

FILED
JUL - 6 2004
DEPARTMENT OF REAL ESTATE

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of) No. H-29962 LA
)
12 COUNTY FUNDING CORPORATION,) L-2003030586
) a corporation and doing business)
13 as Alta Mira Realty and)
14 DAVID J. MIRRAFATI, individually)
) and as designated officer of)
15 County Funding Corporation,)
)
16 Respondents.)

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSE

On February 20, 2003, an Accusation was filed in this matter against Respondent COUNTY FUNDING CORPORATION.

On September 12, 2003, Respondent petitioned the Commissioner to voluntarily surrender its real estate corporation license pursuant to Section 10100.2 of the Business and Professions Code.

///

///

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

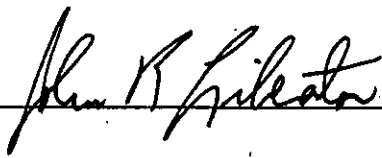
IT IS HEREBY ORDERED that Respondent COUNTY FUNDING CORPORATION's petition for voluntary surrender of its real estate corporation license is accepted as of the effective date of this Order as set forth below, based upon the understanding and agreement expressed in Respondent's Declaration dated September 12, 2003 (attached as Exhibit "A" hereto). Respondent's license certificate(s), pocket card(s) and any branch office license certificate(s) 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
Attn: Licensing Flag Section
P.O. Box 187000
Sacramento, CA 95818-7000

This Order shall become effective at 12 o'clock noon on July 26, 2004.

DATED: June 30, 2004

JOHN R. LIBERATOR
Acting Real Estate Commissioner



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

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	No. H-29962 LA
<u>COUNTY FUNDING CORPORATION,</u>)	L-2003030586
a corporation and doing business)	
as Alta Mira Realty and)	
DAVID J. MIRRAFATI, individually)	
and as designated officer of)	
County Funding Corporation,)	
Respondents.)	

DECLARATION

My name is DAVID J. MIRRAFATI and I ^{was} ~~am currently~~ an
officer of COUNTY FUNDING CORPORATION, ^{now defunct,} a corporation and ^{did} ~~doing~~
business as Alta Mira Realty, which is licensed as a real estate
broker and/or has license rights with respect to said license.
I am authorized and empowered to sign this Declaration on behalf
COUNTY FUNDING CORPORATION. COUNTY FUNDING CORPORATION is
represented in this matter by FREDRICK M. RAY, Attorney at Law.

In lieu of proceeding in this matter in accordance with
the provisions of the Administrative Procedure Act (Sections
11400 et seq., of the Government Code) COUNTY FUNDING

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

4 I understand that COUNTY FUNDING CORPORATION, by so
5 voluntarily surrendering its license, can only have it reinstated
6 in accordance with the provisions of Section 11522 of the
7 Government Code. I also understand that by so voluntarily
8 surrendering its license, COUNTY FUNDING CORPORATION, agrees to
9 the following:

10 The filing of this Declaration shall be deemed as its
11 petition for voluntary surrender. It shall also be deemed to be
12 an understanding and agreement by COUNTY FUNDING CORPORATION that
13 it waives all rights it has to require the Commissioner to prove
14 the allegations contained in the Accusation filed in this matter
15 at a hearing held in accordance with the provisions of the
16 Administrative Procedure Act (Government Code Sections 11400 et
17 seq.), and that it also waives other rights afforded to it in
18 connection with the hearing such as the right to discovery, the
19 right to present evidence in defense of the allegations in the
20 Accusation and the right to cross-examine witnesses. I further
21 agree on behalf of COUNTY FUNDING CORPORATION, that upon
22 acceptance by the Commissioner, as evidenced by an appropriate
23 order, all affidavits and all relevant evidence obtained by the
24 Department in this matter prior to the Commissioner's acceptance,
25 and all allegations contained in the Accusation filed in the
26 Department Case No. H-29962 LA, may be considered by the
27 Department to be true and correct for the purpose of deciding

