

1 ELLIOTT MAC LENNAN, SBN 66674  
2 Department of Real Estate  
3 320 West 4th Street, Ste. 350  
4 Los Angeles, California 90013-1105

5 Telephone: (213) 576-6911 (direct)  
6 -or- (213) 576-6982 (office)

FILED  
JUL - 6 2008  
DEPARTMENT OF REAL ESTATE

By R. Mederholt

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8  
9 BEFORE THE DEPARTMENT OF REAL ESTATE

10 STATE OF CALIFORNIA

11 \* \* \*

|  |                    |
|--|--------------------|
| 11 In the Matter of the Accusation of )              | No. H-31702 LA     |
| 12 1 <sup>st</sup> REALTY FUNDING INC.; )            |                    |
| 13 <u>YESENIA EMMA RUVALCABA,</u> )                  | <u>STIPULATION</u> |
| 14 individually and as designated )                  | <u>AND</u>         |
| 15 officer of 1 <sup>st</sup> Realty Funding Inc.; ) | <u>AGREEMENT</u>   |
| 16 ROBERT BRUCE MCCULLOUGH, )                        |                    |
| 17 individually and as former )                      |                    |
| 18 designated officer of 1 <sup>st</sup> Realty )    |                    |
| 19 Funding Inc.; VINCENT O. PEREZ; )                 |                    |
| 20 JAIME SALVADOR VILLACORTA; and )                  |                    |
| 21 MIGUEL ANGEL FLORES, )                            |                    |
| 22 Respondents, )                                    |                    |
| 23 )   |                    |
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21 It is hereby stipulated by and between Respondent  
22 YESENIA EMMA RUVALCABA, individually and as former designated  
23 officer of 1<sup>st</sup> Realty Funding Inc.; (sometimes referred to as  
24 "Respondent") and the Complainant, acting by and through Elliott  
25 Mac Lennan, Counsel for the Department of Real Estate, as follows  
26  
27

1 for the purpose of settling and disposing of the Accusation  
2 ("Accusation") filed on February 23, 2005, in this matter:

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

10 2. Respondent has received, read and understands the  
11 Statement to Respondent, the Discovery Provisions of the APA and  
12 the Accusation filed by the Department of Real Estate in this  
13 proceeding.

14 3. Respondent timely filed a Notice of Defense  
15 pursuant to Section 11506 of the Government Code for the purpose  
16 of requesting a hearing on the allegations in the Accusation.  
17 Respondent hereby freely and voluntarily withdraws said Notice of  
18 Defense. Respondent acknowledges that she understands that by  
19 withdrawing said Notice of Defense she thereby waives her right  
20 to require the Commissioner to prove the allegations in the  
21 Accusation at a contested hearing held in accordance with the  
22 provisions of the APA and that she will waive other rights  
23 afforded to her in connection with the hearing such as the right  
24 to present evidence in her defense the right to cross-examine  
25 witnesses.  
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1                   4. This Stipulation is based on the factual  
2 allegations contained in the Accusation. In the interest of  
3 expedience and economy, Respondent chooses not to contest these  
4 allegations, but to remain silent and understands that, as a  
5 result thereof, these factual allegations, without being admitted  
6 or denied, will serve as a prima facie basis for the disciplinary  
7 action stipulated to herein. The Real Estate Commissioner shall  
8 not be required to provide further evidence to prove said factual  
9 allegations.

10                   5. This Stipulation and Respondent's decision not to  
11 contest the Accusation is made for the purpose of reaching an  
12 agreed disposition of this proceeding and is expressly limited to  
13 this proceeding and any other proceeding or case in which the  
14 Department of Real Estate ("Department"), the state or federal  
15 government, or any agency of this state, another state or federal  
16 government is involved.

17                   6. It is understood by the parties that the Real  
18 Estate Commissioner may adopt this Stipulation as his Decision in  
19 this matter thereby imposing the penalty and sanctions on  
20 Respondent's real estate licenses and license rights as set forth  
21 in the "Order" herein below. In the event that the Commissioner  
22 in his discretion does not adopt the Stipulation, it shall be  
23 void and of no effect and Respondent shall retain the right to a  
24 hearing and proceeding on the Accusation under the provisions of  
25 the APA and shall not be bound by any stipulation or waiver made  
26  
27

1 herein.

2 7. The Order or any subsequent Order of the Real  
3 Estate Commissioner made pursuant to this Stipulation shall not  
4 constitute an estoppel, merger or bar to any further  
5 administrative or civil proceedings by the Department of Real  
6 Estate with respect to any matters which were not specifically  
7 alleged to be causes for Accusation in this proceeding but do  
8 constitute a bar, estoppel and merger as to any allegations  
9 actually contained in the Accusations against Respondent herein.

10 DETERMINATION OF ISSUES

11 By reason of the foregoing, it is stipulated and agreed  
12 that the following determination of issues shall be made:

13 I.

14 The conduct, acts or omissions of YESENIA EMMA  
15 RUVALCABA, as described in Paragraph 4, constitutes a failure to  
16 keep 1<sup>st</sup> Realty Funding Inc. in compliance with the Real Estate  
17 Law during the time that he was the officer designated by a  
18 corporate broker licensee in violation of Section 10159.2 of the  
19 Code. This conduct is a basis for the suspension or revocation  
20 of Respondent's license pursuant to Code Section 10177(h).

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ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

I.

All licenses and licensing rights of Respondent  
YESENIA EMMA RUVALCABA under the Real Estate Law are suspended  
for a period of one hundred twenty (120) days from the effective  
date of this Decision; provided, however, that ninety (90) days  
of said suspension shall be stayed for two (2) years upon the  
following terms and conditions:

1. Respondent shall obey all laws, rules and  
regulations governing the rights, duties and responsibilities of  
a real estate licensee in the State of California.

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

B. The initial thirty (30) day portion of said one  
hundred twenty (120) day suspension shall commence on the  
effective date of this Decision; provided, however, that if  
Respondent requests, said suspension shall be stayed upon  
condition that:

1                   1. Pursuant to Section 10175.2 of the Business and  
2 Professions Code, Respondent pays a monetary penalty of fifty  
3 dollars (\$50.00) per day or One Thousand Five Hundred Dollars  
4 (\$1,500).

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

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

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

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

All licenses and licensing rights of Respondent YESENIA EMMA RUVALCABA are indefinitely suspended unless or until Respondent provides proof satisfactory to the Commissioner, of having taken and successfully completed the continuing education course on trust fund accounting and handling specified in paragraph (3) of subdivision (a) of Section 10170.5 of the Business and Professions Code. Proof of satisfaction of this requirement includes evidence that respondent has successfully completed the trust fund account and handling continuing education course within 120 days prior to the effective date of the Decision in this matter.

III.

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

DATED: 10-21-05

*ELIOTT*  
ELLIOTT MAC LENNAN, Counsel for  
the Department of Real Estate

\* \* \*

EXECUTION OF THE STIPULATION

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

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

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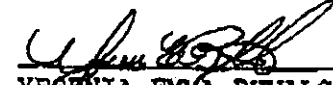
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DATED: October 20, 2005

  
\_\_\_\_\_  
YESENIA EMMA RUVALCABA individually  
and as former designated officer of  
1<sup>st</sup> Realty Funding Inc., Respondent

\* \* \*

The foregoing Stipulation and Agreement is hereby  
adopted as my Decision as to Respondent YESENIA EMMA RUVALCABA as  
former designated officer of 1<sup>st</sup> Realty Funding Inc. and shall  
become effective at 12 o'clock noon on \_\_\_\_\_,  
2005.

IT IS SO ORDERED \_\_\_\_\_, 2005.

JEFF DAVI  
Real Estate Commissioner

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DATED: \_\_\_\_\_

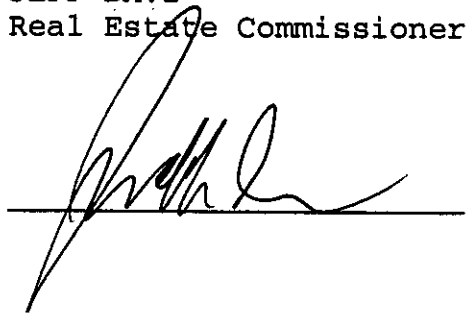
YESENIA EMMA RUVALCABA individually  
and as former designated officer of  
1<sup>st</sup> Realty Funding Inc., Respondent

\* \* \*

The foregoing Stipulation and Agreement is hereby  
adopted as my Decision as to Respondent YESENIA EMMA RUVALCABA as  
former designated officer of 1<sup>st</sup> Realty Funding Inc. and shall  
become effective at 12 o'clock noon on AUG - 7,  
2006.

