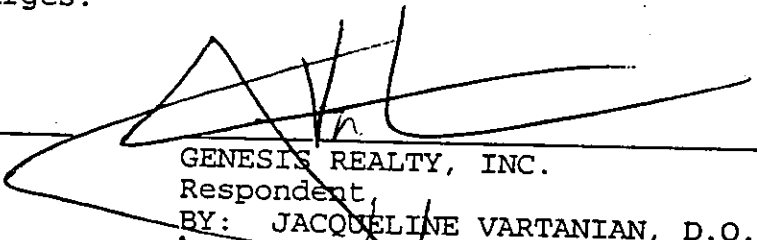
16 DATED: 8-31-98 Elliott Mac Lennan
17 ELLIOTT MAC LENNAN
18 Counsel for Complainant
19 /
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EXECUTION OF THE STIPULATION AND AGREEMENT

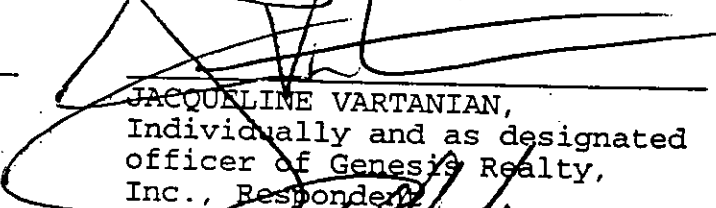
* * * *

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

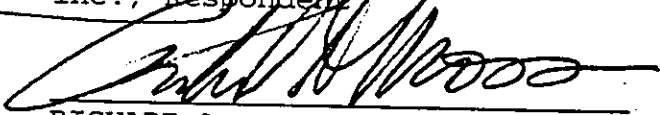
DATED: June 18, 1998


GENESIS REALTY, INC.
Respondent
BY: JACQUELINE VARTANIAN, D.O.

DATED: June 18, 1998


JACQUELINE VARTANIAN,
Individually and as designated
officer of Genesis Realty,
Inc., Respondent

DATED: 6/18/98


RICHARD A. MOSS, ESQ.
Counsel for Respondents

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The foregoing Stipulation and Agreement is hereby adopted
as my Decision and shall become effective at 12 o'clock noon on
February 2, 1999.

IT IS SO ORDERED December 22, 1998.

JIM ANTT, JR.
Real Estate Commissioner

John R. Liberator

BY: **John R. Liberator**
Chief Deputy Commissioner

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*Sacto
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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * *

FILED
APR 15 1998
DEPARTMENT OF REAL ESTATE

In the Matter of the Accusation of)
)
GENESIS REALTY INC., et al.,)
)
)
_____ Respondents.)

Case No. H-27431)
OAH No. L- 1998030210)

By *Laura B. Orme*

NOTICE OF 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 Office of Administrative Hearings, 107 South Broadway, 2nd Floor, Los Angeles, California, on JUNE 16, 1998, at the hour of 9:00 a.m. or as soon thereafter as the matter can be heard, upon the Accusation served upon you. If you object to the place of hearing, you must notify the presiding administrative law judge of the Office of Administrative Hearings within ten (10) days after this notice is served upon you. Failure to notify the presiding administrative law judge within ten days will deprive you of a change in the place of hearing.

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 and pay his or her costs. The interpreter must be certified in accordance with Sections 11435.30 and 11435.55 of the Government Code.

Dated: APR 15 1998

DEPARTMENT OF REAL ESTATE

By: *E. J. W.*

ELLIOTT MAC LENNAN, Counsel

cc: Genesis Realty Inc.
Jacqueline Vartanian
Sacto.
OAH

1 Department of Real Estate
2 107 South Broadway, Room 8107
3 Los Angeles, California 90012
4
5 (213) 897-3937
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7
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FILED
APR - 1 1998
DEPARTMENT OF REAL ESTATE

John A. Cron

9 DEPARTMENT OF REAL ESTATE
10 STATE OF CALIFORNIA

11 * * * *

12 In the Matter of the Accusation of) NO. H-27431 LA
13 GENESIS REALTY, INC.;)
14 and JACQUELINE VARTANIAN,) STIPULATION AND AGREEMENT
15 individually and as)
16 designated officer of)
17 Genesis Realty, Inc., and)
18 LAURENCE SHAUN BENNETT,)
19 Respondents.)