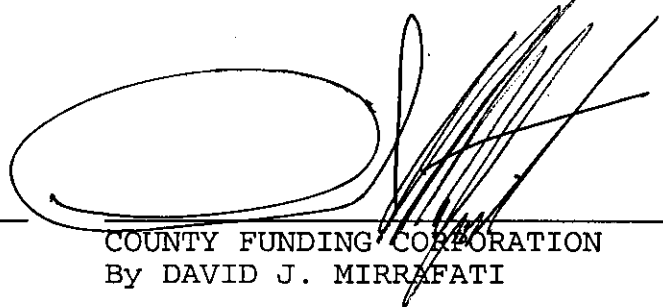
1 whether or not to grant reinstatement of COUNTY FUNDING
2 CORPORATION's license pursuant to Government Code Section 11522.

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 am acting freely and voluntarily on behalf of COUNTY
6 FUNDING CORPORATION to surrender its license and all license
7 rights attached thereto.

8

9 9/12/03 Testin Ce

10 Date and Place



COUNTY FUNDING CORPORATION
By DAVID J. MIRRAFATI

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

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

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

FILED
JUL - 6 2004
DEPARTMENT OF REAL ESTATE

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)
12 COUNTY FUNDING CORPORATION, a) NO. H-29962 LA
13 corporation and doing business) L-2003030586
14 as Alta Mira Realty and) STIPULATION AND AGREEMENT
15 DAVID J. MIRRAFATI, individually)
16 and as designated officer of)
County Funding Corporation,)
Respondents.)

17 It is hereby stipulated by and between DAVID J.
18 MIRRAFATI, individually and as designated officer of County
19 Funding Corporation (hereafter "Respondent") represented by
20 Fredrick M. Ray, Esq., and the Complainant, acting by and
21 through Chris Leong, Counsel for the Department of Real Estate,
22 as follows for the purpose of settling and disposing of the
23 Accusation filed on February 20, 2003, as to Respondent
24 MIRRAFATI. The Accusation as to COUNTY FUNDING CORPORATION
25 will be handled separately.

26 1. All issues which were to be contested and all
27

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

7 2. Respondent has received, read and understands the
8 Statement to Respondent, the Discovery Provisions of the
9 Administrative Procedure Act and the Accusation, filed by the
10 Department of Real Estate in this proceeding.

11 3. Respondent filed a Notice of Defense pursuant to
12 Section 11505 of the Government Code for the purpose of
13 requesting a hearing on the allegations in the Accusation.
14 Respondent hereby freely and voluntarily withdraws said Notice
15 of Defense. Respondent acknowledges that he understands that
16 by withdrawing said Notice of Defense that he will thereby
17 waive his right to require the Commissioner to prove the
18 allegations in the Accusation at a contested hearing held in
19 accordance with the provisions of the Administrative Procedure
20 Act and that Respondent will waive other rights afforded to him
21 in connection with the hearing, such as the right to present
22 evidence in defense of the allegations in the Accusation and
23 the right to cross-examine witnesses.

24 4. The admissions herein, and Respondent's decision
25 not to contest the Accusation, are made solely for the purpose
26 of reaching an agreed disposition of this proceeding and are
27 expressly limited to this proceeding and any other proceeding

1 or case in which the Department of Real Estate or another
2 licensing agency of this state, another state or if the federal
3 government is involved, and otherwise shall not be admissible
4 in any other criminal or civil proceedings.

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

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

21 DETERMINATION OF ISSUES

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

1
2 The conduct acts and/or omissions of Respondent, as
3 alleged in the Accusation, are grounds for the suspension or
4 revocation of all real estate licenses and license rights of
5 Respondent under the provisions of Business and Professions
6 Code Section 10177(d) for violation of Title 10, Chapter 6,
7 California Code of Regulations Section 2832 and Business and
8 Professions Code Section 10145.