IT IS SO ORDERED 6-22, 2006.

JEFF DAVI  
Real Estate Commissioner



1 ELLIOTT MAC LENNAN, SBN 66674  
2 Department of Real Estate  
3 320 West 4th Street, Ste. 350  
4 Los Angeles, California 90013-1105

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FILED  
JUL - 6 2008  
DEPARTMENT OF REAL ESTATE

By K. Knecht

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9 BEFORE THE DEPARTMENT OF REAL ESTATE

10 STATE OF CALIFORNIA

11 \* \* \*

12 In the Matter of the Accusation of ) No. H-31702 LA  
13 )  
14 1<sup>st</sup> REALTY FUNDING INC.; )  
15 YESENIA EMMA RUVALCABA, )  
16 individually and as designated )  
17 officer of 1<sup>st</sup> Realty Funding Inc.; )  
18 ROBERT BRUCE MCCULLOUGH, )  
19 individually and as former )  
20 designated officer of 1<sup>st</sup> Realty )  
21 Funding Inc.; VINCENT O. PEREZ; )  
22 JAIME SALVADOR VILLACORTA; and )  
23 MIGUEL ANGEL FLORES, )  
24 Respondents, )  
25 )  
26 )  
27 )

STIPULATION  
AND  
AGREEMENT

21 It is hereby stipulated by and between Respondent  
22 ROBERT BRUCE MCCULLOUGH, individually and as former designated  
23 officer of 1<sup>st</sup> Realty Funding Inc.; (sometimes collectively  
24 referred to as "Respondent"), represented by Frank M. Buda, Esq.  
25 and the Complainant, acting by and through Elliott Mac Lennan,  
26 Counsel for the Department of Real Estate, as follows for the  
27

1 purpose of settling and disposing of the Accusation ("Accusation")  
2 filed on February 23, 2005, in this matter:

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

10 2. Respondent has received, read and understands the  
11 Statement to Respondent, the Discovery Provisions of the APA and  
12 the Accusation filed by the Department of Real Estate in this  
13 proceeding.

14 3. Respondent timely filed a Notice of Defense  
15 pursuant to Section 11506 of the Government Code for the purpose  
16 of requesting a hearing on the allegations in the Accusation.  
17 Respondent hereby freely and voluntarily withdraws said Notice of  
18 Defense. Respondent acknowledges that he understands that by  
19 withdrawing said Notice of Defense he thereby waive his right to  
20 require the Commissioner to prove the allegations in the  
21 Accusation at a contested hearing held in accordance with the  
22 provisions of the APA and that he will waive other rights  
23 afforded to him in connection with the hearing such as the right  
24 to present evidence in his 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. In the interest of  
3 expedience and economy, Respondent chooses not to contest these  
4 allegations, but to remain silent and understands that, as a  
5 result thereof, these factual allegations, without being admitted  
6 or denied, will serve as a prima facie basis for the disciplinary  
7 action stipulated to herein. The Real Estate Commissioner shall  
8 not be required to provide further evidence to prove said factual  
9 allegations.

10                   5. This Stipulation and Respondent's decision not to  
11 contest the Accusation is made for the purpose of reaching an  
12 agreed disposition of this proceeding and is expressly limited to  
13 this proceeding and any other proceeding or case in which the  
14 Department of Real Estate ("Department"), the state or federal  
15 government, or any agency of this state, another state or federal  
16 government is involved.

17                   6. It is understood by the parties that the Real  
18 Estate Commissioner may adopt this Stipulation as his Decision in  
19 this matter thereby imposing the penalty and sanctions on  
20 Respondent's real estate licenses and license rights as set forth  
21 in the "Order" herein below. In the event that the Commissioner  
22 in his discretion does not adopt the Stipulation, it shall be  
23 void and of no effect and Respondent shall retain the right to a  
24 hearing and proceeding on the Accusation under the provisions of  
25 the APA and shall not be bound by any stipulation or waiver made  
26  
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1 herein.

2 7. The Order or any subsequent Order of the Real  
3 Estate Commissioner made pursuant to this Stipulation shall not  
4 constitute an estoppel, merger or bar to any further  
5 administrative or civil proceedings by the Department of Real  
6 Estate with respect to any matters which were not specifically  
7 alleged to be causes for Accusation in this proceeding but do  
8 constitute a bar, estoppel and merger as to any allegations  
9 actually contained in the Accusations against Respondent herein.

10 DETERMINATION OF ISSUES

11 By reason of the foregoing, it is stipulated and agreed  
12 that the following determination of issues shall be made:

13 I.

14 The conduct, acts or omissions of ROBERT BRUCE  
15 MCCULLOGH, as described in Paragraph 4, constitutes a failure to  
16 keep 1<sup>st</sup> Realty Funding Inc. in compliance with the Real Estate  
17 Law during the time that he was the officer designated by a  
18 corporate broker licensee in violation of Section 10159.2 of the  
19 Code. This conduct is a basis for the suspension or revocation  
20 of Respondent's license pursuant to Code Section 10177(h).

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ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

I.

All licenses and licensing rights of Respondent

ROBERT BRUCE MCCULLOUGH under the Real Estate Law are suspended for a period of sixty (60) days from the effective date of this Decision; provided, however, that thirty (30) days of said suspension shall be stayed for two (2) years upon the following terms and conditions:

1. Respondent shall obey all laws, rules and regulations governing the rights, duties and responsibilities of a real estate licensee in the State of California.

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

B. The initial thirty (30) day portion of said sixty (60) day suspension shall commence on the effective date of this Decision; provided, however, that if Respondent petitions, said suspension shall be stayed upon condition that:

///

1           1. Pursuant to Section 10175.2 of the Business and  
2 Professions Code, Respondent pays a monetary penalty of one  
3 hundred dollars (\$100.00) per day or Three Thousand Dollars  
4 (\$3,000).

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

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

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

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

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II.

1  
2           All licenses and licensing rights of Respondent ROBERT  
3 BRUCE MCCULLOUGH are indefinitely suspended unless or until  
4 Respondent provides proof satisfactory to the Commissioner, of  
5 having taken and successfully completed the continuing education  
6 course on trust fund accounting and handling specified in  
7 paragraph (3) of subdivision (a) of Section 10170.5 of the  
8 Business and Professions Code. Proof of satisfaction of this  
9 requirement includes evidence that respondent has successfully  
10 completed the trust fund account and handling continuing  
11 education course within 120 days prior to the effective date of  
12 the Decision in this matter.

13  
14           III.

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

22  
23  
24 DATED: \_\_\_\_\_

25 \_\_\_\_\_  
26 ELLIOTT MAC LENNAN, Counsel for  
27 the Department of Real Estate

\* \* \*

EXECUTION OF THE STIPULATION

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

14 Respondent can signify acceptance and approval of the  
15 terms and conditions of this Stipulation by faxing a copy of its  
16 signature page, as actually signed by Respondent, to the  
17 Department at the following telephone/fax number: Elliott Mac  
18 Lennan at (213) 576-6917. Respondent agrees, acknowledges and  
19 understands that by electronically sending to the Department a  
20 fax copy of Respondent's actual signature as it appears on the  
21 Stipulation, that receipt of the faxed copy by the Department  
22 shall be as binding on Respondent as if the Department had  
23 received the original signed Stipulation.  
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DATED: 10-6-05

Robert Bruce McCullough  
ROBERT BRUCE MCCULLOUGH  
individually and as former  
designated officer of 1<sup>st</sup> Realty  
Funding Inc., Respondent

DATED: 10-6-05

Frank M. Buda  
FRANK M. BUDA, ESQ.  
Attorney for Respondent  
Robert Bruce McCullough  
Approved as to form

\* \* \*

The foregoing Stipulation and Agreement is hereby  
adopted as my Decision as to Respondent ROBERT BRUCE MCCULLOUGH  
as former designated officer of 1<sup>st</sup> Realty Funding Inc. and shall  
become effective at 12 o'clock noon on \_\_\_\_\_, 2005.

IT IS SO ORDERED \_\_\_\_\_, 2005.

JEFF DAVI  
Real Estate Commissioner

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DATED: \_\_\_\_\_

ROBERT BRUCE MCCULLOUGH  
individually and as former  
designated officer of 1<sup>st</sup> Realty  
Funding Inc., Respondent

DATED: \_\_\_\_\_

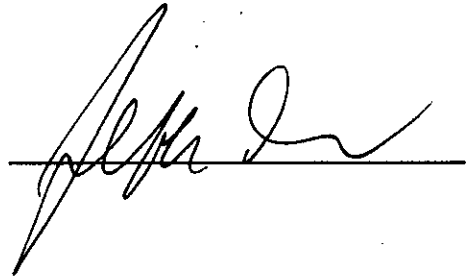
FRANK M. BUDA, ESQ.  
Attorney for Respondent  
Robert Bruce McCullough  
Approved as to form

\* \* \*

The foregoing Stipulation and Agreement is hereby  
adopted as my Decision as to Respondent ROBERT BRUCE MCCULLOUGH  
as former designated officer of 1<sup>st</sup> Realty Funding Inc. and shall  
become effective at 12 o'clock noon on                     AUG - 7                    , 2006.