20 It is hereby stipulated by and between LAURENCE SHAUN
21 BENNETT sometimes collectively referred to as Respondent), and the
22 Complainant, acting by and through Elliott Mac Lennan, Counsel for
23 the Department of Real Estate, as follows for the purpose of
24 settling and disposing of the Accusation filed on November 5,
25 1997, in this matter:

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

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

4 2. 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 3. Respondent filed a Notice of Defense on October 6,
9 1997, pursuant to Section 11506 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 he thereby
14 waives his right to require the Commissioner to prove the
15 allegations in the Accusation at a contested hearing held in
16 accordance with the provisions of the APA and that he will waive
17 other rights afforded to him in connection with the hearing such
18 as the right to present evidence in his defense and the right to
19 cross-examine witnesses.

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

1 5. This Stipulation is based on Respondent's decision
2 not to contest the allegations set forth in the Accusation as a
3 result of the agreement negotiated between the parties. This
4 Stipulation is expressly limited to this proceeding and any
5 further proceeding initiated by or brought before the Department
6 of Real Estate based upon the facts and circumstances alleged in
7 the Accusation for the sole purpose of reaching an agreed
8 disposition of this proceeding. The decision of Respondent not to
9 contest the factual statements alleged is made solely for the
10 purpose of effectuating this Stipulation. It is the intent and
11 understanding of the parties that this Stipulation shall not be
12 binding or admissible against Respondent in any actions against
13 Respondent by third parties.

14 6. It is understood by the parties that the Real Estate
15 Commissioner may adopt the Stipulation as his decision in this
16 matter thereby imposing the penalty and sanctions on Respondent's
17 real estate license and license rights as set forth in the "Order"
18 herein below. In the event that the Commissioner in his
19 discretion does not adopt the Stipulation, the Stipulation shall
20 be void and of no effect, and Respondent shall retain the right to
21 a hearing and proceeding on the Accusation under the provisions of
22 the APA and shall not be bound by any admission or waiver made
23 herein.

24 7. The Order or any subsequent Order of the Real Estate
25 Commissioner made pursuant to this Stipulation shall not
26 constitute an estoppel, merger or bar to any further
27 administrative or civil proceedings by the Department of Real

1 Estate with respect to any matters which were not specifically
2 alleged to be causes for accusation in this proceeding.

3 DETERMINATION OF ISSUES

4 By reason of the foregoing stipulations and solely for
5 the purpose of settlement of the pending Accusation without a
6 hearing, it is stipulated and agreed that the following
7 determination of issues shall be made:

8 I

9 The conduct of Respondent LAURENCE SHAUN BENNETT, as
10 described in Paragraph 4, above, is in violation of Section
11 10145(c) of the Business and Professions Code and is a basis for
12 the suspension or revocation of Respondent's license and license
13 rights pursuant to Section 10177(d) of the Code.

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ORDER

WHEREFORE THE FOLLOWING ORDER IS MADE PURSUANT
TO THE WRITTEN STIPULATION OF THE PARTIES:

I

The real estate salesperson license and license rights of Respondent LAURENCE SHAUN BENNETT under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) are hereby revoked.

However, Respondent shall be entitled to apply for and be issued a restricted real estate salesperson license if he makes application therefor and pays to the Department of Real Estate the appropriate fee for said license within ninety (90) days of the effective date of the Order herein.

The restricted license issued to Respondent shall be subject to all of the provisions of Section 10156.7 of the Code and the following limitations, conditions and restrictions imposed under authority of Section 10156.6 of the Code:

A. The restricted license may be suspended prior to hearing by Order of the Real Estate Commissioner in the event of a conviction (including conviction on a plea of nolo contendere) to a crime which bears a significant relationship to a Respondent's fitness or capacity as a real estate licensee.

B. The restricted license may be suspended prior to hearing by Order of the Real Estate Commissioner on evidence satisfactory to the Commissioner that Respondent has, after the effective date of the Order herein, violated provisions of the California Real Estate Law, the Subdivided Lands Law, Regulations

1 of the Real Estate Commissioner or conditions attaching to said
2 restricted license.