9 ORDER

10 1. All licenses and licensing rights of Respondent
11 DAVID J. MIRRAFATI, under the Real Estate Law shall be
12 suspended for a period of one hundred and twenty (120) days
13 from the effective date of this Decision; provided, however,
14 that ninety (90) days of said suspension shall be stayed for
15 two (2) years upon the following terms and conditions:

16 (a) Respondent shall obey all laws, rules and
17 regulations governing the rights, duties and responsibilities
18 of a real estate licensee in the State of California; and

19 (b) That no final subsequent determination be made,
20 after hearing or upon stipulation, that cause for disciplinary
21 action occurred within two (2) years of the effective date of
22 this Decision. Should such a determination be made, the
23 Commissioner may, in his discretion, vacate and set aside the
24 stay order and reimpose all or a portion of the stayed
25 suspension. Should no such determination be made, the stay
26 imposed herein shall become permanent.

27 2. If Respondent petitions, the remaining thirty

1 (30) days of said suspension or a portion thereof shall be
2 stayed upon condition that:

3 (a) Pursuant to Code Section 10175.2, Respondent pays
4 a monetary penalty at the rate of Seventy-Five Dollars (\$75.00)
5 per day for a total monetary penalty of \$2,250.00.

6 (b) Said payment shall be in the form of a cashier's
7 check or certified check made payable to the Recovery Account of
8 the Real Estate Fund. Said check must be received by the
9 Department prior to the effective date of the Decision in this
10 matter.

11 (c) No further cause for disciplinary action against
12 the real estate license of Respondent occurs within two (2)
13 years from the effective date of the Decision in this matter.

14 (d) If Respondent fails to pay the monetary penalty in
15 accordance with the terms and conditions of the Decision, the
16 Commissioner may, without a hearing, order the immediate
17 execution of all or any part of the stayed suspension in which
18 event the Respondent shall not be entitled to any repayment nor
19 credit, prorated or otherwise, for money paid to the Department
20 under the terms of this Decision.

21 (e) If Respondent pays the monetary penalty and if no
22 further cause for disciplinary action against the real estate
23 license of Respondent occurs within two (2) years from the
24 effective date of this Decision, the stay hereby granted shall
25 become permanent.

26 3. Respondent's license shall be indefinitely
27 suspended unless or until Respondent submits proof satisfactory

1 to the Commissioner of having taken and successfully completed
2 the continuing education course on trust fund accounting and
3 handling specified in subdivision (a) of Section 10170.5 of the
4 Business and Professions Code. Proof of satisfaction of this
5 requirement includes evidence that Respondent has successfully
6 completed the trust fund account and handling continuing
7 education course within 120 days prior to the effective date of
8 the Decision in this matter.

9 4. Pursuant to Section 10148 of the Business and
10 Professions Code, Respondent shall pay the Commissioner's
11 reasonable cost for: a) the audit which led to this
12 disciplinary action and; b) a subsequent audit to determine if
13 Respondent has corrected the trust fund violations found in the
14 Determination of Issues. The cost of the audit which led to
15 this disciplinary action is \$5,644.50. In calculating the
16 amount of the Commissioner's reasonable cost, the Commissioner
17 may use the estimated average hourly salary for all persons
18 performing audits of real estate brokers, and shall include an
19 allocation for travel time to and from the auditor's place of
20 work. Said amount for the subsequent audit shall not exceed
21 \$5,644.50. Respondent shall pay such cost within 60 days of
22 receiving an invoice from the Commissioner detailing the
23 activities performed during the audit and the amount of time
24 spent performing those activities. The Commissioner may
25 suspend the restricted license issued to Respondent pending a
26 hearing held in accordance with Section 11500, et seq., of the
27 Government Code, if payment is not timely made as provided for

1 herein, or as provided for in a subsequent agreement between
2 the Respondent and the Commissioner. The suspension shall
3 remain in effect until payment is made in full, or until
4 Respondent enters into an agreement satisfactory to the
5 Commissioner to provide for payment, or until a decision
6 providing otherwise is adopted following a hearing held
7 pursuant to this condition.

