

1 Community Housing Financial,)
M&C Mortgage Services,)
2 and M&C Realty,)
Respondents.)
3

4 In the Matter of the Accusation of)
5 INT'L MILLENNIUM GROUP,)
a corporation,)
6 formerly dba Fast Track)
Funding, Fast-Track Realty,)
7 Millennium Mortgage,)
and New Millennium Realty,)
8 and CARLOS ALBERTO DEL CARMEL,)
individually and as)
9 designated officer of Int'l)
Millennium Group,)
10 dba Home Loans Financial and)
Real Estate, and formerly)
11 Camacho Realty,)
Fast Track Funding, Fast Track)
12 Realty, Millennium Mortgage,)
Millennium Realty Group,)
13 New Century Realty, New)
Millennium Realty, Principal)
14 Mortgage & Investments,)
Principal Realty, Servimex)
15 Home Loans, and Star Realty)
& Investments,)
16 Respondents.)
17

DRE NO. H-29154 LA
OAH NO. L-2001090321

18 STIPULATION AND AGREEMENT

19 It is hereby stipulated by and between CARLOS ALBERTO
20 DEL CARMEL, individually and as former designated officer of
21 AFG Funding, Inc., dba Home Loans Financial and Real Estate,
22 and formerly dba Camacho Realty, Fast Track Funding, Fast Track
23 Realty, Millennium Mortgage, Millennium Realty Group, New
24 Century Realty, New Millennium Realty, Principal Mortgage &
25 Investments, Principal Realty, Servimex Home Loans, Star Realty
26 & Investments (hereinafter "Respondent"), representing himself,
27

1 and the Complainant, acting by and through Chris Leong, Counsel
2 for the Department of Real Estate, as follows for the purpose
3 of settling and disposing of the Accusation, Case No. H-29011
4 LA filed on April 9, 2001 and the First Amended Accusation
5 filed on March 4, 2002; Accusation, Case No. H-29181 LA filed
6 on August 15, 2001; and Accusation, Case No. H-29154 LA filed
7 on July 25, 2001. The Accusations as to remaining Respondents
8 have been or are being handled separately.

9 1. All issues which were to be contested and all
10 evidence which was to be presented by Complainant and
11 Respondent at a formal hearing on the Accusations, which
12 hearing was to be held in accordance with the provisions of the
13 Administrative Procedure Act, shall instead and in place
14 thereof be submitted solely on the basis of the provisions of
15 this Stipulation and Agreement (hereafter "Stipulation").

16 2. Respondent has received, read and understands the
17 Statement to Respondent, the Discovery Provisions of the
18 Administrative Procedure Act and the Accusation, filed by the
19 Department of Real Estate in this proceeding.

20 3. Respondent filed Notices of Defense pursuant to
21 Section 11505 of the Government Code for the purpose of
22 requesting a hearing on the allegations in the Accusations.
23 Respondent hereby freely and voluntarily withdraws said Notices
24 of Defense. Respondent acknowledges that he understands that
25 by withdrawing said Notices of Defense he will thereby waive
26 his right to require the Commissioner to prove the allegations
27 in the Accusations at a contested hearing held in accordance

1 with the provisions of the Administrative Procedure Act and
2 that Respondent will waive other rights afforded to him in
3 connection with the hearing, such as the right to present
4 evidence in defense of the allegations in the Accusations and
5 the right to cross-examine witnesses.

6 4. In the interest of expedience and economy,
7 Respondent chooses not to contest the factual allegations in
8 the Accusations, but to remain silent and understands that, as a
9 result thereof, these factual statements, without being admitted
10 or denied, will serve as a prima facie basis for the disciplinary
11 action stipulated to herein. The Real Estate Commissioner shall
12 not be required to provide further evidence to prove such
13 allegations.

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

24 6. The Order or any subsequent Order of the Real
25 Estate Commissioner made pursuant to this Stipulation shall not
26 constitute an estoppel, merger or bar to any further
27 administrative or civil proceeding 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 7. The admissions herein, and Respondent's decision
4 not to contest the Accusations, are made solely for the purpose
5 of reaching an agreed disposition of this proceeding and are
6 expressly limited to this proceeding and any other proceeding
7 or case in which the Department of Real Estate or another
8 licensing agency of this state, another state or if the federal
9 government is involved, and otherwise shall not be admissible
10 in any other criminal or civil proceedings.

11 DETERMINATION OF ISSUES

12 By reason of the foregoing stipulations, admissions
13 and waivers and solely for the purpose of settlement of the
14 pending Accusations without a hearing, it is stipulated and
15 agreed that the following Determination of Issues shall be
16 made:

17 The acts and omissions of Respondent DEL CARMEL,
18 described in the Accusations are in violation of Sections 2726,
19 2731, 2831 and 2831.1 of Title 10, Chapter 6, California Code
20 of Regulations and are cause for the suspension or revocation
21 of all real estate licenses and license rights of Respondent
22 under the provisions of Section 10177(d) and 10177(h) of the
23 Business and Professions Code.