IT IS SO ORDERED           6-27          , 2006.

JEFF DAVI  
Real Estate Commissioner

  
\_\_\_\_\_

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2 Department of Real Estate  
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FILED  
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DEPARTMENT OF REAL ESTATE

By *K. Mendenhall*

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21 JAIME SALVADOR VILLACORTA; and )  
22 MIGUEL ANGEL FLORES, )  
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21 It is hereby stipulated by and between Respondent  
22 JAIME SALVADOR VILLACORTA (sometimes referred to as "Respondent")  
23 and the Complainant, acting by and through Elliott Mac Lennan,  
24 Counsel for the Department of Real Estate, as follows for the  
25 purpose of settling and disposing of the Accusation  
26 ("Accusation") filed on February 23, 2005, in this matter:  
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1 1. All issues which were to be contested and all  
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6 submitted solely on the basis of the provisions of this  
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9 Statement to Respondent, the Discovery Provisions of the APA and  
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19 Accusation at a contested hearing held in accordance with the  
20 provisions of the APA and that he will waive other rights  
21 afforded to him in connection with the hearing such as the right  
22 to present evidence in his defense the right to cross-examine  
23 witnesses.  
24

25 4. This Stipulation is based on the factual  
26 allegations contained in the Accusation. In the interest of  
27

1 expedience and economy, Respondent chooses not to contest these  
2 allegations, but to remain silent and understands that, as a  
3 result thereof, these factual allegations, without being admitted  
4 or denied, will serve as a prima facie basis for the disciplinary  
5 action stipulated to herein. The Real Estate Commissioner shall  
6 not be required to provide further evidence to prove said factual  
7 allegations.

8           5. This Stipulation and Respondent's decision not to  
9 contest the Accusation is made for the purpose of reaching an  
10 agreed disposition of this proceeding and is expressly limited to  
11 this proceeding and any other proceeding or case in which the  
12 Department of Real Estate ("Department"), the state or federal  
13 government, or any agency of this state, another state or federal  
14 government is involved.

15           6. It is understood by the parties that the Real  
16 Estate Commissioner may adopt this Stipulation as his Decision in  
17 this matter thereby imposing the penalty and sanctions on  
18 Respondent's real estate licenses and license rights as set forth  
19 in the "Order" herein below. In the event that the Commissioner  
20 in his discretion does not adopt the Stipulation, it shall be  
21 void and of no effect and Respondent shall retain the right to a  
22 hearing and proceeding on the Accusation under the provisions of  
23 the APA and shall not be bound by any stipulation or waiver made  
24 herein.  
25

26 ///  
27

1                   7. The Order or any subsequent Order of the Real  
2 Estate Commissioner made pursuant to this Stipulation shall not  
3 constitute an estoppel, merger or bar to any further  
4 administrative or civil proceedings by the Department of Real  
5 Estate with respect to any matters which were not specifically  
6 alleged to be causes for Accusation in this proceeding but do  
7 constitute a bar, estoppel and merger as to any allegations  
8 actually contained in the Accusations against Respondent herein.

9   DETERMINATION OF ISSUES

10                   By reason of the foregoing, it is stipulated and agreed  
11 that the following determination of issues shall be made:

12   I.

13                   The conduct of JAIME SALVADOR VILLACORTA as described  
14 in Paragraph 4, above, is in violation of Section 10137 of the  
15 Business and Professions Code ("Code") and is a basis for the  
16 suspension or revocation of Respondent's license and license  
17 rights as a violation of the Real Estate Law pursuant to Code  
18 Sections 10137 and 10177(d).

19   ORDER

20                   WHEREFORE, THE FOLLOWING ORDER is hereby made:

21   I.

22                   All licenses and licensing rights of Respondent  
23 JAIME SALVADOR VILLACORTA, under the Real Estate Law are  
24 suspended for a period of thirty (30) days from the effective  
25 date of this Decision; provided, however, that if Respondent  
26 requests, said suspension, or a portion thereof, shall be stayed  
27



1 upon condition that:

2           1. Pursuant to Section 10175.2 of the Business and  
3 Professions Code, Respondent pays a monetary penalty of one  
4 hundred dollars (\$33.33) per day or One Thousand Dollars (\$1,000)  
5 in total.

6           2. 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.  
10 in this matter.

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

14           4. 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 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           5. If Respondent pays the monetary penalty and if no  
22 further cause for disciplinary action against the real estate  
23 license of Respondent occur within two (2) years from the  
24 effective date of the Decision, the stay hereby granted shall  
25 become permanent.  
26  
27

1                    6. Respondent shall obey all laws, rules and  
 2 regulations governing the rights, duties and responsibilities of  
 3 real estate licensees in the State of California.

4  
 5  
 6 DATED: 10-20-05                    EYL  
   ELLIOTT MAC LENNAN, Counsel for  
 7  the Department of Real Estate

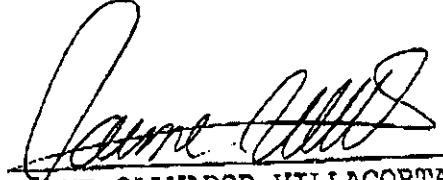
8                                    \* \* \*

9                                    EXECUTION OF THE STIPULATION

10                    I have read the Stipulation. Its terms are understood  
 11 by me and are agreeable and acceptable to me. I understand that  
 12 I am waiving rights given to me by the California Administrative  
 13 Procedure Act (including but not limited to Sections 11506,  
 14 11508, 11509 and 11513 of the Government Code), and I willingly,  
 15 intelligently and voluntarily waive those rights, including the  
 16 right of requiring the Commissioner to prove the allegations in  
 17 the Accusation at a hearing at which I would have the right to  
 18 cross-examine witnesses against me and to present evidence in  
 19 defense and mitigation of the charges.

20  
 21                    Respondent can signify acceptance and approval of the  
 22 terms and conditions of this Stipulation by faxing a copy of its  
 23 signature page, as actually signed by Respondent, to the  
 24 Department at the following telephone/fax number: Elliott Mac  
 25 Lennan at (213) 576-6917. Respondent agrees, acknowledges and  
 26 understands that by electronically sending to the Department a

1 fax copy of Respondent's actual signature as it appears on the  
 2 Stipulation, that receipt of the faxed copy by the Department  
 3 shall be as binding on Respondent as if the Department had  
 4 received the original signed Stipulation.

5  
 6  
 7 DATED: 10/20/2005   
 8 JAIME SALVADOR VILLACORTA  
 9 Respondent  
 (323) 816-6540  
 \* \* \*

10 The forgoing Stipulation and Agreement is hereby  
 11 adopted as my Decision as to Respondent JAIME SALVADOR VILLACORTA  
 12 and shall become effective at 12 o'clock noon on  
 13 \_\_\_\_\_, 2005.

14  
 15 IT IS SO ORDERED \_\_\_\_\_, 2005.