3 C. Respondent shall obey all laws of the United States,
4 the State of California and its political subdivisions, and shall
5 further obey and comply with all rules and regulations of the Real
6 Estate Commissioner.

7 D. Respondent shall, within twelve (12) months from the
8 effective date of this Order, present evidence satisfactory to the
9 Real Estate Commissioner that Respondent has, since the most
10 recent issuance of an original or renewal real estate license,
11 taken and successfully completed the continuing education
12 requirements of Article 2.5 of Chapter 3 of the Real Estate Law
13 for renewal of a real estate license. If Respondent fails to
14 satisfy this condition, the Commissioner may order the suspension
15 of the restricted license until the Respondent presents such
16 evidence. The Commissioner shall afford Respondent an opportunity
17 for a hearing pursuant to the APA to present such evidence.

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

25 F. Respondent shall not be eligible for the issuance of
26 an unrestricted real estate license nor the removal of any of the
27 conditions, limitations or restrictions of the restricted license

1 until at least one year has elapsed from the issuance of any
2 restricted real estate license.

3 G. Respondent shall submit with any application for
4 license under an employing broker, or any application for transfer
5 to a new employing broker, a statement signed by the prospective
6 broker which shall certify:

7 (1) That the employing broker has read the Order of
8 the Commissioner which granted the right to a
9 restricted license; and

10 (2) That the employing broker will exercise close
11 supervision over the performance by the
12 restricted licensee of the activities for
13 which a real estate license is required.

14 DATED: 2-24-98

E. J. W.
15 ELLIOTT MAC LENNAN
16 Counsel for Complainant

17 * * * *

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

1
2 DATED: 2-24-98

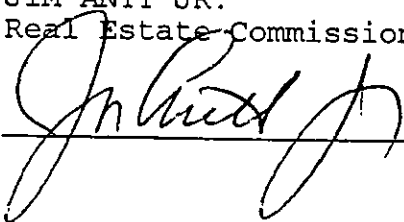

LAURENCE SHAUN BENNETT,
Respondent

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5 * * * *

6 The foregoing Stipulation and Agreement is hereby
7 adopted as my decision and Order and shall become effective at 12
8 o' clock noon on April 21, 1998.

9 IT IS SO ORDERED 3/23, 1998.

10 JIM ANTT JR.
11 Real Estate Commissioner


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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

FILED
MAR 23 1998
DEPARTMENT OF REAL ESTATE

* * * *

In the Matter of the Accusation of)
GENESIS REALTY INC., et al.,)
Respondents.)

Case No. H-27431 LA
OAH No. L- 1998030210

By *Laura B. Connor*

NOTICE OF 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 Office of Administrative Hearings, 107 South Broadway, 2nd Floor, Los Angeles, California, on APRIL 21, 1998, at the hour of 9:00 a.m. or as soon thereafter as the matter can be heard, upon the Accusation served upon you. If you object to the place of hearing, you must notify the presiding administrative law judge of the Office of Administrative Hearings within ten (10) days after this notice is served upon you. Failure to notify the presiding administrative law judge within ten days will deprive you of a change in the place of hearing.

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 and pay his or her costs. The interpreter must be certified in accordance with Sections 11435.30 and 11435.55 of the Government Code.

Dated: MAR 23 1998

DEPARTMENT OF REAL ESTATE

By: *E. J. L.*
ELLIOTT MAC LENNAN, Counsel

cc: Genesis Realty Inc.
Jacqueline Vartanian
Laurence Shaun Bennett
Sacto.
OAH

Sacto
1/1

ELLIOTT MAC LENNAN, Counsel
Department of Real Estate
107 South Broadway, Room 8107
Los Angeles, California 90012

(213) 897-3937

FILED
NOV - 5 1997
DEPARTMENT OF REAL ESTATE

By *Laura B. Orme*

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of)
GENESIS REALTY, INC.;)
JACQUELINE VARTANIAN,)
individually and as)
designated officer of)
Genesis Realty, Inc.;)
and LAURENCE SHAUN BENNETT,)
Respondents.)

