

1 Department of Real Estate  
2 320 West Fourth Street, Suite 350  
3 Los Angeles, California 90013-1105

4 Telephone: (213) 576-6982  
5 -or- (213) 576-6910 (Direct)

FILED  
JUN 30 2000  
DEPARTMENT OF REAL ESTATE

By CS

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of )  
12 HOTEL TIMESHARE RESALES, )  
13 INC., a corporation and )  
14 NAZIH EMILE NOUJAIM, )  
15 individually and as )  
16 designated officer of )  
Hotel Timeshare Resales, Inc., )  
Respondents: )

NO. H-28418 LA  
L-2000020552  
STIPULATION AND AGREEMENT

17 It is hereby stipulated by and between HOTEL TIMESHARE  
18 RESALES, INC., a corporation (hereinafter "HOTEL") and NAZIH  
19 EMILE NOUJAIM, individually and as designated officer of Hotel  
20 Timeshare Resales, Inc. (hereinafter "NOUJAIM") (hereinafter  
21 sometimes referred to as "Respondents") and the Complainant,  
22 acting by and through Chris Leong, Counsel for the Department of  
23 Real Estate, as follows for the purpose of settling and  
24 disposing of the Accusation filed on February 17, 2000.

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

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

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

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

22 4. In the interest of expedience and economy,  
23 Respondents choose not to contest the factual allegations in  
24 Paragraphs 1 through 12 of the Accusation, but to remain silent  
25 and understand that, as a result thereof, these factual  
26 statements, without being admitted or denied, will serve as a  
27 prima facie basis for the disciplinary action stipulated to



1 herein. The Real Estate Commissioner shall not be required to  
2 provide further evidence to prove such allegations.

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

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

21 DETERMINATION OF ISSUES

22 By reason of the foregoing stipulations, admissions  
23 and waivers and solely for the purpose of settlement of the  
24 pending Accusation without a hearing, it is stipulated and  
25 agreed that the following Determination of Issues shall be made:

26 The acts and omissions of Respondent NOUJAIM,  
27 described in Paragraphs 1 through 12 the Accusation, are cause



1 for the suspension or revocation of all real estate licenses and  
2 license rights of Respondent under the provisions of Sections  
3 10145 and 10177(h) of the Business and Professions and Sections  
4 2831 and 2832 of Title 10, Chapter 6, California Code of  
5 Regulations.

6 The acts and omissions of Respondent HOTEL, described  
7 in Paragraphs 1 through 12 the Accusation, are cause for the  
8 suspension or revocation of all real estate licenses and license  
9 rights of Respondent under the provisions of Sections 10145 and  
10 10177(d) of the Business and Professions and Sections 2831 and  
11 2832 of Title 10, Chapter 6, California Code of Regulations.

12 ORDER

13 WHEREFORE, THE FOLLOWING ORDER is hereby made:

14 All licenses and licensing rights of Respondents HOTEL  
15 TIMESHARE RESALES, INC., a corporation and NAZIH EMILE NOUJAIM,  
16 individually and as designated officer of Hotel Timeshare  
17 Resales, Inc., under the Real Estate Law are suspended for a  
18 period of sixty (60) days from the effective date of this  
19 Decision; provided, however, that all of said suspension shall  
20 be stayed for two (2) years upon the following terms and  
21 conditions:

22 1. Prior to the effective date of any decision,  
23 Respondents shall repay \$300.00 to Julie Wong Adams.

24 2. Pursuant to Section 10148 of the Business and  
25 Professions Code, Respondents HOTEL and NOUJAIM, jointly or  
26 severally, shall pay the Commissioner's reasonable cost for:

27 (a) the audit which led to this disciplinary action and,

1 (b) a subsequent audit to determine if Respondents have  
2 corrected the trust fund violations found in the Determination  
3 of Issues. The cost of the audit which led to this disciplinary  
4 action is \$4,961.09. In calculating the amount of the  
5 Commissioner's reasonable cost for the subsequent audit, the  
6 Commissioner may use the estimated average hourly salary for all  
7 persons performing audits of real estate brokers, and shall  
8 include an allocation for travel time to and from the auditor's  
9 place of work. Said amount for the subsequent audits shall not  
10 exceed \$4,961.09.

11 Respondents shall pay the cost of both audits within  
12 sixty (60) days of receiving an invoice from the Commissioner  
13 detailing the activities performed during the audit and the  
14 amount of time spent performing those activities. The  
15 Commissioner may in her discretion, vacate and set aside any  
16 stay order, if payment is not timely made as provided for  
17 herein, or as provided for in a subsequent agreement between the  
18 Respondents and the Commissioner. The vacation and set aside of  
19 the stay shall remain in effect until payment is made in full,  
20 or until Respondents enter into an agreement satisfactory to the  
21 Commissioner to provide for payment. Should no order vacating  
22 the stay be issued, the stay imposed herein shall become  
23 permanent.