24 ORDER

25 WHEREFORE, THE FOLLOWING ORDER is hereby made:

26 All licenses and licensing rights of Respondent
27 CARLOS ALBERTO DEL CARMEL, individually and as former designated

1 officer of AFG Funding, Inc., and dba Home Loans Financial and
2 Real Estate, and formerly dba Camacho Realty, Fast Track
3 Funding, Fast Track Realty, Millennium Mortgage, Millennium
4 Realty Group, New Century Realty, New Millennium Realty,
5 Principal Mortgage & Investments, Principal Realty, Servimex
6 Home Loans, Star Realty & Investments, under the Real Estate
7 Law are revoked; provided, however, a restricted real estate
8 broker license shall be issued to Respondent pursuant to
9 Section 10156.5 of the Business and Professions Code, if
10 Respondent makes application therefor and pays to the
11 Department of Real Estate the appropriate fee for the
12 restricted license within 90 days from the effective date of
13 this Decision. The restricted license issued to Respondent
14 shall be subject to all of the provisions of Section 10156.7 of
15 the Business and Professions Code and to the following
16 limitations, conditions, and restrictions imposed under
17 authority of Section 10156.6 of that Code:

18 1. The restricted license issued to Respondent may be
19 suspended prior to hearing by Order of the Real Estate
20 Commissioner in the event of Respondent's conviction or plea of
21 nolo contendere to a crime which is substantially related to
22 Respondent's fitness or capacity as real estate licensee.

23 2. The restricted license issued to Respondent may be
24 suspended, prior to hearing by Order of the Real Estate
25 Commissioner on evidence satisfactory to the Commissioner that
26 Respondent has violated provisions of the California Real Estate
27 Law, the Subdivided Lands Law, Regulations of the Real Estate

Commissioner or conditions attaching to the restricted license.

1
2 3. Respondent shall not be eligible to apply for the
3 issuance of unrestricted real estate license nor the removal of
4 any of the conditions, limitations or restrictions of the
5 restricted license until two years have elapsed from the
6 effective date of this Decision.

7 4. Respondent shall, within nine (9) months from the
8 effective date of this Decision, present evidence satisfactory to
9 the 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 the
17 opportunity for a hearing pursuant to the Administrative
18 Procedure Act to present such evidence.

19 5. Respondent shall, within six (6) months from the
20 effective date of this Decision, take and pass the Professional
21 Responsibility Examination administered by the Department,
22 including the payment of the appropriate examination fee. If
23 Respondent fails to satisfy this condition, the Commissioner may
24 order suspension of the license until Respondent passes the
25 examination.

26 6. Respondent cannot be the designated officer of any
27 corporate real estate broker.

1 7. Pursuant to Section 10148 of the Business and
2 Professions Code, Respondent shall pay the Commissioner's
3 reasonable cost for: a subsequent audit to determine if
4 Respondent has corrected the trust fund violations found in the
5 Determination of Issues. The cost of the subsequent audit shall
6 not exceed \$1,553.12. In calculating the amount of the
7 Commissioner's reasonable cost, the Commissioner may use the
8 estimated average hourly salary for all persons performing audits
9 of real estate brokers, and shall include an allocation for
10 travel time to and from the auditor's place of work.

11 Respondent shall pay such cost within 60 days of
12 receiving an invoice from the Commissioner detailing the
13 activities performed during the audit and the amount of time
14 spent performing those activities. The Commissioner may suspend
15 the restricted license issued to Respondent pending a hearing
16 held in accordance with Section 11500, et seq., of the Government
17 Code, if payment is not timely made as provided for herein, or as
18 provided for in a subsequent agreement between the Respondent and
19 the Commissioner. The suspension shall remain in effect until
20 payment is made in full, or until Respondent enters into an
21 agreement satisfactory to the Commissioner to provide for
22 payment, or until a decision providing otherwise is adopted
23 following a hearing held pursuant to this condition.

24
25 DATED: 2/1/04

CHRIS LEONG
CHRIS LEONG, ESQ.
Counsel for Complainant

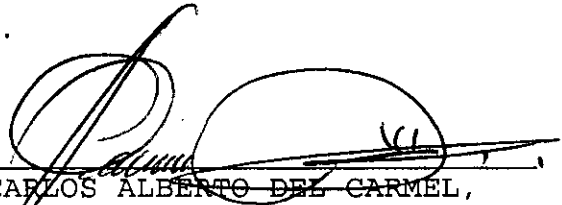
* * *

1 I have read the Stipulation and Agreement, and I
2 CARLOS DEL CARMEL and its terms are understood by me and are
3 agreeable and acceptable to me. I understand that I am waiving
4 rights given to me by the California Administrative Procedure
5 Act (including but not limited to Sections 11506, 11508, 11509
6 and 11513 of the Government Code), and I willingly,
7 intelligently and voluntarily waive those rights, including the
8 right of requiring the Commissioner to prove the allegations in
9 the Accusations at a hearing at which we would have the right to
10 cross-examine witnesses against me and to present evidence in
11 defense and mitigation of the charges.

12 Respondent can signify acceptance and approval of the
13 terms and conditions of this Stipulation and Agreement by faxing
14 a copy of the signature page, as actually signed by Respondent,
15 to the Department at the following fax number (213) 576-6917.
16 Respondent agrees, acknowledges and understands that by
17 electronically sending to the Department a fax copy of his actual
18 signature as it appears on the Stipulation and Agreement, that
19 receipt of the faxed copy by the Department shall be as binding
20 on Respondent as if the Department had received the original
21 signed Stipulation and Agreement.

22
23 DATED:

Feb-02/2004


CARLOS ALBERTO DEL CARMEL,
Respondent

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The foregoing Stipulation and Agreement is hereby
adopted as my Decision in this matter and shall become effective
at 12 o'clock noon on March 18, 2004.

IT IS SO ORDERED February 23, 2004.