No. H-27431 LA

A C C U S A T I O N

The Complainant, Thomas McCrady, a Deputy Real Estate
Commissioner of the State of California, for cause of Accusation
against GENESIS REALTY, INC., JACQUELINE VARTANIAN, individually
and as designated officer of Genesis Realty, Inc., and LAURENCE
SHAUN BENNETT is informed and alleges in his official capacity as
follows:

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GENESIS REALTY, INC. (GENESIS), JACQUELINE VARTANIAN (VARTANIAN), individually and as designated officer of Genesis Realty, Inc., and LAURENCE SHAUN BENNETT (BENNETT) 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).

II

All references to the "Code" are to the California Business and Professions Code and all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

III

At all mentioned times, GENESIS was licensed by the Department of Real Estate of the State of California (Department) as a corporate real estate broker by and through VARTANIAN as designated officer.

IV

At all mentioned times, VARTANIAN was licensed by the Department as designated officer of GENESIS to qualify GENESIS and to act for GENESIS as a real estate broker and, as provided by Section 10159.2 of the Code, was responsible for the supervision and control of the activities conducted on behalf of GENESIS by its officers, managers and employees as necessary to secure full compliance with the provisions of the Real Estate Law including the supervision of the salespersons licensed to the corporation in the performance of acts for which a real estate license is required by Section 10159.2 of the Code.

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V

At all mentioned times, BENNETT was licensed or had license rights issued by the Department of Real Estate (Department) as a real estate salesperson. BENNETT was initially licensed by the Department on September 11, 1992.

VI

Whenever reference is made in an allegation in the accusation to an act or omission of GENESIS such allegation shall be deemed to mean that the officers, directors, managers, employees, agents and real estate licensees employed by or associated with GENESIS, including VARTANIAN, committed such act or omission while engaged in the furtherance of the business or operation of GENESIS and while acting within the course and scope of its corporate authority, agency and employment.

VII

At all times mentioned, GENESIS and VARTANIAN were acting as the agent or employee of the other and within the course and scope of such agency or employment.

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VIII

At all times mentioned, in the City of Glendale, Los Angeles County, Respondent GENESIS and Respondent VARTANIAN engaged in the business of, acted as real estate brokers in the State of California within this meaning of:

A. Section 10131(a) of the Code, including the operation and conduct of a real estate sales brokerage with the public wherein Respondents, on behalf of others, solicited prospective sellers and purchasers and negotiated the purchase and sale of real property, for and in expectation of compensation; and

B. Section 10131(d) of the Code, including the operation of a mortgage loan brokerage business with the public wherein lenders and borrowers were solicited for loans secured directly or collaterally by liens on real property, wherein such loans were arranged, negotiated, processed, and consummated on behalf of others for compensation or in expectation of compensation and for fees often collected in advance.

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IX

(Audit Nos. LA 960510 & LA 970116)

On September 11, 1997, the Department completed a field audit examination of the books and records of GENESIS pertaining to its activities requiring a real estate license described in Paragraph VIII. The audit examination covered a period of time beginning on January 1, 1997, and ending on July 31, 1997. The audit examination revealed violations of the Code and the Regulations as set forth in the following paragraphs.

X

At all times mentioned, in connection with the activities described in Paragraph VIII, above, Respondents GENESIS and VARTANIAN accepted or received funds in trust (trust funds) from or on behalf of actual or prospective sellers and purchasers, and on behalf of borrowers and lenders and thereafter made disbursements of such funds including appraisal and loan processing fees. Respondents GENESIS and VARTANIAN maintained the following trust account into which they deposited certain of these funds:

"Genesis Realty, Inc. DBA Genesis Funding Trust Account
No. 474-003-010236"
American International Bank
520 N. Central Ave.
Glendale, California

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2 With respect to the trust funds referred to in Paragraph
3 IX, it is alleged that GENESIS and VARTANIAN:

4 (a) Permitted, allowed, or caused a deficit to
5 accumulate in the trust account, which on July 31, 1997, was in
6 the amount of \$404.00, in violation of Section 10145 of the Code
7 and Regulation 2832.1;

8 (b) Failed to maintain an adequate columnar record in
9 chronological order of all trust funds received, as required by
10 Regulation 2831;

11 (c) Failed to maintain a separate record for each
12 beneficiary or transaction, thereby failing to account for all
13 trust funds received, deposited, and disbursed by the trust
14 accounts, as required by Section 2831.1 of the Regulations;