16  
 17 JEFF DAVI  
 18 Real Estate Commissioner  
 19  
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1 fax copy of Respondent's actual signature as it appears on the  
2 Stipulation, that receipt of the faxed copy by the Department  
3 shall be as binding on Respondent as if the Department had  
4 received the original signed Stipulation.  
5  
6

7 DATED: \_\_\_\_\_

JAIME SALVADOR VILLACORTA  
Respondent

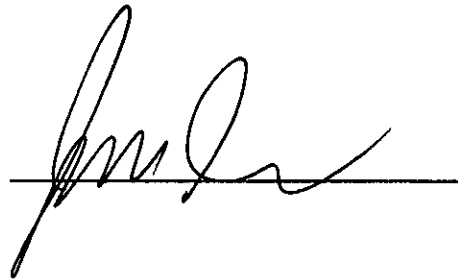
9 \* \* \*

10  
11 The foregoing Stipulation and Agreement is hereby  
12 adopted as my Decision as to Respondent JAIME SALVADOR VILLACORTA  
13 and shall become effective at 12 o'clock noon on

14 JUL 26, 2006.

15 IT IS SO ORDERED 6-27, 2006.  
16

17 JEFF DAVI  
18 Real Estate Commissioner

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1 ELLIOTT MAC LENNAN, SBN 66674  
2 Department of Real Estate  
3 320 West 4th Street, Ste. 350  
4 Los Angeles, California 90013-1105

5 Telephone: (213) 576-6911 (direct)  
6 -or- (213) 576-6982 (office)

FILED  
JUL - 6 2008  
DEPARTMENT OF REAL ESTATE

By *R. Trudell*

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of ) No. H-31702 LA  
12 1<sup>st</sup> REALTY FUNDING INC.; )  
13 YESENIA EMMA RUVALCABA, ) STIPULATION  
14 individually and as designated ) AND  
15 officer of 1<sup>st</sup> Realty Funding Inc.; ) AGREEMENT  
16 ROBERT BRUCE MCCULLOUGH, )  
17 individually and as former )  
18 designated officer of 1<sup>st</sup> Realty )  
19 Funding Inc.; VINCENT O. PEREZ; )  
20 JAIME SALVADOR VILLACORTA; and )  
21 MIGUEL ANGEL FLORES, )  
22 Respondents, )  
23 )  
24 )  
25 )  
26 )  
27 )

20 It is hereby stipulated by and between Respondent  
21 VINCENT O. PEREZ (sometimes referred to as "Respondent")  
22 represented by Donald E. Faubus, Esq. and the Complainant, acting  
23 by and through Elliott Mac Lennan, Counsel for the Department of  
24 Real Estate, as follows for the purpose of settling and disposing  
25 of the Accusation ("Accusation") filed on February 23, 2005, in  
26 this matter:  
27

1           1. All issues which were to be contested and all  
2 evidence which was to be presented by Complainant and Respondent  
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           2. Respondent has received, read and understands the  
9 Statement to Respondent, the Discovery Provisions of the APA and  
10 the Accusation filed by the Department of Real Estate in this  
11 proceeding.

12           3. Respondent timely filed a Notice of Defense  
13 pursuant to Section 11506 of the Government Code for the purpose  
14 of requesting a hearing on the allegations in the Accusation.  
15 Respondent hereby freely and voluntarily withdraws said Notice of  
16 Defense. Respondent acknowledges that he understands that by  
17 withdrawing said Notice of Defense he thereby waives his right to  
18 require the Commissioner to prove the allegations in the  
19 Accusation at a contested hearing held in accordance with the  
20 provisions of the APA and that he will waive other rights  
21 afforded to him in connection with the hearing such as the right  
22 to present evidence in his defense the right to cross-examine  
23 witnesses.  
24

25           4. This Stipulation is based on the factual  
26 allegations contained in the Accusation. In the interest of  
27

1 expedience and economy, Respondent chooses not to contest these  
2 allegations, but to remain silent and understands that, as a  
3 result thereof, these factual allegations, without being admitted  
4 or denied, will serve as a prima facie basis for the disciplinary  
5 action stipulated to herein. The Real Estate Commissioner shall  
6 not be required to provide further evidence to prove said factual  
7 allegations.

8           5. This Stipulation and Respondent's decision not to  
9 contest the Accusation is made for the purpose of reaching an  
10 agreed disposition of this proceeding and is expressly limited to  
11 this proceeding and any other proceeding or case in which the  
12 Department of Real Estate ("Department"), the state or federal  
13 government, or any agency of this state, another state or federal  
14 government is involved.

15           6. It is understood by the parties that the Real  
16 Estate Commissioner may adopt this Stipulation as his Decision in  
17 this matter thereby imposing the penalty and sanctions on  
18 Respondent's real estate licenses and license rights as set forth  
19 in the "Order" herein below. In the event that the Commissioner  
20 in his discretion does not adopt the Stipulation, it shall be  
21 void and of no effect and Respondent shall retain the right to a  
22 hearing and proceeding on the Accusation under the provisions of  
23 the APA and shall not be bound by any stipulation or waiver made  
24 herein.  
25

26 ///  
27

1           7. The Order or any subsequent Order of the Real  
2 Estate Commissioner made pursuant to this Stipulation shall not  
3 constitute an estoppel, merger or bar to any further  
4 administrative or civil proceedings by the Department of Real  
5 Estate with respect to any matters which were not specifically  
6 alleged to be causes for Accusation in this proceeding but do  
7 constitute a bar, estoppel and merger as to any allegations  
8 actually contained in the Accusations against Respondent herein.

9                                   DETERMINATION OF ISSUES

10           By reason of the foregoing, it is stipulated and agreed  
11 that the following determination of issues shall be made:

12                                   I.

13           The conduct, acts or omissions of VINCENT O. PEREZ, as  
14 described in Paragraph 4, above, is in violation of Section  
15 10177(g) of the Business and Professions Code ("Code") and is a  
16 basis for the suspension or revocation of Respondent's license  
17 and license rights as a violation of the Real Estate Law pursuant  
18 to said section.

19                                   ORDER

20           WHEREFORE, THE FOLLOWING ORDER is hereby made:

21                                   I.

22           All licenses and licensing rights of Respondent VINCENT  
23 O. PEREZ under the Real Estate Law suspended for a period of one  
24 hundred eighty (180) days from the effective date of this  
25 Decision; provided, however, that if Respondent requests, the  
26 Decision; provided, however, that if Respondent requests, the  
27



1 initial one sixty (60) days of said suspension (or a portion  
2 thereof) shall be stayed for two (2) years upon condition that:

3 1. Respondent pays a monetary penalty pursuant to  
4 Section 10175.2 of the Business and Professions Code at the rate  
5 of \$125 per day for each day of the suspension for a total  
6 monetary penalty of \$7,500.

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

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

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

22 5. If Respondent pays the monetary penalty and if no  
23 further cause for disciplinary action against the real estate  
24 license of Respondent occurs within two (2) years from the  
25

26  
27

1 effective date of the Decision, the stay hereby granted shall  
2 become permanent

3 6. The remaining one hundred twenty (120) days of the  
4 one hundred eighty (180) day suspension shall be stayed for two  
5 (2) years upon the following terms and conditions:

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

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

17  
18 7. Respondent shall within six (6) months from the  
19 effective date of the Decision, take and pass the Professional  
20 Responsibility Examination administered by the Department  
21 including the payment of the appropriate examination fee. If  
22 Respondent fails to satisfy this condition, the Commissioner may  
23 order suspension of the Respondent's license until Respondent  
24 passes the examination.

25  
26 DATED: 11-10-65

27 EJL  
ELLIOTT MAC LENNAN, Counsel for  
the Department of Real Estate

\* \* \*

EXECUTION OF THE STIPULATION

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

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

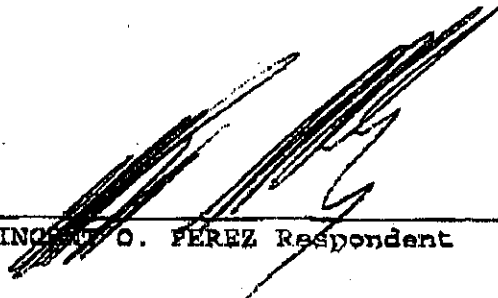
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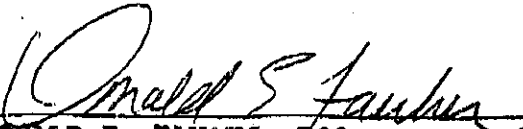
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DATED: October 21 2005

  
VINCENT O. PEREZ Respondent

DATED: 10-21-05

  
DONALD E. FAUBUS, ESQ.  
Attorney for Respondent  
Approved as to form

\* \* \*

The foregoing Stipulation and Agreement is hereby  
adopted as my Decision as to Respondent VINCENT O. PEREZ and  
shall become effective at 12 o'clock noon on  
\_\_\_\_\_, 2005.

IT IS SO ORDERED \_\_\_\_\_, 2005.

JEFF DAVI  
Real Estate Commissioner

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DATED: \_\_\_\_\_

\_\_\_\_\_  
VINCENT O. PEREZ Respondent

DATED: \_\_\_\_\_

\_\_\_\_\_  
DONALD E. FAUBUS, ESQ.  
Attorney for Respondent  
Approved as to form

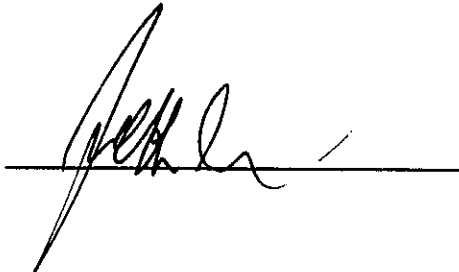
\* \* \*

The foregoing Stipulation and Agreement is hereby  
adopted as my Decision as to Respondent VINCENT O. PEREZ and  
shall become effective at 12 o'clock noon on

JUL 26, 2006.