JOHN R. LIBERATOR
Acting Commissioner

John R. Liberator

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
MARCH 1, 2004
DEPARTMENT OF REAL ESTATE

[Handwritten signature]

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of) NO. H-29011 LA
12) L-2001050172
13 AFG FUNDING, INC., a,)
14 corporation; CARLOS ALBERTO) STIPULATION AND AGREEMENT
15 DEL CARMEL, individually and as)
16 former designated officer of)
17 AFG Funding, Inc.; and)
18 MIRIAM ESCOBAR AVILA, formerly)
19 Miriam Roman Escobar,)
20 Respondents.)

21 It is hereby stipulated by and between AFG FUNDING,
22 INC., a corporation (hereafter "AFG") and MIRIAM ESCOBAR AVILA,
23 formerly Miriam Roman Escobar (hereafter "AVILA") (hereafter
24 sometimes both referred to as "Respondents"), acting by and
25 through Michael Harris, Esq., Counsel for Respondents, and the
26 Complainant, acting by and through Chris Leong, Counsel for the
27 Department of Real Estate, as follows for the purpose of settling
and disposing of the First Amended Accusation filed on March 4,
2002 as to Respondents AFG and AVILA, only. The Accusation as to
CARLOS ALBERTO DEL CARMEL will be handled separately.

1 1. All issues which were to be contested and all
2 evidence which was to be presented by Complainant and Respondents
3 at a formal hearing on the First Amended Accusation (hereafter
4 "Accusation") which hearing was to be held in accordance with the
5 provisions of the Administrative Procedure Act, shall instead and
6 in place thereof be submitted solely on the basis of the
7 provisions of this Stipulation and Agreement (hereafter
8 "Stipulation").

9 2. Respondents have received, read and understand the
10 Statement to Respondent, the Discovery Provisions of the
11 Administrative Procedure Act and the Accusation, filed by the
12 Department of Real Estate in this proceeding.

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

26 4. In the interest of expedience and economy,
27 Respondents choose not to contest the factual allegations in

1 Paragraphs 1 through 15 of the Accusation, but to remain silent
2 and understand that, as a result thereof, these factual
3 statements, without being admitted or denied, will serve as a
4 prima facie basis for the disciplinary action stipulated to
5 herein. The Real Estate Commissioner shall not be required to
6 provide further evidence to prove such allegations.

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

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

23 DETERMINATION OF ISSUES

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

1 The acts and omissions of Respondents, described in
2 Paragraphs 1 through 15 of the Accusation, are cause for the
3 suspension or revocation of all real estate licenses and license
4 rights of Respondents under the provisions of
5 Section 10177(g) of the Business and Professions Code.

6 ORDER

7 WHEREFORE, THE FOLLOWING ORDER is hereby made:

8 I. All licenses and licensing rights of Respondent
9 MIRIAM ESCOBAR AVILA (formerly Miriam Roman Escobar), under the
10 Real Estate Law are revoked; provided, however, a restricted real
11 estate salesperson license shall be issued to Respondent pursuant
12 to Section 10156.5 of the Business and Professions Code if
13 Respondent makes application therefor and pays to the Department
14 of Real Estate the appropriate fee for the restricted license
15 within 90 days from the effective date of this Decision. The
16 restricted license issued to Respondent shall be subject to all
17 of the provisions of Section 10156.7 of the Business and
18 Professions Code and to the following limitations, conditions,
19 and restrictions imposed under authority of Section 10156.6 of
20 that Code:

21 1. Provides proof satisfactory to the Real Estate
22 Commissioner that Respondent has paid Ruben Gutierrez and Sergio
23 Vallejo \$7,500.00 or an amount agreed to in any separate
24 agreement.

25 2. The restricted license issued to Respondent may be
26 suspended prior to hearing by Order of the Real Estate
27 Commissioner in the event of Respondent's conviction or plea of

1 nolo contendere to a crime which is substantially related to
2 Respondent's fitness or capacity as real estate licensee.

3 3. The restricted license issued to Respondent may be
4 suspended prior to hearing by Order of the Real Estate
5 Commissioner on evidence satisfactory to the Commissioner that
6 Respondent has violated provisions of the California Real Estate
7 Law, the Subdivided Lands Law, Regulations of the Real Estate
8 Commissioner or conditions attaching to the restricted license.

9 4. Respondent shall not be eligible to apply for the
10 issuance of an unrestricted real estate license nor for the
11 removal of any of the conditions, limitations or restrictions of
12 a restricted license until two (2) years have elapsed from the
13 effective date of this Decision.

14 5. Respondent shall submit with any application for
15 license under an employing broker, or any application for
16 transfer to a new employing broker, a statement signed by the
17 prospective employing real estate broker on a form approved by
18 the Department of Real Estate which shall certify:

19 (a) That the employing broker has read the Decision of
20 the Commissioner which granted the right to a restricted license;
21 and

22 (b) That the employing broker will exercise close
23 supervision over the performance by the restricted licensee
24 relating to activities for which a real estate license is
25 required.

26 6. Respondent shall, within nine (9) months from the
27 effective date of this Decision, present evidence satisfactory to

1 the Real Estate Commissioner that Respondent has, since the most
2 recent issuance of an original or renewal real estate license,
3 taken and successfully completed the continuing education
4 requirements of Article 2.5 of Chapter 3 of the Real Estate Law
5 for renewal of a real estate license. If Respondent fails to
6 satisfy this condition, the Commissioner may order the suspension
7 of the restricted license until the Respondent presents such
8 evidence. The Commissioner shall afford Respondent the
9 opportunity for a hearing pursuant to the Administrative
10 Procedure Act to present such evidence.

11 7. Respondent shall, within six (6) months from the
12 effective date of this Decision, take and pass the Professional
13 Responsibility Examination administered by the Department
14 including the payment of the appropriate examination fee. If
15 Respondent fails to satisfy this condition, the Commissioner may
16 order suspension of Respondent's license until Respondent passes
17 the examination.