8 If Respondent pays the monetary penalty and chargeable
9 audits and if no further cause for disciplinary action against
10 the real estate license of Respondent occurs within two (2) years
11 of the effective date of this Decision, the stay hereby granted
12 shall become permanent.

13
14 DATED:

6/18/04

CHRIS LEONG

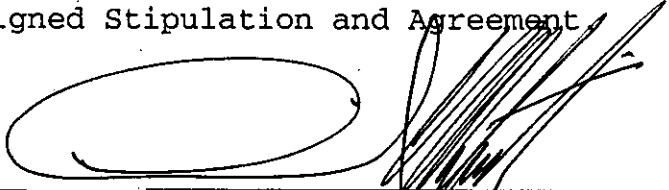
CHRIS LEONG, ESQ.
Counsel for Complainant

15
16 * * *

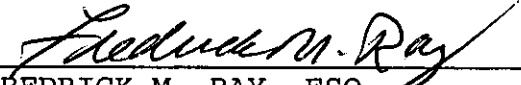
17 I have read the Stipulation and Agreement, have
18 discussed it with my counsel, and its terms are understood by
19 me and are agreeable and acceptable to me. I understand that I
20 am waiving rights given to me by the California Administrative
21 Procedure Act (including but not limited to Sections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

1
2 Respondent can signify acceptance and approval of the
3 terms and conditions of this Stipulation and Agreement by
4 faxing a copy of the signature page, as actually signed by
5 Respondent, to the Department at fax number (213) 576-6917.
6 Respondent agrees, acknowledges and understands that by
7 electronically sending to the Department a fax copy of his
8 actual signature as it appears on the Stipulation and
9 Agreement, that receipt of the faxed copy by the Department
10 shall be as binding on Respondent as if the Department had
11 received the original signed Stipulation and Agreement.

12
13 DATED: 5/28/04


14 DAVID MIRRAFATTI, Respondent

15
16 DATED: 6/16/04



17 FREDRICK M. RAY, ESQ.
18 Counsel for Respondent
19 Approved as to form

20 * * *

21 The foregoing Stipulation and Agreement is hereby
22 adopted as my Decision in this matter and shall become
23 effective at 12 o'clock noon on August 5, 2004.

24 IT IS SO ORDERED June 30, 2004

25 JOHN R. LIBERATOR
26 Acting Real Estate Commissioner

27 

5A

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)
)
COUNTY FUNDING CORPORATION,)
a corporation and doing business)
as Alta Mira Realty and)
DAVID J. MIRRAFATI, individually)
and as designated officer of)
County Funding Corporation,)

Case No. H-29962 LA

OAH No. L-2003030586

Respondent(s)

FILED
DEC 11 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 FRIDAY, JULY 30, 2004, 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: December 11, 2003

By

Chris Leong
CHRIS LEONG, Counsel

cc: County Funding Corporation
David J. Mirrafati
Fredrick M. Ray, Esq.
Sacto.
OAH
Julie Hawes, L.A. Audits

SAC

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

In the Matter of the Accusation of)
)
COUNTY FUNDING CORPORATION,)
a corporation and doing business)
as Alta Mira Realty and)
DAVID J. MIRRAFATI, individually)
and as designated officer of)
County Funding Corporation,)

Case No. H-29962 LA

OAH No. L-2003030586

FILED
AUG 22 2003
DEPARTMENT OF REAL ESTATE

Respondent(s)

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 **TUESDAY, OCTOBER 14, 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: August 22, 2003

By

CHRIS LEONG
CHRIS LEONG, Counsel

cc: County Funding Corporation
David J. Mirrafati
Fredrick M. Ray, Esq.
Sacto.
OAH
Julie Hawes, L.A. Audits

5/21

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)
)
COUNTY FUNDING CORPORATION,)
a corporation and doing business)
as Alta Mira Realty and)
DAVID J. MIRRAFATI, individually)
and as designated officer of)
County Funding Corporation,)

