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DEPARTMENT OF REAL ESTATE

By *Juan Alvarez*

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

In the Matter of the Accusation of ROBERTO F. GALLEGOS, Respondent.)))))	No. H-29026 LA
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ORDER GRANTING REINSTATEMENT OF LICENSE

On September 18, 2003, in Case No. H-29026 LA, a Decision was rendered revoking the real estate broker license of Respondent effective October 14, 2003, 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 October 14, 2003, and Respondent has operated as a restricted licensee since that time.

On November 28, 2007, Respondent petitioned for reinstatement of said real estate broker license, and the Attorney General of the State of California has been given notice of the filing of said petition.

I have considered the petition of Respondent and the evidence and arguments in support thereof. Respondent has demonstrated to my satisfaction that Respondent meets the requirements of law for the issuance to Respondent of an unrestricted real estate broker license and that it would not be against the public interest to issue said license to Respondent.

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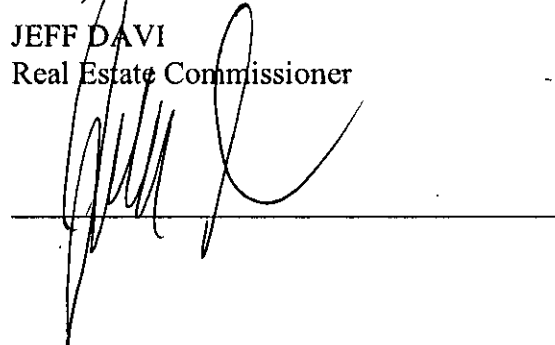
NOW, THEREFORE, IT IS ORDERED that Respondent's petition for
reinstatement is granted and that a real estate broker license be issued to Respondent if
Respondent satisfies the following conditions within nine (9) months from the date of this Order:

1. Submittal of a completed application and payment of the fee for a real estate
broker license.
2. Submittal of evidence of having, since the most recent issuance of an original
or renewal real estate license, taken and successfully completed the continuing education
requirements of Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a real estate
license.

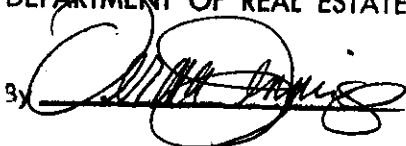
This Order shall become effective immediately.

DATED: 6.23, 2009.

JEFF DAVI
Real Estate Commissioner



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FILED
OCT 24 2008
DEPARTMENT OF REAL ESTATE
By 

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of) NO. H-29026 LA
)
ALEJANDRA G. PIMENTEL,)
)
Respondent.)

ORDER GRANTING REINSTATEMENT OF LICENSE

On March 28, 2002, an Order was rendered herein accepting the surrender of Respondent's real estate broker license.

On August 9, 2007, Respondent petitioned for reinstatement of Respondent's real estate broker license and the Attorney General of the State of California was given notice of the filing of the petition.

I have considered Respondent's petition and the evidence and arguments in support thereof. Respondent has demonstrated to my satisfaction that Respondent meets the requirements of law for the issuance to Respondent of

1 a real estate broker license and that it would not be against
2 the public interest to issue said license to Respondent.

3 NOW, THEREFORE, IT IS ORDERED that Respondent's
4 petition for reinstatement is granted and that a real estate
5 broker license be issued to Respondent if Respondent satisfies
6 the following conditions within twelve (12) months months from
7 the date of this Order:

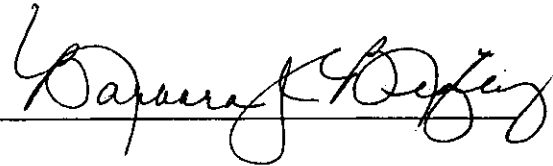
8 1. Submittal of evidence satisfactory to the Real
9 Estate Commissioner that Respondent has, subsequent to the date
10 of this Order, taken and passed the written examination required
11 to obtain a real estate broker license.

12 2. Submittal of a completed application and payment
13 of the fee for a real estate broker license.

14 This Order shall become effective immediately.

15 DATED: 9-22-08

16
17 JEFF DAVI
18 Real Estate Commissioner

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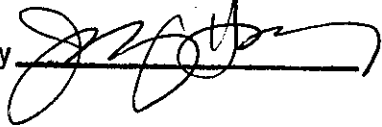
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22 BY: Barbara J. Bigby
23 Chief Deputy Commissioner

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FILED
JUL 01 2004

DEPARTMENT OF REAL ESTATE

By 

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of))	NO. H-29026 LA
)	
ROBERTO F. GALLEGOS)	
)	
Respondent)	
)	

ORDER SUSPENDING RESTRICTED REAL ESTATE LICENSE

TO: NAME: ROBERTO F. GALLEGOS

On October 14, 2003, a restricted real estate salesperson license was issued by the Department of Real Estate to respondent on the terms, conditions and restrictions set forth in the Real Estate Commissioner's Decision of September 18, 2003, in case No. H-29026 LA, effective October 14, 2003. This Order granted Respondent the right to the issuance of a restricted real estate salesperson license subject to the provisions of Section 10156.7 of the Business and Professions Code and to enumerated additional terms, conditions and restrictions imposed under authority of Section

1 10156.6 of said Code. Among those terms, conditions and
2 restrictions, Respondent was required to take and pass the
3 Professional Responsibility Examination administered by the
4 Department within six (6) months from October 14, 2003. The
5 Commissioner has determined that as of April 14, 2004,
6 Respondent has failed to satisfy this condition, and as such,
7 is in violation of Section 10177(k) of the Business and
8 Professions Code. Respondent has no right to renew the
9 restricted license if this condition is not satisfied by the
10 date of its expiration (Section 10156.7 of the Business and
11 Professions Code.)

12 NOW, THEREFORE, IT IS ORDERED under authority of
13 Section 10156.7 of the Business and Professions Code of the
14 State of California that the restricted real estate
15 salesperson license heretofore issued to respondent and the
16 exercise of any privileges thereunder is hereby suspended
17 until such time as Respondent provide proof satisfactory to
18 the Department of having passed the Professional
19 Responsibility Examination, referred to above, or pending
20 final determination made after hearing (see "Hearing Rights"
21 set forth below).

22 IT IS FURTHER ORDERED that all license certificates
23 and identification cards issued by Department which are in the
24 possession of respondent be immediately surrendered by
25 personal delivery or by mailing in the enclosed, self-
26 addressed envelope to:

27 //

1 Department of Real Estate
2 Attn: Flag Section
3 P. O. Box 187000
4 Sacramento, CA 95818-7000

4 HEARING RIGHTS: Pursuant to the provisions of
5 Section 10156.7 of the Business and Professions Code, you have
6 the right to a hearing to contest the Commissioner's
7 determination that you are in violation of Section 10177(k).
8 If you desire a hearing, you must submit a written request.
9 The request may be in any form, as long as it is in writing
10 and indicates that you want a hearing. Unless a written
11 request for a hearing, signed by or on behalf of you, is
12 delivered or mailed to the Department at 320 West Fourth
13 Street, Suite 350, Los Angeles, California, within 20 days
14 after the date that this Order was mailed to or served on you,
15 the Department will not be obligated or required to provide
16 you with a hearing.