18 II. All licenses and licensing rights of Respondent
19 AFG, under Real Estate Law are revoked; provided, however, a
20 restricted corporate real estate broker license shall be issued
21 to Respondent AFG pursuant to Section 10156.5 of the Code, if
22 Respondent AFG makes applications therefor and pay to the
23 Department of Real Estate the appropriate fee for the restricted
24 licenses within 90 days from the effective date of this Decision.
25 The restricted license issued to Respondent shall be subject to
26 all of the provisions of Section 10156.7 of the Business and
27 Professions Code and to the following limitations, conditions,

1 and restrictions imposed under authority of Section 10156.6 of
2 that Code:

3 1. The restricted license issued to Respondent may be
4 suspended prior to hearing by Order of the Real Estate
5 Commissioner in the event of Respondent's designated officer's
6 conviction or plea of nolo contendere to a crime which is
7 substantially related to Respondent's fitness or capacity as a
8 real estate licensee.

9 2. The restricted license issued to Respondent may be
10 suspended prior to hearing by Order of the Real Estate
11 Commissioner on evidence satisfactory to the Commissioner that
12 Respondent has violated provisions of the California Real Estate
13 Law, the Subdivided Lands Law, Regulations of the Real Estate
14 Commissioner or conditions attaching to the restricted license.

15 3. Respondent shall not be eligible to apply for the
16 issuance of unrestricted real estate license nor the removal of
17 any of the conditions, limitations or restrictions of the
18 restricted license until at least two (2) years have elapsed from
19 the date of this Decision.

20 4. Pursuant to Section 10148 of the Business and
21 Professions Code, Respondent shall pay the Commissioner's
22 reasonable cost for: a) the audit which led to this disciplinary
23 action and, b) a subsequent audit to determine if Respondent has
24 corrected the trust fund violations found in the Determination of
25 Issues. The cost of the audit which led to this disciplinary
26 action is \$1,553.12. In calculating the amount of the
27 Commissioner's reasonable cost, the Commissioner may use the

1 estimated average hourly salary for all persons performing audits
2 of real estate brokers, and shall include an allocation for
3 travel time to and from the auditor's place of work. Said amount
4 for the subsequent audit shall not exceed \$1,553.12.

5 Respondent shall pay such cost within 60 days of
6 receiving an invoice from the Commissioner detailing the
7 activities performed during the audit and the amount of time
8 spent performing those activities. The Commissioner may suspend
9 the restricted license issued to Respondent pending a hearing
10 held in accordance with Section 11500, et seq., of the Government
11 Code, if payment is not timely made as provided for herein, or as
12 provided for in a subsequent agreement between the Respondent and
13 the Commissioner. The suspension shall remain in effect until
14 payment is made in full, or until Respondent enters into an
15 agreement satisfactory to the Commissioner to provide for
16 payment, or until a decision providing otherwise is adopted
17 following a hearing held pursuant to this condition.

18 5. Respondent shall provide proof satisfactory to the
19 Commissioner, prior to the effective date of this Decision and
20 prior to the issuance of any license, that Respondent is in good
21 standing with the Secretary of State.

22
23 DATED: 2/2/04

CHRIS LEONG
CHRIS LEONG, ESQ.
Counsel for Complainant

24
25 * * *

26 We have read the Stipulation and Agreement, have
27 discussed it with our Counsel, and its terms are understood by

1 us and are agreeable and acceptable to us. We understand that
2 we are waiving rights given to us by the California
3 Administrative Procedure Act (including but not limited to
4 Sections 11506, 11508, 11509 and 11513 of the Government Code),
5 and we willingly, intelligently and voluntarily waive those
6 rights, including the right of requiring the Commissioner to
7 prove the allegations in the Accusation at a hearing at which we
8 would have the right to cross-examine witnesses against us and
9 to present evidence in defense and mitigation of the charges.

10 Respondents can signify acceptance and approval of the
11 terms and conditions of this Stipulation and Agreement by faxing
12 a copy of the signature page, as actually signed by Respondents,
13 to the Department at the following fax number (213) 576-6917.
14 Respondents agree, acknowledge and understand that by
15 electronically sending to the Department a fax copy of their
16 actual signatures as they appear on the Stipulation and
17 Agreement, that receipt of the faxed copy by the Department shall
18 be as binding on Respondents as if the Department had received
19 the original signed Stipulation and Agreement.

20
21 DATED: 1-29-04



MIRIAM ESCOBAR AVILA,
formerly Miriam Roman Escobar
Respondent


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23
24 DATED: 1-29-04



AFG FUNDING, INC., a corporation
by Miriam Escobar Avila,
President, Respondent

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DATED: Feb 2, 2004


MICHAEL HARRIS, ESQ.
Counsel for Respondents

* * *

The foregoing Stipulation and Agreement is hereby
adopted as my Decision in this matter and shall become effective
at 12 o'clock noon on March 22, 2004.

IT IS SO ORDERED February 23, 2004.

JOHN R. LIBERATOR
Acting Commissioner



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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of) Case Nos. H-29011 LA
) L-2001050172
AFG FUNDING, INC., a corporation;)
CARLOS ALBERTO DEL CARMEL,)
individually and as former designated) H-29181 LA
officer of AFG Funding, Inc.; and) L-2001090322
MIRIAM ESCOBAR AVILA, formerly)
Miriam Roman Escobar,) H-29154 LA
) L-2001090321
Respondents.)