IT IS SO ORDERED 6-27, 2006.

JEFF DAVI  
Real Estate Commissioner

  
\_\_\_\_\_

1 ELLIOTT MAC LENNAN, SBN 66674  
2 Department of Real Estate  
3 320 West 4th Street, Ste. 350  
4 Los Angeles, California 90013-1105

5 Telephone: (213) 576-6911 (direct)  
6 -or- (213) 576-6982 (office)

FILED  
JUL - 6 2008  
DEPARTMENT OF REAL ESTATE

By K. Medel

7  
8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of ) No. H-31702 LA  
12 )  
13 1<sup>st</sup> REALTY FUNDING INC.; ) STIPULATION  
14 YESENIA EMMA RUVALCABA, ) AND  
15 individually and as designated ) AGREEMENT  
16 officer of 1<sup>st</sup> Realty Funding Inc.; )  
17 ROBERT BRUCE MCCULLOUGH, )  
18 individually and as former )  
19 designated officer of 1<sup>st</sup> Realty )  
20 Funding Inc.; VINCENT O. PEREZ; )  
21 JAIME SALVADOR VILLACORTA; and )  
22 MIGUEL ANGEL FLORES, )  
23 Respondents, )  
24 )  
25 )  
26 )  
27 )

20 It is hereby stipulated by and between Respondent  
21 1ST REALTY FUNDING INC., a corporate real estate broker  
22 (sometimes referred to as "Respondent"), represented by Donald E.  
23 Faubus, Esq. and the Complainant, acting by and through Elliott  
24 Mac Lennan, Counsel for the Department of Real Estate, as follows  
25 for the purpose of settling and disposing of the Accusation  
26 ("Accusation") filed on February 23, 2005, in this matter:  
27

1           1. All issues which were to be contested and all  
2 evidence which was to be presented by Complainant and Respondent  
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           2. Respondent has received, read and understands the  
9 Statement to Respondent, the Discovery Provisions of the APA and  
10 the Accusation filed by the Department of Real Estate in this  
11 proceeding.

12           3. Respondent timely filed a Notice of Defense  
13 pursuant to Section 11506 of the Government Code for the purpose  
14 of requesting a hearing on the allegations in the Accusation.  
15 Respondent hereby freely and voluntarily withdraw said Notice of  
16 Defense. Respondent acknowledge that it understands that by  
17 withdrawing said Notice of Defense it thereby waives its right to  
18 require the Commissioner to prove the allegations in the  
19 Accusation at a contested hearing held in accordance with the  
20 provisions of the APA and that it will waive other rights  
21 afforded to it in connection with the hearing such as the right  
22 to present evidence in its defense the right to cross-examine  
23 witnesses.  
24

25           4. This Stipulation is based on the factual  
26 allegations contained in the Accusation. In the interest of  
27

1 expedience and economy, Respondent chooses not to contest these  
2 allegations, but to remain silent and understand that, as a  
3 result thereof, these factual allegations, without being admitted  
4 or denied, will serve as a prima facie basis for the disciplinary  
5 action stipulated to herein. The Real Estate Commissioner shall  
6 not be required to provide further evidence to prove said factual  
7 allegations.

8           5. This Stipulation and Respondent's decision not to  
9 contest the Accusation is made for the purpose of reaching an  
10 agreed disposition of this proceeding and is expressly limited to  
11 this proceeding and any other proceeding or case in which the  
12 Department of Real Estate ("Department"), the state or federal  
13 government, or any agency of this state, another state or federal  
14 government is involved.

15           6. It is understood by the parties that the Real  
16 Estate Commissioner may adopt this Stipulation as his Decision in  
17 this matter thereby imposing the penalty and sanctions on  
18 Respondent's real estate licenses and license rights as set forth  
19 in the "Order" herein below. In the event that the Commissioner  
20 in his discretion does not adopt the Stipulation, it shall be  
21 void and of no effect and Respondent shall retain the right to a  
22 hearing and proceeding on the Accusation under the provisions of  
23 the APA and shall not be bound by any stipulation or waiver made  
24 herein.  
25  
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1           7. The Order or any subsequent Order of the Real  
2 Estate Commissioner made pursuant to this Stipulation shall not  
3 constitute an estoppel, merger or bar to any further  
4 administrative or civil proceedings by the Department of Real  
5 Estate with respect to any matters which were not specifically  
6 alleged to be causes for Accusation in this proceeding but does  
7 constitute a bar, estoppel and merger as to any allegations  
8 actually contained in the Accusations against Respondent herein.

9           8. Respondent understands that by agreeing to this  
10 Stipulation, Respondent agrees to pay, pursuant to Business and  
11 Professions Code Section 10148, the cost of audit (LA 030466)  
12 which led to this disciplinary action. The amount of said cost  
13 for the audit is \$2,885.45.

14           9. Respondent has received, read, and understands the  
15 "Notice Concerning Costs of Subsequent Audit". Respondent  
16 further understands that by agreeing to this Stipulation, the  
17 findings set forth below in the Détermination of Issues becomes  
18 final, and the Commissioner may charge Respondent for the cost of  
19 any subsequent audit conducted pursuant to Business and  
20 Professions Code Section 10148 to determine if the violations  
21 have been corrected. The maximum cost of the subsequent audit  
22 will not exceed \$2,885.45.

24 ///

25 ///

26

27

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 of 1ST REALTY FUNDING INC., as described in  
6 Paragraph 4, above, is in violation of Sections 10137, 10145,  
7 10161.8 and 10240 of the Business and Professions Code ("Code")  
8 and Section 2840 of Title 10, Chapter 6 of the California Code of  
9 Regulations ("Regulations") and is a basis for the suspension or  
10 revocation of Respondent's license and license rights as a  
11 violation of the Real Estate Law pursuant to Code Section  
12 10177(g).

ORDER

13  
14 WHEREFORE, THE FOLLOWING ORDER is hereby made:

I.

15  
16  
17 All licenses and licensing rights of Respondent 1<sup>st</sup>  
18 REALTY FUNDING INC. under the Real Estate Law suspended for a  
19 period of one-hundred twenty (120) days from the effective date  
20 of this Decision; provided, however, that if Respondent requests,  
21 the initial thirty (30) days of said suspension (or a portion  
22 thereof) shall be stayed for two (2) years upon condition that:

23 1. Respondent pays a monetary penalty pursuant to  
24 Section 10175.2 of the Business and Professions Code at the rate  
25 of \$250 per day for each day of the suspension for a total  
26 monetary penalty of \$7,500.

1                    2. Said payment shall be in the form of a cashier's  
2 check or certified check made payable to the Recovery Account of  
3 the Real Estate Fund. Said check must be received by the  
4 Department prior to the effective date of the Decision in this  
5 matter.

6                    3. No further cause for disciplinary action against  
7 the real estate license of Respondent occurs within two (2) years  
8 from the effective date of the Decision in this matter.

9                    4. If Respondent fails to pay the monetary penalty in  
10 accordance with the terms of the Decision, the Commissioner may,  
11 without a hearing, order the immediate execution of all or any  
12 part of the stayed suspension, in which event the Respondent  
13 shall not be entitled to any repayment nor credit, prorated or  
14 otherwise, for money paid to the Department under the terms of  
15 this Decision.

16                    5. If Respondent pays the monetary penalty and if no  
17 further cause for disciplinary action against the real estate  
18 license of Respondent occurs within two (2) years from the  
19 effective date of the Decision, the stay hereby granted shall  
20 become permanent

21                    6. The remaining ninety (90) days of the one-hundred  
22 twenty (120) day suspension shall be stayed for two (2) years  
23 upon the following terms and conditions:  
24  
25  
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1 (a) Respondent shall obey all laws, rules and  
2 regulations governing the rights, duties and responsibilities of  
3 a real estate licensee in the State of California; and

4 (b) That no final subsequent determination be made  
5 after hearing or upon stipulation, that cause for disciplinary  
6 action occurred within two (2) years from the effective date of  
7 this Decision. Should such a determination be made, the  
8 Commissioner may, in his discretion, vacate and set aside the  
9 stay order and reimpose all or a portion of the stayed  
10 suspension. Should no such determination be made, the stay  
11 imposed herein shall become permanent.