17 This Order shall be effective immediately.

18 DATED: June 25, 2004


19 JOHN R. LIBERATOR
20 Acting Real Estate Commissioner

21 
22 _____
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FILED

OCT 20 2003

DEPARTMENT OF REAL ESTATE

By 

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of)	No. H-29026 LA
)	
RFG GROUP, INC., ROBERTO F.)	L-2001050602
GALLEGOS and ALEJANDRA G.)	
PIMENTEL, individually and as)	
designated officers of RFG)	
Group Inc., RICHARD GARCIA)	
PIMENTEL, and FRANCISCO LOPEZ,)	
)	
Respondent(s).)	

DECISION

The Proposed Decision dated September 16, 2003, of the Administrative Law Judge of the Office of Administrative Hearings, is hereby adopted as the Decision of the Real Estate Commissioner in the above-entitled matter.

This Decision shall become effective at 12 o'clock noon on November 10, 2003.

IT IS SO ORDERED October 16, 2003

PAULA REDDISH ZINNEMANN
Real Estate Commissioner



BY: John R. Liberato
Chief Deputy Commissioner

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

In the Matter of the Accusation of

**RFG GROUP, INC.,
ROBERTO F. GALLEGOS and,
ALEJANDRA G. PIMENTEL, individually
and as designated officers of RFG Group,
Inc.,
RICHARD GARCIA PIMENTEL, and
FRANCISCO LOPEZ,**

Respondents.

Case No. H-29026 LA

OAH No. L2001050602

PROPOSED DECISION

This matter came on regularly for hearing before H. Stuart Waxman, Administrative Law Judge of the Office of Administrative Hearings, at Los Angeles, California on November 27, 28 and 29, 2001, May 23, 2002, August 25, 2003 and August 27, 2003.

Complainant, Thomas McCrady, was represented by Elliott MacLennan, Real Estate Counsel.

Respondents, RFG Group, Inc. and Roberto F. Gallegos were represented by Frank M. Buda, Attorney at Law. Respondents, Alejandra G. Pimentel, Richard Garcia Pimentel and Francisco Lopez failed to appear despite having been properly served with the Accusation and notice of the date, time and location of the hearing.

On October 5, 2001, Respondent Alejandra G. Pimentel petitioned the Commissioner to voluntarily surrender her real estate salesperson license. She testified on the second day of hearing. The accepted Alejandra G. Pimentel's voluntary license surrender on March 28, 2002 with an effective date of April 24, 2002.

By Order dated June 10, 2003, the Commissioner dismissed the Accusation as against Respondent, Richard Garcia Pimentel.

On August 22, 2003, Respondent, RFG Group, Inc., entered into a settlement agreement in this matter according to which all licenses and licensing rights of Respondent, RFG Group, Inc., would be revoked.

On August 22, 2003, Respondent, Roberto F. Gallegos, entered into a settlement agreement in this matter according to which his real estate broker license and broker license rights would be revoked, and Respondent, Roberto F. Gallegos would be issued a restricted real estate salesperson license upon payment of the appropriate fee. The restricted real estate salesperson license was to remain in effect for a period of four years under various terms and conditions.

Although Complainant did not produce an Order from the Commissioner accepting the settlement agreements of Respondents, RFG Group, Inc., and Roberto F. Gallegos, on August 25, 2003, Complainant requested to case to proceed against Respondent Francisco Lopez ("Respondent" or "FRANCISCO LOPEZ") only.

Oral and documentary evidence having been received, the record was closed and the matter was submitted for decision.

FACTUAL FINDINGS

The Administrative Law Judge makes the following Factual Findings:

1. The Accusation was made by Thomas McCrady, Complainant, who is a Deputy Real Estate Commissioner of the State of California, acting in his official capacity.

2. Respondent was issued a conditional license as a real estate salesperson by the Department of Real Estate ("the Department") on July 14, 1997. The conditional salesperson license expired on January 14, 1999, and on January 15, 1999, the license was suspended indefinitely pursuant to Business and Professions Code¹ section 10153.4(c). The license was reinstated from the conditionally suspended status as of January 18, 1999 with Respondent's educational requirements completed. The license expired on July 13, 2001. On August 27, 2003, Complainant's counsel represented that the license had been renewed. No evidence was offered to support that representation. However, if the license has not been renewed, the Department maintains jurisdiction over this matter pursuant to Business and Professions Code section 118(b).

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¹ All statutory references are to the Business and Professions Code unless otherwise indicated.

3. At all relevant times, Roberto F. Gallegos ("Gallegos") and Alejandra Pimentel ("Pimentel") were the designated officers of RFG Group, Inc. ("RFG"), a real estate broker within the meaning of section 10131(d), operating as a mortgage and loan broker, including soliciting borrowers and lenders and negotiating and servicing loans on real property.

4. At all relevant times, Respondent was employed as a salesperson for Nuestra Casa Realty, Inc., a real estate corporation owned by Gallegos. Respondent was the next door neighbor of Araceli Rosas and the cousin of Jose Lopez.

5. On a date in 1997 not disclosed by the evidence, Araceli Rosas ("Rosas") was approached by her father, who was working with Gallegos at that time, and was asked if she would like to co-sign on a property loan for Gallegos.

6. Complainant proved the allegations in Paragraph 9 (a), (b), (c), (d), (e), (f), (g), (h), (i), and (k) as they relate to Respondent. Those sub-paragraphs are repeated verbatim below and are incorporated as factual findings herein.²

"(a) On or about February 16, 1998, prior to the time he was the designated officer of RFG, GALLEGOS was employed as a salesperson for RFG. ALEJANDRA PIMENTEL was at that time the designated officer of RFG.

"(b) Sometime in 1997, GALLEGOS misrepresented and made false promises to induce Araceli Rosas into signing a credit application. He told he (sic) could thus run a check for her.

"(c) GALLEGOS misused Rosas (sic) credit information and collateral documentation in order to obtain a loan with Countrywide Home Loans on a duplex located at 322-324 N. Eastside Avenue, Santa Ana, California (the Eastside Property).

"(d) On or about February 16, 1998, GALLEGOS signed a Universal Residential Loan Application (Loan Application), falsely stating that he conducted a face-to-face interview with 'borrower' Araceli Rosas, who was allegedly seeking a mortgage loan on the Eastside Property.

"(e) Sometime in 1997, FRANCISCO LOPEZ, then a salesperson employed by Nuestra Casa (sic) Realty, Inc., a real estate corporation owned by GALLEGOS, misrepresented and made false promises to induce his cousin, Jose Lopez, into signing a credit application. He told he (sic) could thus run a check for him.

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² No findings are made with respect to Alejandra Pimentel and/or Richard Pimentel, and any references to them in the quoted material are deleted and replaced with ellipses.