FILED
JUL 17 2003
DEPARTMENT OF REAL ESTATE

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, 320 West Fourth Street, Suite 630, Los Angeles, CA 90013-1105 on FEBRUARY 2 through FEBRUARY 6, 2004 at 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: July 17, 2003

By

Chris Leong
CHRIS LEONG, Counsel

cc: AFG Funding, Inc.
Carlos Alberto Del Carmel
Lawrence M. Lebowsky, Esq.
Miriam Escobar Avila
Michael Harris, Esq.
Sacto.
OAH

SAC

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of) Case No. H-29011 LA ✓
) H-29154 LA
AFG FUNDING, INC., a corporation;) H-29181 LA
)
CARLOS ALBERTO DEL CARMEL,)
)
individually and as former designated) OAH No. L-2001050172
) L-2001090321
officer of AFG Funding, Inc.; and) L-2001090322
)
MIRIAM ROMAN ESCOBAR,)
)
Respondents.)

FILED
JAN 17 2003
DEPARTMENT OF REAL ESTATE

NOTICE OF CONTINUED HEARING ON ACCUSATION

To the above-named Respondent(s):

By Chris Leong

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 JULY 15 through JULY 18, 2003 at 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: January 17, 2003

By CHRIS LEONG
CHRIS LEONG, Counsel

cc: AFG Funding, Inc.
Carlos Alberto Del Carmel
Miriam Roman Escobar
Lawrence M. Lebowsky, Esq.
Raul Avila (authorized representative AFG/Escobar)
Sacto.
OAH

SKC

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of	)	Case No. H-29011 LA
	)	H-29154 LA
AFG FUNDING, INC., a corporation;	)	H-29181 LA
CARLOS ALBERTO DEL CARMEL,)	
individually and as former designated	)	OAH No. L-2001050172
officer of AFG Funding, Inc.; and	)	L-2001090321
MIRIAM ROMAN ESCOBAR,	)	L-2001090322
)	
Respondents.)	

FILED
AUG - 5 2002
DEPARTMENT OF REAL ESTATE

NOTICE OF CONTINUED HEARING ON ACCUSATION

To the above-named Respondent(s):

By Chris Leong

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 SEPTEMBER 23, 2002 at 9:00 A.M., and will continue on a day-to-day basis, as necessary through SEPTEMBER 27, 2002, 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: August 5, 2002

By Chris Leong
CHRIS LEONG, Counsel

cc: AFG Funding, Inc.
Carlos Alberto Del Carmel
Miriam Roman Escobar
Lawrence M. Lebowsky, Esq.
Raul Avila (authorized representative AFG/Escobar)
Sacto.
OAH

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of	) Case No. H-29011 LA
	) H-29154 LA
AFG FUNDING, INC., a corporation,	) H-29181 LA
CARLOS ALBERTO DEL CARMEL,)
individually and as former designated	) OAH No. L-2001050172
officer of AFG Funding, Inc.; and	) L-2001090321
MIRIAM ROMAN ESCOBAR,	) L-2001090322
)
Respondents.)

FILED
APR - 3 2002
DEPARTMENT OF REAL ESTATE

AMENDED NOTICE OF HEARING ON ACCUSATION

To the above-named Respondent(s):

By Chris Leong

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 JUNE 17, 2002 at 9:00 A.M., and will continue on a day-to-day basis, as necessary through JUNE 21, 2002, 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: April 3, 2002

By

CHRIS LEONG
CHRIS LEONG, Counsel

cc: AFG Funding, Inc.
Carlos Alberto Del Carmel
Miriam Roman Escobar
Raul Avila (authorized representative AFG/Escobar)
Frank M. Buda, Esq.
Sacto.
OAH

1 CHRIS LEONG, Counsel (SBN 141079)
2 Department of Real Estate
3 320 West Fourth Street, Suite 350
4 Los Angeles, California 90013-1105

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

FILED
MAR - 4 2002
DEPARTMENT OF REAL ESTATE

By

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)	
12 AFG FUNDING, INC., a)	No. H-29011 LA
13 corporation; CARLOS ALBERTO)	L-2001050172
14 DEL CARMEL, individually and as)	<u>FIRST AMENDED</u>
15 former designated officer of)	<u>ACCUSATION</u>
16 AFG Funding, Inc.; and)	
17 MIRIAM ROMAN ESCOBAR,)	
18 Respondents.)	

17 The Complainant, Maria Suarez, a Deputy Real Estate
18 Commissioner of the State of California, for cause of
19 Accusation against AFG FUNDING, INC., a corporation
20 (hereinafter "AFG"); CARLOS ALBERTO DEL CARMEL, individually
21 and as former designated officer of AFG (hereinafter "DEL
22 CARMEL") and MIRIAM ROMAN ESCOBAR (hereinafter "ESCOBAR"), is
23 informed and alleges in her official capacity as follows:

24 1.

25 AFG, DEL CARMEL and ESCOBAR are presently licensed
26 and/or have license rights under the Real Estate Law, Part 1 of
27

1 Division 4 of the California Business and Professions Code
2 (Code).

3 2.

4 At all times material herein, AFG was and still is
5 licensed by the Department of Real Estate of the State of
6 California (Department) as a corporate real estate broker, by
7 and through DEL CARMEL, as the designated officer and broker
8 responsible, pursuant to the provisions of Code Section
9 10159.2, for the supervision and control of the activities
10 conducted on behalf of AFG by AFG's officers and employees.

11 3.