24 3. Respondents shall obey all laws, rules and  
25 regulations governing the rights, duties and responsibilities of  
26 a real estate licensee in the State of California; and  
27

1                   4. That no final subsequent determination be made  
2 after hearing or upon stipulation, that cause for disciplinary  
3 action occurred within two (2) years of the effective date of  
4 this Decision. Should such a determination be made, the  
5 Commissioner may, in her discretion, vacate and set aside the  
6 stay order and reimpose all or a portion of the stayed  
7 suspension.

8                   If no further cause for disciplinary action against  
9 the real estate license of Respondents occurs within two (2)  
10 years from the effective date of this Decision and if the above  
11 conditions are satisfied, the sixty (60) day stay hereby granted  
12 shall become permanent.

13  
14 DATED: 4/25/00

CHRIS LEONG

CHRIS LEONG, ESQ.  
Counsel for Complainant

15  
16 \* \* \*

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



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DATED: 4-21-00

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~~HOTEL TIMESHARE RESALES, INC.,  
a corporation,  
by Nazih Emile Noujaim~~

DATED: 4-24-00

~~4-24-00~~ 4-24-00

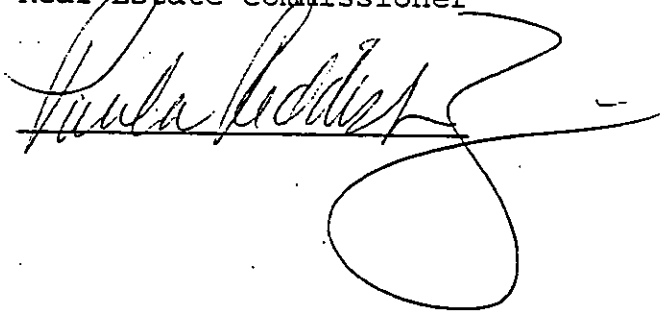
~~NAZIH EMILE NOUJAIM,  
individually and  
as designated officer of Hotel  
Timeshare Resales, Inc.,  
Respondent~~

\* \* \*

The foregoing Stipulation and Agreement is hereby  
adopted as my Decision in this matter and shall become effective  
at 12 o'clock noon on July 20, 2000

IT IS SO ORDERED June 20, 2000

PAULA REDDISH ZINNEMANN  
Real Estate Commissioner



SAC

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

In the Matter of the Accusation of )  
HOTEL TIMESHARE RESALES, INC, )  
a corporation and NAZIH EMILE NOUJAIM, )  
individually and as designated officer )  
of Hotel Timeshare Resales, Inc., )  
\_\_\_\_\_ )  
Respondent(s)

Case No. H-28418 LA

OAH No. L-2000020552

FILED  
MAR - 7 2000  
DEPARTMENT OF REAL ESTATE

NOTICE OF HEARING ON ACCUSATION

By CS

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, 320 West Fourth Street, Suite 630, Los Angeles, CA 90013-1105 on THURSDAY, APRIL 20, 2000, 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 on you. Failure to notify the presiding administrative law judge within ten days will deprive you of a change in the place of the 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.

DEPARTMENT OF REAL ESTATE

Dated: March 7, 2000

By

CHRIS LEONG  
CHRIS LEONG, Counsel

cc: Nazih Emile Noujaim  
Hotel Timeshare Resales, Inc.  
Sacto.  
OAH



SAC

CHRIS LEONG, Counsel  
State Bar Number 141079  
Department of Real Estate  
320 West Fourth Street, Suite 350  
Los Angeles, California 90013-1105  
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FEB 17 2000  
DEPARTMENT OF REAL ESTATE

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BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of )	NO. H-28418 LA
HOTEL TIMESHARE RESALES, )	<u>ACCUSATION</u>
INC., a corporation and )	
NAZIH EMILE NOUJAIM, )	
individually and as )	
designated officer of )	
Hotel Timeshare Resales, Inc., )	
Respondents. )	

The Complainant, Thomas McCrady, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against HOTEL TIMESHARE RESALES, INC. (HOTEL) and NAZIH EMILE NOUJAIM, individually and as designated officer of Hotel Timeshare Resales, Inc. (NOUJAIM) (hereinafter sometimes collectively referred to as "Respondents"), is informed and alleges as follows:

1.

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

2.

1 All Sections of Title 10, Chapter 6, California Code  
2 of Regulations, are hereinafter referred to as "Regulations".  
3

4 3.

5 At all times herein mentioned, Respondent HOTEL was  
6 and still is licensed and/or has license rights under the Real  
7 Estate Law, Part 1 of Division 4 of the Business and Professions  
8 Code (Code), and was and still is licensed by the Department of  
9 Real Estate of the State of California (Department) as a  
10 corporate real estate broker.

11 4.