“(f) FRANCISCO LOPEZ along with GALLEGOS misused Jose Lopez’ (sic) credit information and collateral documentation in order to obtain a loan with Countrywide Home Loans on the Eastside Property.

“(g) On or about April 7, 1998, GALLEGOS signed a Loan Application, falsely stating that he conducted a face-to-face interview with ‘borrower’ Jose Lopez, who also was allegedly seeking a mortgage loan on the Eastside Property.

“(h) GALLEGOS acting in concert with FRANCISCO LOPEZ . . . forged or caused to be forged Araceli Rosas’ name on ‘her’ loan application.

“(i) GALLEGOS acting in concert with FRANCISCO LOPEZ . . . caused false gift letters from Araceli Rosas’ ‘cousins’ to be submitted with her loan application to Countrywide Home Loan (sic).

* * *

“(k) On or about April 28, 1998, escrow closed funding the loan for the Eastside property with Countrywide Home Loans. The HUD Settlement Statement submitted from RFG indicted that Araceli Rosas and Jose Lopez were the borrowers.”

7. Jose Lopez does not speak English. His native language is Spanish. As part of the scheme referenced in Paragraph 6, above, a letter was written, in English, indicating that he and Araceli Lopez were engaged to be married the following year after having dated for over three years. The letter bears the purported signatures of Jose Lopez and Araceli Rosas. Jose Lopez does not recall if he signed the letter. Araceli Rosas’s signature is forged.

8. As part of the scheme referenced in Paragraph 6, above, another letter was written, in English, indicating that Jose Lopez and his “girlfriend” were “making a piggy bank together for [their] wedding next year.” The letter bears the purported signature of Jose Lopez. Jose Lopez does not recall if he signed the letter.

9. An affidavit was also prepared, in English, bearing the date of July 10, 1999 and the purported signature of Jose Salvador Lopez. The affidavit indicates, among other things, that Jose Lopez and Araceli Rosas bought the Eastside Property for the purpose of residing in one unit and renting the other. However, they encountered relationship problems shortly after purchasing the problems, and Araceli Rosas declined to move in. Jose Lopez does not recall if he signed that affidavit.

10. Although they knew each other through Jose Lopez’s occasional visits to Respondent’s home, Jose Lopez and Araceli Rosas have never been in any type of interpersonal or intimate relationship and have never dated or co-habited. They never discussed purchasing a property together.

11. Neither Jose Lopez nor Araceli Rosas ever purchased or resided in the Eastside Property.

12. Jose Lopez became involved in the fraudulent scheme when Respondent asked him if Lopez would do a favor for Respondent by signing papers to acquire property for Gallegos. Lopez did so but never signed any papers in Araceli Rosas's presence. Instead, Respondent came to Jose Lopez's home with papers for Jose Lopez to sign. None of the papers were translated for him. On one occasion, Respondent took Jose Lopez to a notary public to have his signature notarized. Jose Lopez never met or spoke with Gallegos before the hearing on the instant matter. The only information Jose Lopez received about the transaction was provided to him by Respondent.

13. Araceli Rosas understood that the documents she signed were intended only to check her credit for the purpose of her to co-signing for Gallegos's loan. Her father took the signed documents and gave them to Respondent. She never heard back from Respondent and she assumed she had not qualified for the loan. She does not know the individuals who signed the purported "gift letters."

14. After the loan funded, Gallegos made the mortgage payments. Araceli Rosas was unaware that her name had been placed on the deed or that she was the purported co-owner of the Eastside Property with Jose Lopez until June of 1999 when she received notice from Countrywide Home Loans that she was late on the mortgage payment on the property. She did not meet Gallegos until after she received that notice.

LEGAL CONCLUSIONS

Pursuant to the foregoing Factual Findings, the Administrative Law Judge makes the following legal conclusions.

Cause exists to revoke or suspend Respondent's real estate salesperson's license pursuant to Business and Professions Code sections 10176(a), 10176(i), 10177(d) and 10177(g), for misrepresentation, fraud and dishonest dealing, and negligence, as set forth in Findings 6, 7, 8, 9, 10, 11, 12, 13 and 14.

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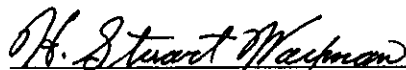
Absent any evidence to the contrary, license revocation is the appropriate discipline for this case.

ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

All licenses and licensing rights of Respondent, Francisco Lopez, under the Real Estate Law are revoked.

DATED: September 16, 2003



H. STUART WAXMAN
Administrative Law Judge
Office of Administrative Hearings

1 ELLIOTT MAC LENNAN, Counsel (SBN 66674)
Department of Real Estate
2 320 W. 4TH Street, Suite 350
Los Angeles, CA 90013-1105

3 Telephone: (213) 576-6982 (Office)
4 -or- (213) 576-6911 (Direct)

FILED
SEP 24 2003
DEPARTMENT OF REAL ESTATE
By R. Maderholt

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of) No. H-29026 LA
12 RFG GROUP INC.;, ROBERTO F. GALLEGOS and))
13 ALEJANDRA G. PIMENTEL, individually and))
as designated officers of RFG Group Inc.))
14 RICHARD GARCIA PIMENTEL, and FRANCISCO))
LOPEZ,))
15 Respondents.))

STIPULATION
AND
AGREEMENT

16 It is hereby stipulated by and between Respondents
17 RFG GROUP INC. and ROBERTO F. GALLEGOS, individually and as
18 designated officer of RFG Group Inc., (sometimes collectively
19 referred to as "Respondents"), represented by Michael R. Packer,
20 Esq., of La Follette, Johnson, De Haas, Fesler, Silberberg &
21 Ames, A Professional Corporation, and the Complainant, acting by
22 and through Elliott Mac Lennan, Counsel for the Department of
23 Real Estate, as follows for the purpose of settling and disposing
24 of the Accusation filed on April 18, 2001, in this matter:

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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 Accusation, which hearing was to be
4 held in accordance with the provisions of the Administrative
5 Procedure Act ("APA"), shall instead and in place thereof be
6 submitted solely on the basis of the provisions of this
7 Stipulation and Agreement ("Stipulation").
8

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

13 3. Respondents filed a Notice of Defense pursuant to
14 Section 11506 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 Notice of
17 Defense. Respondents acknowledge that they understand that by
18 withdrawing said Notice of Defense they thereby waive their right
19 to require the Commissioner to prove the allegations in the
20 Accusation which pertain to negligence only, at a contested
21 hearing held in accordance with the provisions of the APA and
22 that they will waive other rights afforded to them in connection
23 with the accusation of negligence at a hearing such as the right
24 to present evidence in their defense the right to cross-examine
25 witnesses.
26

27 ///

1 4. This Stipulation is based on the factual
2 allegations contained in the Accusation as to negligence only.
3 In the interest of expedience and economy, Respondents choose not
4 to contest these allegations as to negligence only, but to remain
5 silent and understand that, as a result thereof, these factual
6 allegations as to negligence only, without being admitted or
7 denied, will serve as a prima facie basis for the disciplinary
8 action stipulated to herein. The Real Estate Commissioner shall
9 not be required to provide further evidence to prove said factual
10 allegations as to negligence only.
11