12 At all times material herein, DEL CARMEL was and now
13 is licensed by the Department, individually as a real estate
14 broker. From August 6, 1998 to August 9, 2000, DEL CARMEL was
15 licensed as the designated officer of AFG. As the designated
16 broker-officer, DEL CARMEL was and is responsible for the
17 supervision and control of the activities conducted on behalf
18 of AFG by AFG's officers and employees as necessary to secure
19 full compliance with the Real Estate Law, pursuant to Code
20 Section 10159.

21 4.

22 At all times material herein, ESCOBAR was and still
23 is licensed by the Department, individually as a real estate
24 salesperson employed by AFG. At all times material herein,
25 ESCOBAR was the President and 100% shareholder of AFG. On or
26 about April 9, 1987, Statement of Issues case number H-22926 LA
27 was filed by the Department against ESCOBAR alleging violations

1 of Code Sections 480 and 10177(b). On May 6, 1987, a
2 Stipulation and Waiver was filed in that case. On November 9,
3 1993, an Order Granting Unrestricted License was filed on that
4 case. Also, on June 8, 1984, Desist and Refrain Order case
5 number H-22012 LA was filed by the Department against ESCOBAR.

6 5.

7 All further references herein to "Respondents",
8 unless otherwise specified, include the parties identified in
9 Paragraphs 1 through 3, above, and also include the officers,
10 directors, employees, and real estate licensees employed by or
11 associated with said parties, who at all times herein mentioned
12 were engaged in the furtherance of the business or operations
13 of said parties and who were acting within the course and scope
14 of their authority and employment.

15 6.

16 At all times material herein, Respondents engaged in
17 the business of, acted in the capacity of, advertised or
18 assumed to act as real estate brokers for others in the State
19 of California, within the meaning of Code Section 10131(a)
20 and (d), including the operation and conduct of a real estate
21 sales business and a mortgage loan business with the public
22 wherein Respondents sold and purchased real property or
23 solicited for prospective buyers or sellers for the purchase of
24 real property and solicited for prospective borrowers or
25 lenders for loans for the purchase of real property in
26 expectation of compensation.

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7.

In about February 1999, Luis Gonzales was the owner of real property located at 807 W. 43rd Place, Los Angeles, CA (43rd Place property). On or about March 9, 1999, ESCOBAR prepared a purchase contract on behalf of buyers Ruben Gutierrez and Sergio Vallejo (buyers) to purchase the 43rd Place property. As part of the transaction, buyers gave ESCOBAR a cashiers check, number 2013505507, in the amount of \$7,500.00, as a deposit. As part of the agreement, Respondents were to refund the deposit to buyers if the transaction was not successfully completed. ESCOBAR deposited the funds into AFG's general account. The transaction was not completed. Buyers requested the return of the funds; however, they never received their deposit from Respondents. Respondents spent part of the \$7,500.00 for various unidentified expenses. Respondents acted as the escrow in the transaction.

8.

On or about February 23, 2000, buyers filed a complaint entitled Ruben Gutierrez, Sergio Vallejo vs. AFG Funding, Inc. dba Avcorp Realty; Carlos Alberto Del Carmel; and Miriam Roman Escobar, before the Los Angeles County Municipal Court, East Los Angeles Judicial District, case number 00C00226. On or about October 2, 1999, an agreement was made between seller and buyers. On or about November 26, 2001, a Request for Court Judgment was filed. Included in this filing was a Declaration of Ruben Gutierrez in Support of Judgment

1 Pursuant to Stipulation, dated November 20, 2001 and a
2 Declaration of Richard Sam in Support of Judgment Pursuant to
3 Stipulation, dated November 15, 2001.

4 9.

5 A Stipulation for Judgment was executed by buyers on
6 August 19, 2000. This document was signed on August 18, 2000,
7 as follows: On behalf of AFG Funding Inc. dba AVCORP Realty
8 "A.F.G. Funding Inc/Avacorp Realty by: Miriam R. Escobar".
9 On behalf of Carlos Alberto Del Carmel "Carlos A. Del Carmel
10 by: Miriam R. Escobar". On behalf of Miriam Roman Escobar
11 "Miriam R. Escobar". This document was filed in the Superior
12 Court East Los Angeles Judicial District on October 30, 2000,
13 and in the Los Angeles Superior Court on January 10, 2001. At
14 no time did DEL CARMEL authorize ESCOBAR to sign this document
15 on his behalf.

16 10.

17 On August 16, 2000, the Department concluded its
18 examination of Respondents AFG and DEL CARMEL's books and
19 records pertaining to their activities as real estate brokers
20 covering a period from approximately January 1, 1997 to
21 December 31, 1999. The examination revealed violations of the
22 Code and of Title 10, Chapter 6, California Code of Regulations
23 (Regulations), as set forth below.

24 11.

25 At all times herein, in connection with the real
26 estate sales and escrow activity described in Paragraph 6,
27 above, Respondents AFG and DEL CARMEL accepted or received

1 funds, including funds in trust ("trust funds") from or on
2 behalf of actual and prospective parties to transactions
3 handled by Respondents and thereafter made deposits and/or
4 disbursements of such funds.

5 12.

6 Respondents AFG and DEL CARMEL acted in violation of
7 the Code and the Regulations in that Respondents:

8 (a) failed to maintain a record of trust funds
9 received and disbursed including the \$7,500.00 deposit noted
10 above, in violation of Regulation 2831.

11 (b) failed to maintain a separate record for the
12 \$7,500.00 deposit noted above, in violation of Regulation
13 2831.1.

14 (c) commingled the \$7,500.00 deposit noted above with
15 general operating funds, in violation of Code Section 10176(e).

16 13.