Case No. H-29962 LA

OAH No. L-2003030586

FILED
APR - 1 2003
DEPARTMENT OF REAL ESTATE

Respondent(s)

NOTICE OF HEARING ON ACCUSATION

To the above-named Respondent(s):

You are hereby notified that a hearing will be held before the Department of Real Estate at the Office of Administrative Hearings, 320 West Fourth Street, Suite 630, Los Angeles, CA 90013-1105 on FRIDAY, AUGUST 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: April 1, 2003

By

CHRIS LEONG
CHRIS LEONG, Counsel

cc: County Funding Corporation
David J. Mirrafati
Fredrick M. Ray, Esq.
Sacto.
OAH

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

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

FILED
FEB 20 2003
DEPARTMENT OF REAL ESTATE

[Handwritten signature]

5
6
7
8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)
12) No. H-29962 LA
13 COUNTY FUNDING CORPORATION, a)
corporation and doing business) A C C U S A T I O N
14 as Alta Mira Realty and)
15 DAVID J. MIRRAFATI, individually)
and as designated officer of)
16 County Funding Corporation,)
Respondents.)

17 The Complainant, Maria Suarez, a Deputy Real Estate
18 Commissioner of the State of California, for cause of
19 Accusation against COUNTY FUNDING CORPORATION, a corporation
20 and doing business as Alta Mira Realty ("CFC") and DAVID J.
21 MIRRAFATI, individually and as designated officer of County
22 Funding Corporation ("MIRRAFATI"), hereafter sometimes both
23 referred to as Respondents, is informed and alleges in her
24 official capacity as follows:

25 ///

1.

1 Respondents are presently licensed and/or have
2 license rights under the Real Estate Law, Part 1 of Division 4
3 of the California Business and Professions Code ("Code").
4

2.

5 At all times material herein, Respondent CFC was and
6 still is licensed by the Department of Real Estate of the State
7 of California ("Department") as a corporation.
8

3.

9 At all times material herein, MIRRAFATI was licensed
10 by the Department as a real estate broker individually and as
11 responsible designated officer of County Funding Corporation,
12 pursuant to Code Section 10159.2.
13

4.

14 At all times material herein, Respondents engaged in
15 the business of, acted in the capacity of, advertised or
16 assumed to act as real estate brokers for others in the State
17 of California, within the meaning of Code Section 10131(a) and
18 (d), including the operation and conduct of a real estate
19 sales, loan and loan servicing business with the public wherein
20 Respondents purchased and sold real property on behalf of
21 owners of real property and/or solicited borrowers for loans
22 secured by interest in real property and/or serviced loans
23 secured by interest in real property in expectation of
24 compensation.
25

5.

26 All further references to "Respondents", unless
27

1 otherwise specified, include the parties identified in Paragraphs
2 2 through 4, above, and also include the employees, agents and
3 real estate licensees employed by or associated with said
4 parties, who at all times herein mentioned were engaged in the
5 furtherance of the business or operations of said parties and who
6 were acting within the course and scope of their authority and
7 employment.

8 6.

9 On May 16, 2002, the Department concluded its
10 examination of Respondents' books and records pertaining to
11 Respondents' activities as real estate brokers, audit number
12 LA 010302, covering a period from approximately January 1, 2000
13 to September 9, 2001. The examination revealed violations of
14 the Code and of Title 10, Chapter 6, California Code of
15 Regulations ("Regulations"), as set forth below.

16 7.

17 At all times herein, in connection with the real
18 estate sales, loan and loan servicing activity described above,
19 Respondents accepted or received funds, including funds in
20 trust ("trust funds") from or on behalf of actual and
21 prospective parties to transactions handled by Respondents.
22 Trust funds were maintained or deposited in Account No.
23 29421547, Citizens Business Bank, Orange, California.

24 8.