12 5. This Stipulation is based on Respondents' decision
13 not to contest the allegations set forth in the Accusation as to
14 negligence only, as a result of the agreement negotiated between
15 the parties. This Stipulation is expressly limited to this
16 proceeding and any further proceeding initiated by or brought
17 before the Department of Real Estate based upon the facts and
18 circumstances alleged in the Accusation and is made for the sole
19 purpose of reaching an agreed disposition of this proceeding
20 without a hearing. The decision of Respondents not to contest
21 the allegations as to negligence only, is made solely for the
22 purpose of effectuating this Stipulation. It is the intent and
23 understanding of the parties that this Stipulation shall not be
24 binding or admissible against Respondents in any actions against
25 Respondents by third parties.
26

27 6. It is understood by the parties that the Real

1 Estate Commissioner may adopt this Stipulation as her Decision in
2 this matter thereby imposing the penalty and sanctions on
3 Respondents' real estate licenses and license rights as set forth
4 in the "Order" herein below. In the event that the Commissioner
5 in her discretion does not adopt the Stipulation, it shall be
6 void and of no effect and Respondents shall retain the right to a
7 hearing and proceeding on the Accusation under the provisions of
8 the APA and shall not be bound by any stipulation or waiver made
9 herein.

10 7. The Order or any subsequent Order of the Real
11 Estate Commissioner made pursuant to this Stipulation shall not
12 constitute an estoppel, merger or bar to any further
13 administrative or civil proceedings by the Department of Real
14 Estate with respect to any matters which were not specifically
15 alleged to be causes for accusation in this proceeding.

16 8. This Stipulation and the order made pursuant to
17 this Stipulation shall have no collateral estoppel or res
18 judicata effect in any proceeding(s) in which Respondents and the
19 Department are not parties. This Stipulation is made and
20 accepted with the express understanding and agreement that it is
21 for the purpose of settling these proceedings only, and is not
22 intended as, nor shall be it be deemed, used, argued, or accepted
23 as an acknowledgement or admission of fact in any other judicial,
24 administrative, or other proceeding in which the Department is
25 not a party.
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DETERMINATION OF ISSUES

1
2 By reason of the foregoing, it is stipulated and agreed
3 that the following determination of issues shall be made:

I

4
5 The conduct, acts or omissions of RFG GROUP INC. as
6 described in Paragraph 4, above, constitutes negligence and is a
7 basis for the suspension or revocation of Respondent's license
8 and license rights as a violation of the Real Estate Law pursuant
9 to Business and Professions Code ("Code") Section 10177(g).

II

10
11 The conduct, acts or omissions of ROBERTO F. GALLEGOS
12 as described in Paragraph 4, above, constitutes negligence and is
13 a basis for the suspension or revocation of Respondent's broker
14 license and broker license rights as a violation of the Real
15 Estate Law pursuant to Business and Professions Code Section
16 10177(g).

ORDER

17
18 WHEREFORE, THE FOLLOWING ORDER is hereby made:

I

19
20
21 All licenses and licensing rights of Respondent RFG
22 GROUP INC., under the Real Estate Law are revoked.

II

23
24 The real estate broker license and broker license
25 rights of Respondent ROBERTO F. GALLEGOS, under the Real Estate
26 Law are revoked; provided, however, a restricted real estate
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1 salesperson license shall be issued to Respondent, pursuant to
2 Section 10156.5 of the Business and Professions Code, if
3 Respondent makes application therefor and pays to the Department
4 of Real Estate the appropriate fee for the restricted license
5 within ninety (90) days from the effective date of this Decision.

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

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

15 2. The restricted license issued to Respondent may
16 be suspended prior to hearing by Order of the Real Estate
17 Commissioner on evidence satisfactory to the Commissioner that
18 Respondent has violated provisions of the California Real Estate
19 Law, the Subdivided Lands Law, Regulations of the Real Estate
20 Commissioner or conditions attaching to the restricted license
21 herein.

22 3. Respondent shall not be eligible to apply for the
23 issuance of an unrestricted real estate license nor for the
24 removal of any of the conditions, limitations or restrictions of
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1 a restricted license until four (4) years has elapsed from the
2 effective date of this Decision.

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

8 (a) That the employing broker has read
9 the Decision of the Commissioner which
10 granted the right to a restricted license;
11 and

12 (b) That the employing broker will exercise
13 close supervision over the performance by the
14 restricted licensee relating to activities
15 for which a real estate license is required.

16
17 5. Respondent shall, within nine (9) months from the
18 effective date of this Decision, present evidence satisfactory to
19 the Real Estate Commissioner that Respondent has, since the most
20 recent issuance of an original or renewal real estate license,
21 taken and successfully completed the continuing education
22 requirements of Article 2.5 of Chapter 3 of the Real Estate Law
23 for renewal of a real estate license. If Respondent fails to
24 satisfy this condition, the Commissioner may order the suspension
25 of the restricted license until the Respondent presents such
26 evidence. The Commissioner shall afford Respondent the
27

1 opportunity for a hearing pursuant to the Administrative
2 Procedure Act to present such evidence.

3 6. Respondent shall within six (6) months from the
4 effective date of the restricted license, take and pass the
5 Professional Responsibility Examination administered by the
6 Department including the payment of the appropriate examination
7 fee. If respondent fails to satisfy this condition, the
8 Commissioner may order suspension of the restricted license
9 until respondent passes the examination.

10 7. Respondent ROBERTO F. GALLEGOS shall pay the
11 Commissioner's reasonable cost for an audit or audits of
12 Respondent's real estate transactions during the period of time
13 that Respondent has a restricted license to determine if
14 Respondent remains in compliance with the Real Estate Law.

15 In calculating the amount of the Commissioner's
16 reasonable cost, the Commissioner may use the estimated average
17 hourly salary for all persons performing audits of real estate
18 brokers, and shall include an allocation for travel time to and
19 from the auditor's place of work.
20

21 Respondent shall pay such cost(s), if any, within 60
22 days of receiving an invoice from the Commissioner detailing the
23 activities performed during the audit and the amount of time
24 spent performing those activities.

25 The Commissioner may suspend the license of Respondent
26 ROBERTO F. GALLEGOS pending a hearing held in accordance with
27

1 Section 11500, et seq., of the Government Code, if payment is not
2 timely made as provided for herein, or as provided for in a
3 subsequent agreement between the Respondent and the Commissioner.
4 The suspension shall remain in effect until payment is made in
5 full or until Respondent enters into an agreement satisfactory to
6 the Commissioner to provide for payment, or until a decision
7 providing otherwise is adopted following a hearing held pursuant
8 to this condition.
9

10
11 DATED: 8-22-03

E. J. W.
12 ELLIOTT MAC LENNAN, Counsel for
13 the Department of Real Estate

14 * * *

15 EXECUTION OF THE STIPULATION

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

1 Respondents can signify acceptance and approval of the
 2 terms and conditions of this Stipulation by faxing a copy of its
 3 signature page, as actually signed by Respondents, to the
 4 Department at the following telephone/fax number: Elliott Mac
 5 Lennan at (213) 576-6917. Respondents agree, acknowledge and
 6 understand that by electronically sending to the Department a fax
 7 copy of Respondents' actual signature as they appear on the
 8 Stipulation, that receipt of the faxed copy by the Department
 9 shall be as binding on Respondents as if the Department had
 10 received the original signed Stipulation.