17 The conduct, acts and omissions of Respondent DEL
18 CARMEL, as described above, independently and collectively
19 constitute failure on the part of Respondent DEL CARMEL, as
20 officer designated by a corporate broker licensee, to exercise
21 the reasonable supervision and control over the licensed
22 activities of Respondent AFG as required by Code Section
23 10159.2 and is cause for the suspension or revocation of all
24 real estate licenses and license rights of Respondent DEL
25 CARMEL pursuant to the provisions of Code Section 10177(h)
26 and/or 10177(g).

27 ///

14.

1 The conduct, acts and omissions of Respondent
2 ESCOBAR, as described in Paragraphs 7, 8 and 9 above,
3 constitute negligence, fraud and dishonest dealing and is cause
4 for the suspension or revocation of all real estate licenses
5 and license rights of Respondent ESCOBAR pursuant to the
6 provisions of Code Sections 10177(j) 10177(g), 10176(i) and
7 10176(a).
8

15.

9 The conduct, acts and omissions of Respondents AFG
10 and DEL CARMEL, as described in Paragraph 12 above, constitute
11 violations and is cause for the suspension or revocation of all
12 real estate licenses and license rights of Respondents AFG and
13 DEL CARMEL pursuant to the provisions of Code Sections
14 10177(d).
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1 WHEREFORE, Complainant prays that a hearing be
2 conducted on the allegations of this Accusation and that upon
3 proof thereof, a decision be rendered imposing disciplinary
4 action against all licenses and/or license rights of
5 Respondents, AFG FUNDING, INC., a corporation; CARLOS ALBERTO
6 DEL CARMEL, individually and as former designated officer of
7 AFG FUNDING, INC. and MIRIAM ROMAN ESCOBAR, under the Real
8 Estate Law (Part 1 of Division 4 of the Business and
9 Professions Code), and for such other and further relief as may
10 be proper under other applicable provisions of law.

11 Dated at Los Angeles, California

12 this 4th day of March, 2002.

13 
14 _____
15 Deputy Real Estate Commissioner

16
17
18
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21 cc: AFG Funding, Inc.
22 Carlos Alberto Del Carmel
23 Miriam Roman Escobar
24 Frank Buda, Esq.
25 Raul Avilar
26 Maria Suarez
27 Sacto.
LA Audit/Revilla
OAH
CW

Notice of Continued Hearing on Accusation
February 11, 2002
Page Two

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: February 11, 2002

By



DARLENE AVERETTA
Asst. Chief Counsel
for Chris Leong, Counsel

cc: AFG Funding, Inc./Miriam R. Escobar, Pres.
Raul Avila (authorized Rep-AFG)
Carlos Alberto Del Carmel
Frank M. Buda, Esq.
Sacto.
OAH

**BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA**

In the Matter of the Accusation of)) AFG FUNDING, INC. and) CARLOS ALBERTO DEL CARMEL, etc.)) Respondents.)	Case No. <u>H-29011 LA</u> OAH No. L-2001050172
) INT'L MILLENIUM GROUP, etc.)) and CARLOS ALBERTO DEL CARMEL, etc.)) Respondents.)	Case No. <u>H-29154 LA</u> OAH No. L-2001090321
) CARLOS ALBERTO DEL CARMEL, etc.)) and GUILLERMO P. FIALLO, etc.)) Respondents.)	Case No. <u>H-29181 LA</u> OAH No. L-2001090322

FILED
OCT 30 2001
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 January 16, 2002, at 9:00 A.M., and will continue on a day-to-day basis, as necessary through January 18, 2002, 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.

Notice of Hearing on Accusation
October 30, 2001
Page Two

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: October 30, 2001

By

CHRIS LEONG

CHRIS LEONG, Counsel

cc: AFG Funding, Inc./Miriam R. Escobar, Pres.
Raul Avila (authorized Rep/AFG)
Carlos Alberto Del Carmel
Frank M. Buda, Esq.
Sacto.
OAH

1 CHRIS LEONG, Counsel (SBN 141079)
2 Department of Real Estate
3 320 West Fourth Street, Suite 350
4 Los Angeles, CA 90013-1105

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

FILED
APR - 9 2001
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	)	No. H-29011 LA
12	AFG FUNDING, INC., a corporation	)	<u>A C C U S A T I O N</u>
13	and CARLOS ALBERTO DEL CARMEL,)	
14	individually and as former)	
15	designated officer of)	
16	AFG Funding, Inc.,)	
	Respondents.)	

17 The Complainant, Thomas McCrady, a Deputy Real Estate
18 Commissioner of the State of California, for cause of
19 Accusation against, AFG FUNDING, INC., a corporation (AFG) and
20 CARLOS ALBERTO DEL CARMEL, individually and as former
21 designated officer of AFG Funding, Inc. (DEL CARMEL) is
22 informed and alleges in his official capacity as follows:

23 1.

24 AFG and DEL CARMEL are presently licensed and/or have
25 license rights under the Real Estate Law, Part 1 of Division 4
26 of the California Business and Professions Code (Code).

2.

1
2 At all times material herein, AFG was and still is
3 licensed by the Department of Real Estate of the State of
4 California (Department) as a corporate real estate broker, by
5 and through DEL CARMEL, as the designated officer and broker
6 responsible, pursuant to the provisions of Code Section
7 10159.2, for the supervision and control of the activities
8 conducted on behalf of AFG by AFG's officers and employees.

3.