12 II.

13 Pursuant to Section 10148 of the Business and  
14 Professions Code, Respondent 1ST REALTY FUNDING INC. shall pay  
15 the Commissioner's reasonable cost for (a) the audit which led to  
16 this disciplinary action (b) a subsequent audit to determine if  
17 Respondent is now in compliance with the Real Estate Law. The  
18 cost of the audit which led to this disciplinary action is  
19 \$2,885.45 (LA 030466): In calculating the amount of the  
20 Commissioner's reasonable cost, the Commissioner may use the  
21 estimated average hourly salary for all persons performing audits  
22 of real estate brokers, and shall include an allocation for  
23 travel time to and from the auditor's place of work. Said amount  
24 for the prior and subsequent audits shall not exceed \$5,770.90.

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1 Commissioner to prove the allegations in the Accusation at a  
2 hearing at which I would have the right to cross-examine  
3 witnesses against me and to present evidence in defense and  
4 mitigation of the charges.

5 Respondent can signify acceptance and approval of the  
6 terms and conditions of this Stipulation by faxing a copy of its  
7 signature page, as actually signed by Respondent, to the  
8 Department at the following telephone/fax number: Elliott Mac  
9 Lennan at (213) 576-6917. Respondent agree, acknowledge and  
10 understand that by electronically sending to the Department a fax  
11 copy of Respondent' actual signature as they appear on the  
12 Stipulation, that receipt of the faxed copy by the Department  
13 shall be as binding on Respondent as if the Department had  
14 received the original signed Stipulation.  
15  
16  
17

18 DATED: \_\_\_\_\_

18 \_\_\_\_\_  
19 1ST REALTY FUNDING INC., a  
20 corporate real estate broker,  
21 BY: Humberto Leon, Respondent

22 DATED: \_\_\_\_\_

23 \_\_\_\_\_  
24 DONALD E. FAUBUS, ESQ.  
25 Attorney for Respondent  
26 Approved as to form

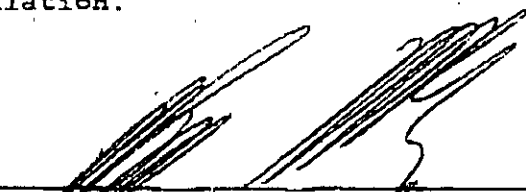
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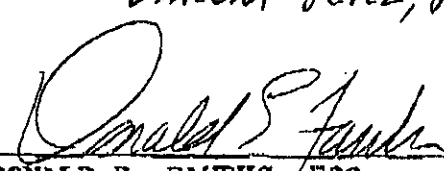
1 Commissioner to prove the allegations in the Accusation at a  
 2 hearing at which I would have the right to cross-examine  
 3 witnesses against me and to present evidence in defense and  
 4 mitigation of the charges.

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 11 copy of Respondent' actual signature as they appear on the  
 12 Stipulation, that receipt of the faxed copy by the Department  
 13 shall be as binding on Respondent as if the Department had  
 14 received the original signed Stipulation.

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 17  
 18 DATED: 10-21-05

  
 19 1ST REALTY FUNDING INC., a  
 20 corporate real estate broker,  
 BY: ~~Humberto Leon, Respondent~~  
 Vincent Perce, President

21  
 22 DATED: 10-21-05

  
 23 DONALD E. FAUBUS, ESQ.  
 24 Attorney for Respondent  
 25 Approved as to form

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1 Commissioner to prove the allegations in the Accusation at a  
2 hearing at which I would have the right to cross-examine  
3 witnesses against me and to present evidence in defense and  
4 mitigation of the charges.

5 Respondent can signify acceptance and approval of the  
6 terms and conditions of this Stipulation by faxing a copy of its  
7 signature page, as actually signed by Respondent, to the  
8 Department at the following telephone/fax number: Elliott Mac  
9 Lennan at (213) 576-6917. Respondent agree, acknowledge and  
10 understand that by electronically sending to the Department a fax  
11 copy of Respondent's actual signature as they appear on the  
12 Stipulation, that receipt of the faxed copy by the Department  
13 shall be as binding on Respondent as if the Department had  
14 received the original signed Stipulation.  
15

16  
17  
18 DATED: 10-21-05

Humberto Leon  
19 1ST REALTY FUNDING INC., a  
20 corporate real estate broker,  
21 BY: Humberto Leon, Respondent

22  
23 DATED: \_\_\_\_\_

24 DONALD B. FAUBUS, ESQ.  
25 Attorney for Respondent  
26 Approved as to form  
27

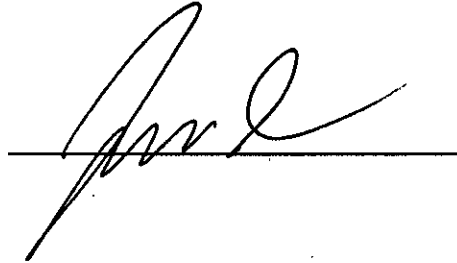


\* \* \*

1  
2           The foregoing Stipulation and Agreement is hereby  
3 adopted as my Decision as to Respondent 1ST REALTY FUNDING INC.  
4 and shall become effective at 12 o'clock noon on  
5           JUL 26          , 2006.

6           IT IS SO ORDERED           6-22          , 2006.

7  
8                               JEFF DAVI  
9                               Real Estate Commissioner

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*Handwritten initials/signature*

**FILED**  
JUL - 6 2006

ELLIOTT MAC LENNAN, SBN 66674  
Department of Real Estate  
320 West 4th Street, Ste. 350  
Los Angeles, California 90013-1105

DEPARTMENT OF REAL ESTATE

Telephone: (213) 576-6911 (direct)  
-or- (213) 576-6982 (office)

By *K. Schubert*

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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of ) No. H-31702 LA  
)  
1<sup>st</sup> REALTY FUNDING INC.; )  
YESENIA EMMA RUVALCABA, )  
individually and as designated )  
officer of 1<sup>st</sup> Realty Funding Inc.; )  
ROBERT BRUCE MCCULLOUGH, )  
individually and as former )  
designated officer of 1<sup>st</sup> Realty )  
Funding Inc.; VINCENT O. PEREZ; )  
JAIME SALVADOR VILLACORTA; and )  
MIGUEL ANGEL FLORES, )  
Respondents, )

DISMISSAL

The Accusation herein filed on February 23, 2005,  
against respondent MIGUEL ANGEL FLORES is dismissed.

IT IS SO ORDERED this 27 day of June, 2006.

JEFF DAVI  
Real Estate Commissioner

*Jeff Davi*

*Handwritten signature/initials*

1 ELLIOTT MAC LENNAN, SBN 66674  
Department of Real Estate  
2 320 West 4th Street, Ste. 350  
Los Angeles, California 90013-1105  
3  
4 Telephone: (213) 576-6911 (direct)  
-or- (213) 576-6982 (office)

**FILED**  
FEB 23 2005  
DEPARTMENT OF REAL ESTATE  
By *[Signature]*

8 BEFORE THE DEPARTMENT OF REAL ESTATE  
9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of ) No. H-31702 LA  
12 1<sup>st</sup> REALTY FUNDING INC.; ) A C C U S A T I O N  
13 YESENIA EMMA RUVALCABA, )  
14 individually and as designated )  
officer of 1<sup>st</sup> Realty Funding Inc.; )  
15 ROBERT BRUCE MCCULLOUGH, )  
16 individually and as former )  
designated officer of 1<sup>st</sup> Realty )  
Funding Inc.; VINCENT O. PEREZ; )  
17 JAIME SALVADOR VILLACORTA; and )  
MIGUEL ANGEL FLORES, )  
18 Respondents, )

19 The Complainant, Maria Suarez, a Deputy Real Estate  
20 Commissioner of the State of California, for cause of Accusation  
21 against 1<sup>st</sup> REALTY FUNDING INC. and YESENIA EMMA RUVALCABA,  
22 individually and as designated officer of 1<sup>st</sup> Realty Funding  
23 Inc.; ROBERT BRUCE MCCULLOUGH, individually and as former  
24 designated officer of 1<sup>st</sup> Realty Funding Inc., VINCENT O. PEREZ;  
25 JAIME SALVADOR VILLACORTA, and MIGUEL ANGEL FLORES, alleges as  
26 follows:  
27

1.

1  
2 The Complainant, Maria Suarez, acting in her official  
3 capacity as a Deputy Real Estate Commissioner of the State of  
4 California makes this Accusation against 1<sup>st</sup> REALTY FUNDING INC.  
5 ("1<sup>st</sup> REALTY"), YESENIA EMMA RUVALCABA, individually and as  
6 designated officer of 1<sup>st</sup> Realty Funding Inc. ("RUVALCABA"),  
7 ROBERT BRUCE MCCULLOUGH, individually and as former designated  
8 officer of 1<sup>st</sup> Realty Funding Inc. ("MCCULLOUGH"), VINCENT O.  
9 PEREZ ("PEREZ"), JAIME SALVADOR VILLACORTA ("VILLACORTA"), and  
10 MIGUEL ANGEL FLORES ("FLORES").