11 DATED: 8/21/2003

Roberto F Gallegos
 RFG GROUP INC.,
 BY: ROBERTO F. GALLEGOS,
 Respondent

14 DATED: 8/21/2003

Roberto F. Gallegos
 ROBERTO F. GALLEGOS, individually
 and as designated officer of RFG
 GROUP INC. Inc., Respondent

18 DATED: 8/21/03

Michael R. Packer
 Michael r. Packer, Esq., of
 La Follette, Johnson, De Haas,
 Fesler, Silberberg & Amos, A
 Professional Corporation,
 Attorneys for Respondents
 Approved as to form

23 ///
 24 ///
 25 ///
 26 ///
 27 ///

1 Respondents can signify acceptance and approval of the
2 terms and conditions of this Stipulation by faxing a copy of its
3 signature page, as actually signed by Respondents, to the
4 Department at the following telephone/fax number: Elliott Mac
5 Lennan at (213) 576-6917. Respondents agree, acknowledge and
6 understand that by electronically sending to the Department a fax
7 copy of Respondents' actual signature as they appear on the
8 Stipulation, that receipt of the faxed copy by the Department
9 shall be as binding on Respondents as if the Department had
10 received the original signed Stipulation.

11
12 DATED: _____

RFG GROUP INC.,
BY: ROBERTO F. GALLEGOS,
Respondent

13
14
15 DATED: _____

ROBERTO F. GALLEGOS, individually
and as designated officer of RFG
GROUP INC. Inc., Respondent

16
17
18
19 DATED: _____

Michael r. Packer, Esq., of
La Follette, Johnson, De Haas,
Fesler, Silberberg & Ames, A
Professional Corporation,
Attorneys for Respondents
Approved as to form

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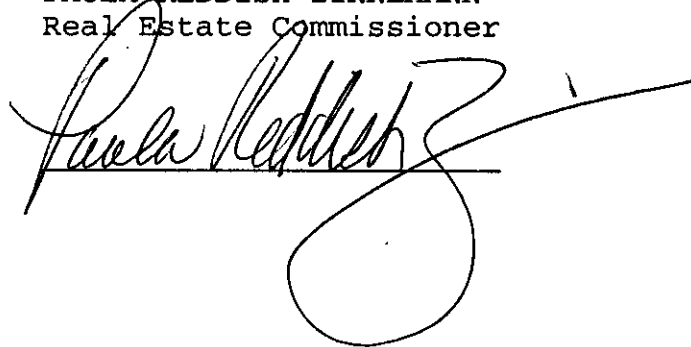
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* * *

1
2 The foregoing Stipulation and Agreement is hereby
3 adopted as my Decision as to Respondents RFG GROUP INC. and
4 ROBERTO F. GALLEGOS, individually and as designated officer of
5 RFG Group Inc. and shall become effective at 12 o'clock noon on
6 OCT 14 _____, 2003.

7 IT IS SO ORDERED September 18, 2003.

8
9 PAULA REDDISH ZINNEMANN
10 Real Estate Commissioner

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back to gfg

1 ELLIOTT MAC LENNAN, Counsel
State Bar No. 66674
2 Department of Real Estate
320 West Fourth Street, Suite 350
3 Los Angeles, California 90013-1105
4 (213) 576-6911

FILED
JUN 18 2003
DEPARTMENT OF REAL ESTATE

By *K. Niederholt*

DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * *

11	In the Matter of the Accusation of)	NO. H-29026 LA
12	RFG GROUP INC.,)	
13	ROBERTO F. GALLEGOS and,)	<u>ORDER DISMISSING</u>
14	ALEJANDRA G. PIMENTEL, individually)	<u>ACCUSATION</u>
15	and as designated officers)	
16	of RFG Group Inc.,)	
17	RICHARD GARCIA PIMENTEL, and)	
18	FRANCISCO LOPEZ,)	
19)	
20	Respondents.)	

The Accusation herein filed against RICHARD GARCIA PIMENTEL on April 18, 2001, is DISMISSED.

IT IS SO ORDERED this 10th day of June 2003.

PAULA REDDISH ZINNEMANN
Real Estate Commissioner

Paula Reddish Zinnemann

*Stax
glae*

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

FILED
JUN 12 2003
DEPARTMENT OF REAL ESTATE

In the Matter of the Accusation of

By *H. Mederholt*

RFG GROUP INC., ET AL.,

}
}

Case No. H-29026 LA

OAH No. L-2001050602

Respondent

**CONTINUED
NOTICE OF HEARING ON ACCUSATION**

To the above named respondent:

You are hereby notified that a hearing will be held before the Department of Real Estate at **320 W. Fourth Street, Ste. 630, Los Angeles, CA** on **August 25-29, 2003**, 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: **JUN 12 2003**

By

Elliott MacLennan
ELLIOTT MAC LENNAN, Counsel

cc: RFG Group Inc. /Roberto Gallegos
Douglas Dickson, Esq..
Sacto/OAH/LF

Handwritten initials/signature

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

FILED
MAY 16 2002
DEPARTMENT OF REAL ESTATE

In the Matter of the Accusation of

RFG GROUP INC., ET AL.,

By *K. Medendorp*
Case No. H-29026 LA
OAH No. L-2001050602

Respondent

**CONTINUED
NOTICE OF HEARING ON ACCUSATION**

To the above named respondent:

You are hereby notified that a hearing will be held before the Department of Real Estate at Office of Administrative Hearings, 320 West Fourth Street, Ste. 630, Los Angeles, CA on May 23 & 24, 2002, 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: May 16, 2002

By *Elliott MacLennan*
ELLIOTT MAC LENNAN, Counsel

cc: RFG Group Inc., Robert F. Gallegos
Richard Garcia Pimentel, Francisco Lopez
Michael J. Rubino, Esq./Sacto/OAH/LF

*Sacto
gen*

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

FILED
MAY 28 2002
DEPARTMENT OF REAL ESTATE

In the Matter of the Accusation of

RFG GROUP INC., ET AL,
et al.,

By *K. Wiederholt*

Case No. H-29026 LA

OAH No. L-2001050602

Respondent

**CONTINUED
NOTICE OF HEARING ON ACCUSATION**

To the above named respondent:

You are hereby notified that a hearing will be held before the Department of Real Estate at **Office of Administrative Hearings, 320 West Fourth Street, Ste. 630, Los Angeles, CA** on **October 7 to 11, 2002**, 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: May 28, 2002