9
10 At all times material herein, DEL CARMEL was and now
11 is licensed by the Department, individually as a real estate
12 broker. From August 6, 1998 to August 9, 2000, DEL CARMEL was
13 licensed as the designated officer of AFG. As the designated
14 broker-officer, DEL CARMEL was and is responsible for the
15 supervision and control of the activities conducted on behalf
16 of AFG by AFG's officers and employees as necessary to secure
17 full compliance with the Real Estate Law, pursuant to Code
18 Section 10159.

4.

19
20 At all times material herein, Miriam Roman Escobar
21 (Escobar) was licensed by the Department, individually as a
22 real estate salesperson employed by AFG. At all times material
23 herein, Escobar was the President and 100% shareholder of AFG.
24 On or about April 9, 1987, Statement of Issues case number
25 H-22926 LA was filed by the Department against Escobar alleging
26 violations of Code Sections 480 and 10177(b). On May 6, 1987,
27 a Stipulation and Waiver was filed in that case. On November

1 9, 1993, an Order Granting Unrestricted License was filed on
2 that case. Also, on June 8, 1984, Desist and Refrain Order
3 case number H-22012 LA was filed by the Department against
4 Escobar.

5 5.

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

14 6.

15 At all times material herein, Respondents engaged in
16 the business of, acted in the capacity of, advertised or
17 assumed to act as real estate brokers for others in the State
18 of California, within the meaning of Code Section 10131(a),
19 including the operation and conduct of a real estate sales
20 business with the public wherein Respondents sold or purchased
21 or offered for sale or purchase, or solicited listings, or
22 solicited for prospective buyers or sellers, or negotiated the
23 sale or purchase of real property in expectation of
24 compensation. Respondents also acted as real estate brokers
25 within the meaning of Code Section 10131(d) including the
26 operation of a mortgage loan business with the public wherein
27 Respondents solicited or negotiated loans, or solicited for

1 prospective borrowers or lenders, or negotiated loans secured
2 by interest in real property in expectation of compensation.

3 7.

4 In about February 1999, Louis Gonzales was the owner
5 of real property located at 807 W. 43rd Place, Los Angeles, CA
6 (43rd Place property). On or about February 25, 1999, Gonzales
7 employed Escobar as an employee of Respondents to prepare a
8 listing to sell the 43rd Place property. On March 9, 1999,
9 Escobar prepared a purchase contract on behalf of buyers Ruben
10 Gutierrez and Sergio Vallejo (buyers) to purchase the 43rd Place
11 property. As part of the transaction, buyers gave Escobar a
12 cashiers check, number 2013505507, in the amount of \$7,500.00,
13 as a deposit. As part of the agreement, Respondents were to
14 refund the deposit to buyers if the transaction was not
15 successfully completed. Escobar deposited the funds into AFG's
16 general account. The transaction was not completed. Buyers
17 never received their deposit from Respondents. Respondents and
18 Escobar spent part of the \$7,500.00 to pay for various
19 unidentified expenses.

20 8.

21 On August 16, 2000, the Department concluded its
22 examination of Respondents' books and records pertaining to
23 their activities as real estate brokers covering a period from
24 approximately January 1, 1997 to December 31, 1999. The
25 examination revealed violations of the Code and of Title 10,
26 Chapter 6, California Code of Regulations (Regulations), as set
27 forth below.

9.

1
2 At all times herein, in connection with the real
3 estate sales and mortgage loan activity described in Paragraph
4 6, above, Respondents accepted or received funds, including
5 funds in trust ("trust funds") from or on behalf of actual and
6 prospective parties to transactions handled by Respondents and
7 thereafter made deposits and/or disbursements of such funds.

8 10.

9 Respondents acted in violation of the Code and the
10 Regulations in that Respondents:

11 (a) failed to maintain a record of trust funds
12 received and disbursed including the \$7,500.00 deposit noted
13 above, in violation of Regulation 2831.

14 (b) failed to maintain a separate record for the
15 \$7,500.00 deposit noted above, in violation of Regulation
16 2831.1.

17 (c) commingled the \$7,500.00 deposit noted above
18 with general operating funds, in violation of Code Section
19 10176(e).

20 11.

21 The conduct, acts and omissions of Respondents, as
22 described in Paragraph 10, violated the Code and the
23 Regulations and constitute cause for the suspension or
24 revocation of all real estate licenses and license rights of
25 Respondents under the provisions of Code Section 10177(d).

26 12.

27 The conduct, acts and omissions of Respondent DEL

1 CARMEL, as described above, independently and collectively
2 constitute failure on the part of Respondent DEL CARMEL, as
3 officer designated by a corporate broker licensee, to exercise
4 the reasonable supervision and control over the licensed
5 activities of Respondent AFG as required by Code Section
6 10159.2 and is cause for the suspension or revocation of all
7 real estate licenses and license rights of Respondent DEL
8 CARMEL pursuant to the provisions of Code Section 10177(h).

9 WHEREFORE, Complainant prays that a hearing be
10 conducted on the allegations of this Accusation and that upon
11 proof thereof, a decision be rendered imposing disciplinary
12 action against all licenses and/or license rights of
13 Respondents, AFG FUNDING, INC., a corporation and CARLOS
14 ALBERTO DEL CARMEL, individually and as former designated
15 officer of AFG Funding, Inc., under the Real Estate Law (Part 1
16 of Division 4 of the Business and Professions Code), and for
17 such other and further relief as may be proper under other
18 applicable provisions of law.

19 Dated at Los Angeles, California
20 this 9th day of April, 2001.

21
22 THOMAS MCCRADY

23 Deputy Real Estate Commissioner

24 cc: AFG Funding, Inc.
25 Carlos Alberto Del Carmel
26 Thomas McCrady
27 Sacto.
LA Audit/Revilla
CW