25 Respondents CFC and MIRRAFATI acted in violation of
26 the Code and the Regulations as set forth below, and as more
27 specifically set forth in Audit Report No. LA 010302, dated

1 May 16, 2001 and the exhibits attached to said Audit Report, in
2 that Respondents:

3 (a) failed to maintain trust fund records for credit
4 report fees collected at the time the borrowers submitted their
5 loan applications, in violation of Code Section 10145 and
6 Section 2831 of the Regulations:

7 (b) failed to maintain a separate record for each
8 beneficiary, in violation of Code Section 10145 and Regulation
9 2831.1;

10 (c) failed to maintain the bank account used to
11 handle mortgage loan trust funds in the broker's name as
12 trustee and failed to designate the account as a trust account,
13 in violation of Code Section 10145 and Regulation 2832;

14 (d) failed to use Department approved Mortgage Loan
15 Disclosure Statements in the processing of mortgage loans, in
16 violation of Regulation 2840 and 2840.1;

17 (e) failed to obtain Mortgage Loan Disclosure
18 Statements with the signatures of borrowers including Cesar
19 Ramon and Timothy Malachosky, in violation of Code Section
20 10240;

21 (f) failed to provide Mortgage Loan Disclosure
22 Statements to borrowers including Cesar Ramon, Timothy
23 Malachosky, Thomas & Rose Akylaw, Esmerelda Ureno and Laura
24 Marie Sanchez, that included the broker's real estate license
25 number and the Department's license information telephone
26 number, in violation of Code Section 10236.4;

27

1 (g) failed to deposit credit report fees and
2 appraisal report fees received prior to payments into a trust
3 account; deposited credit report fees into a general account;
4 failed to maintain records showing payment of credit report
5 fees; paid appraisers with funds deposited into the general
6 account, in violation of Code Sections 10145 and 10176(e); and

7 (h) maintained their own funds in excess of \$200.00
8 mixed in with trust funds for more than 25 business days, in
9 violation of Code Section 10145 and Regulation 2835.

10 9.

11 The conduct, acts and omissions of Respondents CFC
12 and MIRRAFATI, as described in Paragraphs 1 through 8, violated
13 the Code and the Regulations as set forth above and constitutes
14 cause for the suspension or revocation of all real estate
15 licenses and license rights of Respondents under the provisions
16 of Code Sections 10176(e), 10177(d) and or 10177(g).

17 10.

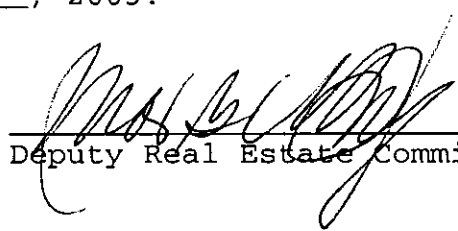
18 Respondent MIRRAFATI, as the officer designated by
19 CFC as the person responsible for the supervision and control
20 of the activities conducted on behalf of the corporation by its
21 officers and employees as necessary to secure full compliance
22 with Real Estate Law as set forth in Sections 10159.2 of the
23 Code failed in said duties as set forth herein above. This is
24 further cause to discipline the license and license rights of
25 Respondent MIRRAFATI pursuant to Code Sections 10177(d) and/or
26 10177(g).

27 ///

1
2 WHEREFORE, Complainant prays that a hearing be
3 conducted on the allegations of this Accusation and that upon
4 proof thereof, a decision be rendered imposing disciplinary
5 action against all licenses and/or license rights of
6 Respondents, COUNTY FUNDING CORPORATION, a corporation and
7 doing business as Alta Mira Realty and DAVID J. MIRRAFATI,
8 individually and as designated officer of County Funding
9 Corporation, under the Real Estate Law (Part 1 of Division 4 of
10 the Business and Professions Code), and for such other and
11 further relief as may be proper under other applicable
12 provisions of law.

13 Dated at Los Angeles, California

14 this 19th day of February, 2003.

15
16 
17 Deputy Real Estate Commissioner
18
19
20
21
22
23

24 cc: County Funding Corporation
25 David J. Mirrafati
26 Sacto.
27 LA Audit/Hawes
EC/NS