By *E. M. Lennan*
ELLIOTT MAC LENNAN, Counsel

cc: RFG Group Inc./Robert F. Gallegos
Richard Garcia Pimentel, Francisco Lopez
Frank M. Buda, Esq./Sacto/OAH/LF

Handwritten signature

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

FILED
MAY - 9 2002
DEPARTMENT OF REAL ESTATE

In the Matter of the Accusation of

By *K. Huderholt*

RFG GROUP, INC., ET AL.,

}
}

Case No. H-29026 LA

OAH No. L-2001050602

Respondent

**CONTINUED
NOTICE OF HEARING ON ACCUSATION**

To the above named respondent:

You are hereby notified that a hearing will be held before the Department of Real Estate at Office of Administrative Hearings, 320 West Fourth Street, Ste. 630, Los Angeles, CA on May 20-24, 2002, 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: May 9, 2002

By *E. Lennan*
ELLIOTT MAC LENNAN,, Counsel

cc: RFG Group Inc., Robert F. Gallegos
Richard Garcia Pimentel, Francisco Lopez
Michael J. Rubino, Esq. Sacto OAH LF

Jackie King

1 ELLIOTT MAC LENNAN, Counsel
2 State Bar No. 66674
3 Department of Real Estate
4 320 West Fourth Street, Suite 350
5 Los Angeles, California 90013-1105
6
7
8 (213) 576-6911

FILED
APR - 4 2002
DEPARTMENT OF REAL ESTATE

By *K. Kiederholt*

DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * *

11 In the Matter of the Accusation of) DRE NO. H-29026 LA
12)
13 RFG GROUP INC.,) OAH NO. L-2001050602
14 ROBERTO F. GALLEGOS and,)
15 ALEJANDRA G. PIMENTEL, individually)
16 and as designated officers)
17 of RFG Group Inc.,)
18 RICHARD GARCIA PIMENTEL, and)
19 FRANCISCO LOPEZ,)
20 Respondents.)
21)

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSE

22 On April 18, 2001, an Accusation was filed in this
23 matter against Respondent ALEJANDRA G. PIMENTEL.

24 On October 5, 2001, Respondent petitioned the
25 Commissioner to voluntarily surrender her real estate
26 salesperson license pursuant to Section 10100.2 of the Business
27 and Professions Code.

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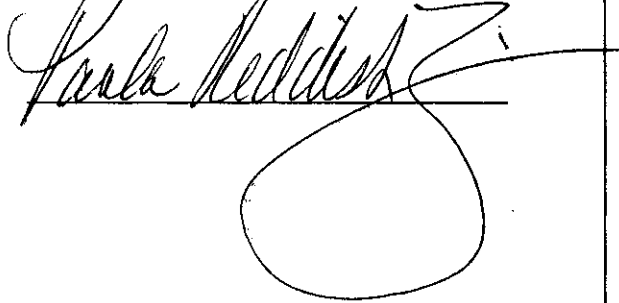
IT IS HEREBY ORDERED that Respondent ALEJANDRA G. PIMENTEL petition for voluntary surrender of her real estate broker license is accepted as of the effective date of this Order as set forth below, based upon the understanding and agreement expressed in Respondent's Declaration dated October 5, 2001, (attached as Exhibit "A" hereto). Respondent's license certificate and pocket card shall be sent to the below listed address so that they reach the Department on or before the effective date of this Order:

Department of Real Estate
Atten: Licensing Flag Section
P.O. BOX 18700
Sacramento, CA 95818-7000

This Order shall become effective at 12 o'clock noon on April 24 2002.

DATED: March 28, 2002

PAULA REDDISH ZINNEMANN.
Real Estate Commissioner



1 ELLIOTT MAC LENNAN, Counsel
State Bar No. 66674
2 Department of Real Estate
320 West Fourth Street, Suite 350
3 Los Angeles, California 90013-1105
4 (213) 576-6911
5
6
7

8 DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * * *

11 In the Matter of the Accusation of) DRE NO. H-29026 LA
12)
RFG GROUP INC.,) OAH NO. L-2001050602
13 ROBERTO F. GALLEGOS and,)
ALEJANDRA G. PIMENTEL, individually)
14 and as designated officers)
of RFG Group Inc.,)
15 RICHARD GARCIA PIMENTEL, and)
FRANCISCO LOPEZ,)
16)
Respondents.)
17)

18 DECLARATION

19
20 My name is ALEJANDRA G. PIMENTEL and I am currently
21 licensed as a real estate broker and/or have license rights
22 with respect to said license. I am representing myself in this
23 matter.
24

25 In lieu of proceeding in this matter in accordance
26 with the provisions of the Administrative Procedures Act
27 (Sections 11400 et seq., of the Government Code) I wish to

1 voluntarily surrender my real estate license issued by the
2 Department of Real Estate ("Department"), pursuant to Business
3 and Professions Code Section 10100.2.

4 I understand that by so voluntarily surrendering my
5 license, that it can only be reinstated in accordance with the
6 provisions of Section 11522 of the Government Code. I also
7 understand that by so voluntarily surrendering my license, I
8 agree to the following:

9 The filing of this Declaration shall be deemed as my
10 petition for voluntary surrender. It shall also be deemed to be
11 an understanding and agreement by me that, I waive all rights I
12 have to require the Commissioner to prove the allegations
13 contained in the Accusation filed in this matter at a hearing
14 held in accordance with the provisions of the Administrative
15 Procedures Act (Government Code Sections 11400 et seq.), and
16 that I also waive other rights afforded to me in connection with
17 the hearing such as the right to discovery, the right to present
18 evidence in defense of the allegations in the Accusation and the
19 right to cross examine witnesses. I further agree that upon
20 acceptance by the Commissioner, as evidenced by an appropriate
21 order, all affidavits and all relevant evidence obtained by the
22 Department in this matter prior to the Commissioner's
23 acceptance, and all allegations contained in the Accusation
24 filed in the Department Case No. H-29026, may be considered by
25 the Department to be true and correct for the purpose of
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deciding whether or not to grant reinstatement of my license pursuant to Government Code Section 11522.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct and that I freely and voluntarily surrender my license and all license rights attached thereto.

DATED: _____ at _____

ALEJANDRA G. PIMENTEL

1 deciding whether or not to grant reinstatement of my license
2 pursuant to Government Code Section 11522.

3 I declare under penalty of perjury under the laws of
4 the State of California that the above is true and correct and
5 that I freely and voluntarily surrender my license and all
6 license rights attached thereto.

7
8 DATED: 10/5/01 at Irvine CA 92620 9:15 AM.