12 At all times herein mentioned, Respondent NOUJAIM,  
13 individually and as designated officer of HOTEL, was and still  
14 is licensed by the Department as a real estate broker.

15 5.

16 From January 1998 to present, in Los Angeles County,  
17 California, HOTEL and NOUJAIM, for compensation or in  
18 expectation of compensation, engaged in the sale of real  
19 property timeshares with the public, wherein purchasers and  
20 sellers of real property were solicited and sales were  
21 negotiated on behalf of buyers and sellers.

22 6.

23 On or about June 30, 1999, the Department completed an  
24 audit of the activities of HOTEL and NOUJAIM, for the period  
25 from January 1, 1997 through May 31, 1999. The results of that  
26 audit are set forth in Paragraphs 7 and 8.  
27



1 From 1997 to 1999, in connection with their real  
2 estate business activities, HOTEL and NOUJAIM accepted or  
3 received funds in trust (trust funds) from or on behalf of  
4 buyers and thereafter made disbursements of such funds. These  
5 trust funds were maintained by them in a bank account at Union  
6 Bank of California, 73-785 El Paseo Avenue, Palm Desert, CA  
7 92266, account name Nazih E. Noujaim DBA Hotel Travel Services,  
8 account number 4070011390 (hereinafter referred to as BA#1).  
9 Two trust accounts at the same bank were opened as of May 12,  
10 1999. The first trust account name was Hotel Timeshare Resales,  
11 Inc. Trust Account, Account No. 4070-016767. The second trust  
12 account name was Hotel Timeshare Resales, Inc. Trust Account #2,  
13 Account No. 6180-009424.

## 8.

15 In connection with those trust funds described in  
16 Paragraph 7, HOTEL and NOUJAIM:

17 (a) maintained a shortage in BA#1 of \$6,818.18 as of  
18 May 31, 1999, and maintained an overage of \$1,361.74, one bank  
19 charge and two overdrawn balances were reimbursed, in violation  
20 of Code Section 10145 and Section 2832.1 of the Regulations;

21 (b) maintained incomplete and inaccurate columnar  
22 records of trust funds received and placed in BA#1, in violation  
23 of Section 2831 of the Regulations;

24 (c) failed to maintain adequate separate records for  
25 BA#1, in violation of Section 2831.1 of the Regulations;

27



1 (d) failed to perform monthly reconciliation of the  
2 separate records to the account records for BA#1, in violation  
3 of Section 2831.2 of the Regulations; and

4 (e) failed to designate BA#1 as a trust account, in  
5 violation of Code Section 10145 and Section 2832 of the  
6 Regulations.

7 FIRST CAUSE OF ACCUSATION

8 (Violation by Respondents of Code Sections 10145 and 10177(d) and  
9 Sections 2831, 2831.1, 2831.2, 2832 and 2832.1 of the Regulations)

10 9.

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

14 10.

15 The conduct of Respondents, in handling trust funds as  
16 alleged in Paragraphs 5 through 8, constitutes violation under  
17 Code Section 10145 and Sections 2831, 2831.1, 2831.2, 2832.1 and  
18 2832 of the Regulations. Said conduct is cause pursuant to Code  
19 Section 10177(d) for the suspension or revocation of all  
20 licenses and license rights of Respondents under the Real Estate  
21 Law.

22 SECOND CAUSE OF ACCUSATION

23 (Violation by Respondent NOUJAIM of Section 10177(h) of the  
24 Code)

25 11.

26 As a Second Cause of Accusation, Complainant  
27 incorporates herein by this reference the Preamble and each of



1 the allegations in Paragraphs 1 through 8, herein above.

2 12.

3 The conduct of Respondent NOUJAIM, as alleged above,  
4 constitutes dishonest dealing under Code Section 10177(h). Said  
5 conduct is cause for the suspension or revocation of all  
6 licenses and license rights of Respondent NOUJAIM under the Real  
7 Estate Law.

8 WHEREFORE, Complainant prays that a hearing be  
9 conducted on the allegations of this Accusation and that upon  
10 proof thereof, a decision be rendered imposing disciplinary  
11 action against all licenses and license rights of  
12 Respondents, HOTEL TIMESHARE RESALES, INC. and NAZIH EMILE  
13 NOUJAIM, individually and as designated officer of Hotel  
14 Timeshare Resales, Inc., under the Real Estate Law (Part 1 of  
15 Division 4 of the Business and Professions Code), and for  
16 such other and further relief as may be proper under other  
17 applicable provisions of law.

18 Dated at Los Angeles, California  
19 this 17th day of February, 2000.

20 THOMAS MCCRADY  
21 Deputy Real Estate Commissioner

22  
23 cc: Hotel Timeshare Resales, Inc.  
24 Nazih Emile Noujaim  
25 Thomas McCrady  
26 Sacto.  
27 LA Audit Section/Breeding  
PM