15 (d) Failed to perform a monthly reconciliation of the
16 balance of all separate beneficiary or transaction records
17 maintained pursuant to Regulation 2831.1 with the record of all
18 trust funds received and disbursed by the trust account, as
19 required by Regulation 2831.2; and

20 (e) Failed to place funds, including earnest money
21 deposits received in certain sales transactions, accepted on
22 behalf of another into the hands of the owner of the funds, into a
23 neutral escrow depository or into a trust fund account in the name
24 of the broker as trustee at a bank or other financial institution
25 not later than three business days following receipt of the funds
26 by the broker or by the broker's salesperson, as required by
27 Section 2832 of the Regulations.



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XI

The conduct of Respondents GENESIS and VARTANIAN, described in Paragraph X, above, violated the Code and the Regulations as set forth below:

<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
X(a)	Section 10145 & 10159.2 of the Code, and Section 2832.1 of the Regulations
X(b)	Section 10145 of the Code Section 2831 of the Regulations
X(c)	Section 10145 of the Code Section 2831.1 of the Regulations
X(d)	Section 10145 of the Code Section 2831.2 of the Regulations
X(e)	Section 10145 of the Code Section 2832 of the Regulations

Each of the foregoing violations separately constitutes cause for the suspension or revocation of the real estate licenses and license rights of Respondents GENESIS and VARTANIAN under the provisions of Section 10177(d) of the Code.

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XII

Without the knowledge of VARTANIAN, BENNETT acted as the agent Joe Mataele in leasing real property located at 1919 Marshall Field Lane #D, Redondo Beach, California to tenants Steven and Jaine Weinberg and collected rent from these tenants.

XIII

The audit examination further revealed that BENNETT in accepting a deposit and rental payment from Steven and Jaine Weinberg in connection with a lease negotiated by BENNETT on behalf of the broker under whom he was licensed, VARTANIAN, failed to deliver said fees to his broker, place the funds into the hands of the broker's principal, into a neutral escrow depository, or into the broker's trust fund. This constitutes a violation of Section 10145(c). This conduct and violation are cause to suspend or revoke the real estate license and license rights of Respondent BENNETT pursuant to Section 10177(d) of the Code.

XIV

The audit examination also revealed that GENESIS VARTANIAN failed to provide a statement in writing containing all the information required by Section 10241 of the Code to various borrowers including but not limited to borrowers Yedalian, Chitarrians, Snell, Bandari and Marzovan before said borrowers became obligated to perform under the terms of their loans. This omission constitutes a violation of Section 10240 of the Code and Regulation 2840 of the Regulations and is cause to suspend or revoke the licenses and license rights of Respondents pursuant to Section 10177(d) of the Code.



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2 The overall conduct of Respondent VARTANIAN, in allowing
3 Respondent GENESIS to violate Sections 10145 and 10240 of the Code
4 and Regulations 2725, 2831, 2831.1, 2831.2, 2832 and 2840, as
5 described in Paragraphs VII through XIV, herein above, during the
6 time that VARTANIAN was the designated officer of GENESIS,
7 constitutes a failure to properly supervise, negligence or
8 incompetence. This conduct and violation are cause for the
9 suspension or revocation of the real estate license and license
10 rights of Respondent VARTANIAN under the provisions of Sections
11 10177(g) and 10177(h) of the Code.

12 WHEREFORE, Complainant prays that a hearing be conducted
13 on the allegations made by the accusation and, that upon proof
14 thereof, a decision be rendered imposing disciplinary action
15 against the license and license rights of GENESIS REALTY, INC.,
16 JACQUELINE VARTANIAN, individually and as designated officer of
17 Genesis Realty, Inc., and LAURENCE SHAUN BENNETT under the Real
18 Estate Law (Part 1 of Division 4 of the Business and Professions
19 Code) and for such other and further relief as may be proper under
20 other applicable provisions of law.

21 Dated at Los Angeles, California

22 this 5th day of November, 1997.

23 THOMAS McCRADY

24 Deputy Real Estate Commissioner

25 cc: Genesis Realty, Inc.
26 c/o Jacqueline Vartanian, D.O.
Sacto.
DR

27 cc: Laurence Shaun Bennett