9
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11 ALEJANDRA G. PIMENTEL

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

FILED
JUL - 3 2001
DEPARTMENT OF REAL ESTATE

In the Matter of the Accusation of

By *R. F. Gallegos*

RFG GROUP, INC., ET AL.,

}
}

Case No. H-29026 LA

OAH No. L-2001050602

Respondent

NOTICE OF HEARING ON ACCUSATION

To the above named respondent:

You are hereby notified that a hearing will be held before the Department of Real Estate at Office of Administrative Hearings, 320 W. Fourth St., Ste. 630, Los Angeles, CA on November 26-30, 2001, 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: July 3, 2001

By *R. F. Gallegos*
Counsel

cc: RFG Group Inc.
Robert F. Gallegos
Alejandra G. Pimentel
Richard Garcia Pimentel
Francisco Lopez
Michael J. Rubino, Esq.
Sacto
OAH LF

RE 501 (Rev. 8/97)

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*Accus
Flag*

1 ELLIOTT MAC LENNAN, Counsel
2 State Bar No. 66674
3 Department of Real Estate
4 320 West Fourth Street, Suite 350
5 Los Angeles, California 90013-1105
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9
10 (213) 576-6911

FILED
APR 18 2001
DEPARTMENT OF REAL ESTATE

By *K. Kuderholt*

DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * *

11	In the Matter of the Accusation of)	NO. H-29026 LA
12	RFG GROUP INC.,)	
13	ROBERTO F. GALLEGOS and,)	A C C U S A T I O N
14	ALEJANDRA G. PIMENTEL, individually)	
15	and as designated officers)	
16	of RFG Group Inc.,)	
17	RICHARD GARCIA PIMENTEL, and)	
18	FRANCISCO LOPEZ,)	
19)	
20	Respondents.)	

21 The Complainant, Thomas McCrady, a Deputy Real Estate
22 Commissioner of the State of California, for cause of Accusation
23 against RFG GROUP INC., ROBERTO F. GALLEGOS, individually and as
24 designated officer of RFG Group Inc., ALEJANDRA G. PIMENTEL,
25 individually and as former designated officer of RFG Group
26 Inc., RICHARD GARCIA PIMENTEL and FRANCISCO LOPEZ, alleges as
27 follows:

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FIRST CAUSE OF ACCUSATION

Complaints incorporates herein by reference the preamble, herein above.

1.

The Complainant, Thomas McCrady, acting in his official capacity as a Deputy Real Estate Commissioner of the State of California makes this Accusation against RFG GROUP INC. (RFG), ROBERTO F. GALLEGOS (GALLEGOS), ALEJANDRA G. PIMENTEL (ALEJANDRA PIMENTEL), RICHARD GARCIA PIMENTEL (RICHARD PIMENTEL) and FRANCISCO LOPEZ (FRANCISCO LOPEZ).

2.

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.

3.

RFG, GALLEGOS, ALEJANDRA PIMENTEL, RICHARD PIMENTEL and FRANCISCO LOPEZ (sometimes hereinafter referred to as Respondents) are presently licensed or have license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code, hereinafter "Code").

4.

At all time herein mentioned, GALLEGOS and ALEJANDRA PIMENTEL were licensed by the Department as the designated officers of RFG to qualify RFG and to act for RFG as real estate brokers and, as provided by Code Section 10159.2, were

1 responsible for the supervision and control of the activities
2 conducted on behalf of RFG by its officers, managers and
3 employees as necessary to secure full compliance with the
4 provisions of the Real Estate Law including the supervision of
5 the salespersons licensed to the corporation in the performance
6 of acts for which a real estate license is required. GALLEGOS
7 was originally licensed as a real estate salesperson on November
8 12, 1991 and as a real estate broker on July 13, 1998. GALLEGOS
9 became the designated officer of RFG on June 25, 1999 and
10 continues in that capacity to date. ALEJANDRA PIMENTEL was
11 originally licensed as a real estate salesperson on August 1,
12 1994, and as a real estate broker on December 21, 1995. She was
13 the designated officer of RFG from May 18, 1996 through June 24,
14 1999.

15 5.

16 Whenever reference is made in an allegation in the
17 Accusation to an act or omission of RFG such allegation shall be
18 deemed to mean that the officers, directors, managers,
19 employees, agents and real estate licensees employed by or
20 associated with RFG including GALLEGOS and ALEJANDRA PIMENTEL
21 committed such act or omission while engaged in the furtherance
22 of its business or operation and while acting within the course
23 and scope of its corporate authority, agency and employment.

24 6.

25 RICHARD GARCIA PIMENTEL (RICHARD PIMENTEL) is
26 presently licensed and/or has license rights under the Real
27 Estate Law (Part 1 of Division 4 of the California Business and

1 Professions Code). His real estate salesperson licensed expired
2 on June 5, 2000.

3 7.

4 FRANCISCO LOPEZ (respondent) is presently licensed
5 and/or has license rights under the Real Estate Law (Part 1 of
6 Division 4 of the California Business and Professions Code). At
7 all times mentioned from October 31, 1997 through January 14,
8 1999, he was licensed under Nuestra Casa Realty Inc., as a
9 salesperson. Nuestra Casa Realty Inc., is a residential resale
10 brokerage owned by GALLEGOS.

11 8.

12 At all times herein mentioned, RFG on behalf of others
13 in expectation of compensation, engaged in the business, acted
14 in the capacity of, advertised or assumed to act as a real
15 estate broker within the meaning of Code Section 10131(d). RFG
16 operated as a mortgage and loan broker, including soliciting
17 borrowers and lenders and negotiating and servicing loans on
18 real property.

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1 THE ARACELI ROSAS/JOSE LOPEZ LOAN TRANSACTION

2 9.

3 (a) On or about February 16, 1998, prior to the time
4 he was the designated officer of RFG, GALLEGOS was employed as a
5 salesperson for RFG. ALEJANDRA PIMENTEL was at that time the
6 designated officer of RFG.

7 (b) Sometime in 1997, GALLEGOS misrepresented and
8 made false promises to induce Araceli Rosas into signing a
9 credit application. He told he could thus run a check for her.

10 (c) GALLEGOS misused Rosas credit information and
11 collateral documentation in order to obtain a loan with
12 Countrywide Home Loans on a duplex located at 322-324 N.
13 Eastside Avenue, Santa Ana, California (the Eastside Property).

14 (d) On or about February 16, 1998, GALLEGOS signed a
15 Universal Residential Loan Application (Loan Application),
16 falsely stating that he conducted a face-to-face interview with
17 "borrower" Araceli Rosas, who was allegedly seeking a mortgage
18 loan on the Eastside Property.

19 (e) Sometime in 1997, FRANCISCO LOPEZ, then a
20 salesperson employed by Nuestra Case Realty Inc., a real estate
21 corporation owned by GALLEGOS, misrepresented and made false
22 promises to induce his cousin, Jose Lopez, into signing a credit
23 application. He told he could thus run a check for him.

24 (f) FRANCISCO LOPEZ along with GALLEGOS misused Jose
25 Lopez' credit information and collateral documentation in order
26
27

1 to obtain a loan with Countrywide Home Loans on the
2 Eastside Property.

3 (g) On or about April 7, 1998, GALLEGOS signed a Loan
4 Application, falsely stating that he conducted a face-to-face
5 interview with "borrower" Jose Lopez, who also was allegedly
6 seeking a mortgage loan on the Eastside Property.