11 2.

12 All references to the "Code" are to the California  
13 Business and Professions Code and all references to "Regulations"  
14 are to Title 10, Chapter 6, California Code of Regulations,  
15 unless specified otherwise.  
16

#### 17 LICENSE HISTORY

18 3.

19 3A. At all times mentioned, 1<sup>st</sup> REALTY was licensed or  
20 had license rights issued by the Department of Real Estate  
21 ("Department") as a real estate broker. On February 15, 1996,  
22 1<sup>st</sup> REALTY was originally licensed as a real estate broker.  
23

24 From October 4, 1999 until July 7, 2003, MCCULLOUGH  
25 acted as the designated officer of 1<sup>st</sup> REALTY. RUVALCABA has  
26 been the designated officer of 1<sup>st</sup> REALTY since July 7, 2003.  
27

1           3B. At all times mentioned, MCCULLOUGH was licensed or  
2 had license rights issued by the Department as a real estate  
3 broker. On January 26, 1972, MCCULLOUGH was originally licensed  
4 as a real estate broker. From October 4, 1999 until July 7,  
5 2003, MCCULLOUGH as the designated officer of 1<sup>st</sup> REALTY.

6           3C. At all times mentioned, RUVALCABA was licensed or  
7 had license rights issued by the Department as a real estate  
8 broker. On March 27, 2003, RUVALCABA and was originally licensed  
9 as a real estate broker. RUVALCABA has been the designated  
10 officer of 1<sup>st</sup> REALTY since July 7, 2003.

11           3D. At all times mentioned, PEREZ was licensed or had  
12 license rights issued by the Department as a real estate  
13 salesperson. On February 26, 1993, PEREZ was originally licensed  
14 as a real estate salesperson.

15           Between the periods of May 2, 2001 to November 7, 2002  
16 and between July 6, 2003 to October 16, 2003, PEREZ, was not  
17 affiliated with or supervised by a real estate broker.

18           3E. At all times mentioned, VILLACORTA was licensed or  
19 had license rights issued by the Department as a real estate  
20 salesperson. On July 19, 1999, VILLACORTA was originally  
21 licensed as a real estate salesperson.

22           Between September 22, 2000 and September 22, 2002,  
23 VILLACORTA was employed by 1<sup>st</sup> REALTY.

24           3F. At all times mentioned, FLORES was licensed or had  
25 license rights issued by the Department as a real estate  
26 salesperson. On June 25, 2003, FLORES was originally licensed as  
27 a real estate salesperson.

1 FLORES was hired under RUVALCABA's license on July 7,  
2 2003, having been terminated by 1<sup>ST</sup> REALTY on July 6, 2003.

3 4.

4 At all times mentioned, in the City of La Puente,  
5 County of Los Angeles, 1<sup>ST</sup> REALTY acted as a real estate broker  
6 and conducted licensed activities within the meaning of Code  
7 Section 10131(d). 1<sup>ST</sup> REALTY operates a mortgage and loan  
8 brokerage.

9 FIRST CAUSE OF ACCUSATION

10 (Audit Findings)

11 5.

12  
13 On July 30, 2004, the Department completed an audit  
14 examination of the books and records of pertaining to the  
15 mortgage and loan activities described in Paragraph 4, that  
16 require a real estate license. The audit examination covered a  
17 period of time from on May 1, 2002 to June 30, 2004. The audit  
18 examination revealed violations of the Code and the Regulations  
19 as set forth in the following paragraphs, and more fully  
20 discussed in Audit Report LA 030466 and the exhibits and  
21 workpapers attached to said audit report.

22 6.

23 At all times mentioned, in connection with the  
24 activities described in Paragraph 4 above, 1<sup>ST</sup> REALTY did not  
25 maintain a trust account during the audit period.  
26  
27

1  
2 With respect to the mortgage and loan activities  
3 referred to in Paragraph 4 and the audit examination referred to  
4 in Paragraph 5, it is alleged as follows:

5 (a) PEREZ, acting in the capacity of a "Loan  
6 Consultant" in "Real Estate Financing" for 1<sup>st</sup> REALTY, failed to  
7 disclose to lender American Gold Mortgage Corporation: (1) that  
8 buyer Augustin Reyes ("Reyes"), the original and ostensible  
9 purchaser for the real property commonly known as 1806 W. 27<sup>th</sup>  
10 St., San Bernardino, California, and whom PEREZ had pre-qualified  
11 with the lender was in fact a "straw" buyer for PEREZ; (2) that  
12 PEREZ not Reyes paid the lender required five percent (5%) down  
13 payment of \$5,000; (3) that Reyes did not want to continue with  
14 the purchase transaction; (4) that the San Bernardino property,  
15 although initially deeded to Reyes, was subsequently transferred  
16 to PEREZ on June 24, 2002; and (5) that Reyes did not intend to  
17 reside at the 1806 W. 27<sup>th</sup> St., San Bernardino, California  
18 property. This conduct by PEREZ constitutes substantial  
19 misrepresentation, fraud and dishonest dealing, in violation of  
20 Code Sections 10176(a) and 10176(i).  
21

22 (b) During the period of the loan financing  
23 transaction, approximately May 2002 to July 2002, PEREZ, the  
24 Chief Executive Officer of 1<sup>st</sup> REALTY, was licensed as a real  
25 estate salesperson though not affiliated with or under the  
26 supervision of a real estate broker. RUVALCABA referred Reyes to  
27

1 PEREZ. At the time of this transaction, MCCULLOUGH was the  
2 designated officer of 1<sup>st</sup> REALTY. Reyes loan application was  
3 submitted to the lender by 1<sup>st</sup> REALTY. This conduct by PEREZ, 1<sup>st</sup>  
4 REALTY, RUVALCABA and MCCULLOUGH constitutes substantial  
5 misrepresentation, fraud and dishonest dealing, in violation of  
6 Code Sections 10176(i) and 10177(g).

7 (c) 1<sup>st</sup> REALTY, RUVALCABA and MCCULLOUGH failed to  
8 retain a true and correct copy of a Department of Real Estate  
9 approved Mortgage Loan Disclosure Statement signed by the broker  
10 for borrowers Augustin Reyes, Elvia Cardienas, David Leon,  
11 Salvador Pineda, Gloria Moramontes, and Jesus Jaurigue, in  
12 violation of Code Section 10240 and Regulation 2840.1; and

13 (d) 1<sup>st</sup> REALTY, RUVALCABA and MCCULLOUGH failed to  
14 disclose yield spread premium rebates from lenders on the  
15 approved Mortgage Loan Disclosure Statement for the aforesaid  
16 borrowers excluding David Leon, in violation of Code Section  
17 10240, 10241 and Regulation 2840. The yield spread premium  
18 rebates for the aforementioned borrowers totaled \$12,486.22

19 (e) 1<sup>st</sup> REALTY, RUVALCABA and MCCULLOUGH failed to  
20 display 1<sup>st</sup> REALTY's real estate license number #01206024 and  
21 telephone number on the Mortgage Loan Disclosure Statements  
22 provided to borrowers Leopoldo Ramirez, Paula Lopez and Mauricio  
23 Ortiz, in violation of Code Section 10236.4(b).

24 (f) 1<sup>st</sup> REALTY, RUVALCABA and MCCULLOUGH originated a  
25 covered loan transaction, as that term is defined in Financial  
26  
27



1 Code Section 4970(b), that financed points and fees in excess of  
2 six percent (6%) of the original principal balance, exclusive of  
3 points and fees for borrowers Jesus Jaurigue, in violation of  
4 Financial Code Section 4979.6.

5 (g) 1<sup>st</sup> REALTY, RUVALCABA and MCCULLOUGH originated a  
6 covered loan transaction, that failed to maintain records in the  
7 mortgage loan file that provided, or failed to provide, a covered  
8 loan notice entitled "CONSUMER CAUTION AND HOME OWNERSHIP  
9 COUNSELING NOTICE" no later than three business days prior to  
10 signing of the loan documents in the Jesus Jaurigue covered loan  
11 transaction, in violation of Financial Code Section 4973(k)(1).

12 (h) 1<sup>st</sup> REALTY, RUVALCABA and MCCULLOUGH received  
13 undisclosed compensation, by overcharging borrowers Agustin  
14 Reyes, Leopoldo Ramirez, Paula Lopez, and Jesus Jaurigue, for  
15 credit report fees in transactions and by failing to disclose the  
16 actual amount of the credit report fees while collecting marked-  
17 up fees, in violation of Code Section 10176(g).

18 (i) 1<sup>st</sup> REALTY, RUVALCABA and MCCULLOUGH received trust  
19 funds in the form of credit report fees from lenders on behalf of  
20 borrowers Agustin Reyes, Leopoldo Ramirez, Paula Lopez, and Jesus  
21 Jaurigue, yet failed to forward the balance of the trust funds to  
22 the aforesaid borrowers, in violation of Code Section 10145.

23 (j) 1<sup>st</sup> REALTY, RUVALCABA and MCCULLOUGH failed to  
24 notify the Department in a timely manner of the employment of  
25  
26  
27

1 three salespersons, Ricardo Castro, Kevin Oros and Juan Montoya,  
2 in violation of Code Section 10161.8 and Regulation 2752.

3 (k) 1<sup>st</sup> REALTY, RUVALCABA and MCCULLOUGH failed to  
4 maintain a signed broker salesperson agreements with 1<sup>st</sup> REALTY's  
5 real estate salespersons, in violation of Regulation 2726.

6 (l) 1<sup>st</sup> REALTY, RUVALCABA and MCCULLOUGH employed or  
7 compensated VILLACORTA to perform acts for which a real estate  
8 license is required, for another or others, for or in expectation  
9 of compensation, in violation of Code Section 10137. VILLACORTA  
10 was terminated by 1<sup>st</sup> REALTY on September 22, 2002. However  
11 VILLACORTA remained as the loan agent on the following loan  
12 transactions closing between May 9, 2003 and February 6, 2004, to  
13 wit, Lainez, Pineda, Ramirez, Rallion, Bojorquez, Wong, Romero  
14 and Torres.

15 (m) 1<sup>st</sup> REALTY, RUVALCABA and MCCULLOUGH employed or  
16 compensated FLORES to perform acts for which a real estate  
17 license is required, for another or others, for or in expectation  
18 of compensation, in violation of Code Section 10137. FLORES was  
19 hired under RUVALCABA's license on July 7, 2003 having been  
20 terminated by 1<sup>st</sup> REALTY on July 6, 2003, the day before.  
21 However FLORES remained as the loan agent for 1<sup>st</sup> REALTY on the  
22 following loan transactions closing between April 22, 2004 and  
23 May 29, 2004, to wit, Saucedo, Calderon, Molina and Zelaya.

24 (n) RUVALCABA and MCCULLOUGH, as officers designated by  
25 a corporate broker licensee, failed to keep 1<sup>st</sup> REALTY in  
26  
27

1 compliance with the law, and to exercise the reasonable  
2 supervision and control over the activities of 1<sup>st</sup> REALTY's  
3 salespersons that require a real estate license, including the  
4 employing and termination of salespersons, providing complete  
5 Mortgage Loan Disclosure Statement to borrowers, charging mark-  
6 ups to borrowers, handling trust funds, and executing correct  
7 broker-salespersons agreements, in violation of Code Sections  
8 10159.2 and 10177(h) and Regulation 2725.

9  
10 8.

11 The conduct of Respondent, described in Paragraph 7,  
12 above, violated the Code and the Regulations as set forth below:

| <u>PARAGRAPH</u> | <u>PROVISIONS VIOLATED</u>          |
|------------------|-------------------------------------|
| 13 7(a)          | Code Sections 10176(a) and 10176(i) |
| 14               |                                     |
| 15 7(b)          | Code Sections 10176(i) and 10177(g) |
| 16               |                                     |
| 17 7(c)          | Code Section 10240 and Regulation   |
| 18               | 2840.1                              |
| 19               |                                     |
| 20               |                                     |
| 21 7(d)          | Code Sections 10240 and 10241 and   |
| 22               | Regulation 2840                     |
| 23               |                                     |
| 24 7(e)          | Code Section 10236.4(b)             |
| 25               |                                     |
| 26 7(f)          | Financial Code Section 4979.6       |
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- 7(g) Financial Code Section 4973(k)(1)
- 7(h) Code Section 10176(g)
- 7(i) Code Section 10145
- 7(j) Code Section 10161.8 and Regulation 2752
- 7(k) Regulation 2726
- 7(l) Code Section 10137 (VILLACORTA)
- 7(m) Code Section 10137 (FLORES)
- 7(n) Code Sections 10159.2 and 10177(h) and Regulation 2725

The foregoing violations constitutes cause for the suspension or revocation of the real estate license and license rights of 1<sup>st</sup> REALTY, RUVALCABA, MCCULLOUGH and PEREZ under the provisions of Code Sections 10137, 10176(a), 10176(g) 10176(i), 10177(d), 10177(h) and/or 10177(g), and Financial Code Section 4975.

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SECOND CAUSE OF ACCUSATION

(Violations PEREZ)

9.

At all times PEREZ was the Chief Executive Officer and sixty (60%) owner of 1<sup>st</sup> REALTY. Between the periods of May 2, 2001 to November 7, 2002 and between July 6, 2003 to October 16, 2003, PEREZ, was not affiliated with a real estate broker, while in fact PEREZ conducted licensed activity without the supervision of a broker, in violation of Code Sections 10130 and 10137. This conduct constitutes cause of the suspension or revocation of Respondent PEREZ' license and license rights under Code Sections 10137, 10177(d) and/or 10177(g).

THIRD CAUSE OF ACCUSATION

(Violations VILLACORTA)

10.

VILLACORTA received compensation from 1<sup>st</sup> REALTY during a time when he was not licensed under 1<sup>st</sup> REALTY. VILLACORTA was employed by 1<sup>st</sup> REALTY on September 22, 2002 and terminated by 1<sup>st</sup> REALTY on September 22, 2002. Yet VILLACORTA was compensated by 1<sup>st</sup> REALTY for the following loan transactions closing after his termination from 1<sup>st</sup> REALTY, to wit, between May 9, 2003 and February 6, 2004, for borrowers Lainez, Pineda, Ramirez, Rallion, Bojorquez, Wong, Romero and Torres, where VILLACORTA acted in the licensed capacity of a loan agent, in violation of Code Section 10137. This conduct constitutes cause of the suspension or

1 revocation of Respondent VILLACORTA's license and license rights  
2 under Code Sections 10137, 10177(d) and/or 10177(g).

3 FOURTH CAUSE OF ACCUSATION

4 (Violations FLORES)

5 11.

6 FLORES received compensation from 1<sup>st</sup> REALTY during a time  
7 when he was not licensed under 1<sup>st</sup> REALTY. FLORES was terminated  
8 by 1<sup>st</sup> REALTY on July 6, 2003 and hired by RUVALCABA on July 7,  
9 2003. Yet FLORES was compensated by 1<sup>st</sup> REALTY for the following  
10 loan transactions closing between May 9, 2003 and February 6,  
11 2004, to wit, Lainez, Pineda, Ramirez, Rallion, Bojorquez, Wong,  
12 Romero and Torres, where FLORES acted in the licensed capacity of  
13 a loan agent, in violation of Code Section 10137. This conduct  
14 constitutes cause of the suspension or revocation of Respondent  
15 VILLACORTA's license and license rights under Code Sections  
16 10137, 10177(d) and/or 10177(g).  
17

18 12.

19 The overall conduct of all Respondents constitutes  
20 negligence or incompetence. This conduct and violation are cause  
21 for the suspension or revocation of the real estate license and  
22 license rights of all Respondents pursuant to Code Section  
23 10177(g).  
24

25 ///

26 ///

27 ///

1 WHEREFORE, Complainant prays that a hearing be  
2 conducted on the allegations of this Accusation and that upon  
3 proof thereof, a decision be rendered imposing disciplinary  
4 action against the license and license rights of Respondent 1<sup>st</sup>  
5 REALTY FUNDING INC., YESENIA EMMA RUVALCABA, ROBERT BRUCE  
6 MCCULLOUGH, VINCENT O. PEREZ, JAIME SALVADOR VILLACORTA and  
7 MIGUEL ANGEL FLORES, under the Real Estate Law (Part 1 of  
8 Division 4 of the Business and Professions Code) and for such  
9 other and further relief as may be proper under other applicable  
10 provisions of law.

11  
12 Dated at Los Angeles, California

13 this *23<sup>rd</sup> day of February 2005.*

14  
15  
16   
17 Deputy Real Estate Commissioner

18  
19  
20  
21 cc: 1<sup>st</sup> Realty Funding Inc.  
22 c/o Yesenia Emma Ruvalcaba D.O.  
23 Robert Bruce McCullough D.O.  
24 Vincent O. Perez  
25 Jaime Salvador Villacorta  
26 Miguel Angel Flores  
27 Maria Suarez  
Sacto  
DKW  
Audits - Elenita Morales