7 (h) GALLEGOS acting in concert with FRANCISCO LOPEZ,
8 ALEJANDRA PIMENTEL and RICHARD PIMENTEL, forged or caused to be
9 forged Araceli Rosas' name on "her" loan application.

10 (i) GALLEGOS acting in concert with FRANCISCO LOPEZ,
11 ALEJANDRA PIMENTEL and RICHARD PIMENTEL, caused false gift
12 letters from Araceli Rosas' "cousins" to be submitted with her
13 loan application to Countrywide Home Loan.

14 (j) RICHARD PIMENTEL, a licensed salesperson in his
15 capacity as a Notary Public falsely entered or falsely caused
16 Araceli Rosas' name to be entered into his notary public log
17 book.

18 (k) On or about April 28, 1998, escrow closed funding
19 the loan for the Eastside property with Countrywide Home Loans.
20 The HUD Settlement Statement submitted from RFG indicated that
21 Araceli Rosas and Jose Lopez were the borrowers.

22 (l) Respondent GALLEGOS' misrepresentations and false
23 promises to Araceli Rosas constitute misrepresentation, fraud
24 and dishonest dealing and negligence which subjects his real
25 estate license and license rights to suspension or revocation
26
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1 under the provisions of Code Sections 10176(a), 10176(i),
2 10177(d) and 10177(g).

3 (m) Respondent GALLEGOS' conduct in obtaining a loan
4 under false pretenses by using to unwitting "borrowers" to wit,
5 Araceli Rosas and Jose Lopez constitutes misrepresentation,
6 fraud, dishonest dealing and negligence which subjects his real
7 estate license and license rights to suspension or revocation
8 under the provisions of Code Sections 10176(a), 10176(i),
9 10177(d) and 10177(g).

10 (n) Respondent FRANCISCO LOPEZ' misrepresentations
11 and false promises to Jose S. Lopez constitutes
12 misrepresentation, fraud and dishonest dealing and negligence
13 which subjects his real estate license and license rights to
14 suspension or revocation under the provisions of Code Sections
15 10176(a), 10176(i), 10177(d) and 10177 (g).

16 (o) Respondent RICHARD PIMENTEL, now an expired real
17 estate salesperson misuse of his Notary Public license in
18 making, entering, or permitting a false signature of Araceli
19 Lopez into his Notary Public Log Book constitutes dishonest
20 dealing which subjects his real estate license and license
21 rights to suspension or revocation under the provisions of Code
22 Sections 10103 and 10177(j).

23 (p) Respondent ALEJANDRA PIMENTEL's conduct, in her
24 capacity as designated officer of RFG, constitutes
25 misrepresentation, fraud and dishonest dealing and negligence,
26 which subjects her real estate license and license rights to
27

1 suspension or revocation under the provisions of Code Sections
2 10176(a), 10176(i), 10177(d) and 10177(g).

3
4 RFG GROUP INC. AUDIT

5 SECOND CAUSE OF ACCUSATION

6 Complainant incorporates herein by reference the
7 Preamble and the allegations of Paragraphs 1 through x,
8 inclusive, herein above.

9 10.

10 On January 2, 2001, the Department completed an audit
11 examination (LA 000205) of the books and records of RFG GROUP
12 INC., pertaining to its mortgage and loan brokerage activities
13 requiring a real estate license as described in Paragraph 8.
14 The audit examination covered a period of time beginning on
15 April 1, 1998 to November 30, 2000. The audit examination
16 revealed violations of the Code and the Regulations as set forth
17 in the following paragraphs.

18 11.

19 At all times mentioned, in connection with the
20 activities described in Paragraph 8, above, RFG accepted or
21 received funds in trust (trust funds) from or on behalf of
22 borrowers and lenders, and thereafter made disposition of such
23 funds. Respondent RFG did not maintain a trust account during
24 the audit period.

25 /

26 12.

27

1 The audit examination revealed that RFG and GALLEGOS failed to
2 provide a statement in writing signed by the loan
3 representative, to wit, a Mortgage Loan Disclosure Statement
4 containing all the information required by Section 10241 of the
5 Code to be provided to various borrowers including but not
6 limited to: Virgilio Ortiz, Asencion Orduna, and Jose Angeles-
7 Nunez before these borrowers became obligated to perform under
8 the terms of their loans was not made. These omissions
9 constitute violations of Code Section 10240 and Regulation 2840.
10 This conduct is cause for the suspension or revocation of the
11 real estate license and license rights of Respondents RFG and
12 GALLEGOS pursuant to Code Section 10177(d).

13 13.

14 The audit examination also revealed that RFG and
15 ALEJANDRA PIMENTEL, during her tenure as designated officer of
16 RFG, had no system in place for regularly monitoring RFG's
17 compliance with the Real Estate Law or for the supervision of
18 RFG's salespersons including GALLEGOS during the time he was
19 real estate salesperson engaged in handling the Araceli
20 Rosas/Jose Lopez mortgage loan transaction and prior to the time
21 he was the designated officer of RFG. This conduct is in
22 violation of Regulation 2725 and constitutes cause for the
23 suspension or revocation of the real estate license and license
24 rights of Respondents RFG and ALEJANDRA PIMENTEL under the
25 provisions of Code Section 10177(d).

26 /

14.

1 The overall conduct of RFG, GALLEGOS, ALEJANDRA
2 PIMENTEL and FRANCISCO LOPEZ constitutes negligence or
3 incompetence. This conduct and violation are cause for the
4 suspension or revocation of the real estate license and license
5 rights of said Respondents under the provisions of Code Section
6 10177(g).
7

15.

8 The conduct of Respondents GALLEGOS and ALEJANDRA
9 PIMENTEL, constitutes a failure on their part, as officers
10 designated by a corporate broker licensee, RFG, to exercise the
11 reasonable supervision and control over the licensed activities
12 of RFG as required by Code Section 10159.2, and to keep it in
13 compliance with the Real Estate Law, This conduct is cause for
14 the suspension or revocation of the real estate license and
15 license rights of GALLEGOS and ALEJANDRA PIMENTEL pursuant to
16 the provisions of Code Sections 10159.2 and 10177(h).
17

18 WHEREFORE, complainant prays that a hearing be
19 conducted on the allegations of this Accusation and, that upon
20 proof thereof, a decision be rendered imposing disciplinary
21 action against all licenses and licensing rights of Respondents
22 RFG GROUP INC., ROBERTO F. GALLEGOS, FRANCISCO LOPEZ, RICHARD
23 GARCIA PIMENTEL and ALEJANDRA G. PIMENTEL, under the Real Estate
24 Law (Part 1 of Division 4 of the Business and Professions Code)
25 and for such other and further relief as may be proper under
26 other applicable provisions of law.
27

1 Dated at Los Angeles, California
2 this 18th day of April 2001.

3 THOMAS MC CRADY

4 Deputy Real Estate Commissioner
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21 cc: RFG Group Inc.
22 cc: Roberto F. Gallegos, D.O.
23 cc: Alejandra G. Pimentel
24 cc: Richard Garcia Pimentel
25 cc: Francisco Lopez

26 Sacto
27 LF