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FILED

DEC 20 2010

DEPARTMENT OF REAL ESTATE

BY: *[Signature]*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	No. H-34870 LA
GUERRA & LEON REALTY INC. doing)	L-2009080265
business as Guerra & Associates)	
Realty; and JAMES ALFRED)	
SANTANA, individually and as)	
designated officer of Guerra)	
& Leon Realty Inc.)	
Respondents.)	

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSE

On April 24, 2008, an Accusation was filed in this matter against Respondent GUERRA & LEON REALTY INC.

On June 16, 2009, Respondent petitioned the Commissioner to voluntarily surrender it's real estate broker license pursuant to Section 10100.2 of the Business and Professions Code.

IT IS HEREBY ORDERED that Respondent GUERRA & LEON REALTY INC's petition for voluntary surrender of it's real estate broker license is accepted as of the effective date of this Order

1 as set forth below, based upon the understanding and agreement
2 expressed in Respondent's Declaration dated June 16, 2009
3 (attached as Exhibit "A" hereto). Respondent's license
4 certificate(s), pocket card(s) and any branch office license
5 certificate(s) shall be sent to the below listed address so that
6 they reach the Department on or before the effective date of this
7 Order:

8 Department of Real Estate
9 Atten: Licensing Flag Section
10 P.O. Box 187000
11 Sacramento, CA 95818-7000

12 This Order shall become effective at 12 o'clock noon on
13 January 10, 2011

14 DATED: _____

15 JEFF DAVI
16 Real Estate Commissioner
17 
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EXHIBIT "A"

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	No. H-34870 LA
)	
GUERRA & LEON REALTY INC. doing)	
business as Guerra & Associates)	
Realty; and JAMES ALFRED)	
SANTANA, individually and as)	
designated officer of Guerra)	
& Leon Realty Inc.)	
)	
Respondents.)	

DECLARATION

My name is Miguel Guerra Garcia and I am the Chief Executive Officer of GUERRA & LEON REALTY INC., which is licensed as a real estate broker and/or has license rights with respect to said license. I am authorized to sign this declaration on behalf of GUERRA & LEON REALTY INC.

In lieu of proceeding in this matter in accordance with the provisions of the Administrative Procedures Act (Sections 11400 et seq., of the Government Code) GUERRA & LEON REALTY INC.

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

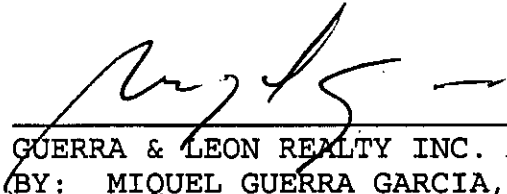
4 I understand that GUERRA & LEON REALTY INC. by so
5 voluntarily surrendering its license, can only have it reinstated
6 in accordance with the provisions of Section 11522 of the
7 Government Code. I also understand that by so voluntarily
8 surrendering its license rights, GUERRA & LEON REALTY INC. agrees
9 to 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 GUERRA & LEON REALTY INC. that,
13 it waives all rights it has to require the Commissioner to prove
14 the allegations contained in the Accusation ("Accusation") filed
15 in this matter at a hearing held in accordance with the
16 provisions of the Administrative Procedures Act (Government Code
17 Sections 11400 et seq.), and that it also waives other rights
18 afforded to it in connection with the hearing such as the right
19 to discovery, the right to present evidence in defense of the
20 allegations in the Accusation and the right to cross examine
21 witnesses. I further agree on behalf of GUERRA & LEON REALTY
22 INC. that upon acceptance by the Commissioner, as evidenced by an
23 appropriate order, all affidavits and all relevant evidence
24 obtained by the Department in this matter prior to the
25 Commissioner's acceptance, and all allegations contained in the
26
27

1 Accusation filed in the Department Case No. H-34870 LA, may be
2 considered by the Department to be true and correct for the
3 purpose of deciding whether or not to grant reinstatement of
4 GUERRA & LEON REALTY INC.'s license pursuant to Government Code
5 Section 11522.

6 I declare under penalty of perjury under the laws of
7 the State of California that the above is true and correct and
8 that I am acting freely and voluntarily on behalf of GUERRA &
9 LEON REALTY INC. to surrender its license and all license rights
10 attached thereto.

11
12 June 10, _____, 2009
13 Date and Place

14
15 
16 _____
17 GUERRA & LEON REALTY INC.
18 (BY: MIQUEL GUERRA GARCIA,
19 Chief Executive Officer
20
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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)
7

FILED

APR 24 2008

DEPARTMENT OF REAL ESTATE
BY: *H. Fredy*

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)
12)
13 GUERRA & LEON REALTY INC. doing)
14 business as Guerra & Associates)
15 Realty; and JAMES ALFRED)
16 SANTANA, individually and as)
17 designated officer of Guerra)
18 & Leon Realty Inc.,)
19 Respondents.)

No. H-34870 IA
ACCUSATION

18 The Complainant, Robin Trujillo, a Deputy Real Estate
19 Commissioner of the State of California, for cause of Accusation
20 against (1) GUERRA & LEON REALTY INC. dba Guerra & Associates
21 Realty, and JAMES ALFRED SANTANA, individually and as designated
22 officer of Guerra & Leon Realty Inc., is informed and alleges in
23 her official capacity as follows:

24 ///
25 ///
26 ///

1.

1 The Complainant, Robin Trujillo, acting in her official
2 capacity as a Deputy Real Estate Commissioner of the State of
3 California, makes this Accusation against GUERRA & LEON REALTY
4 INC.
5

2.

6 All references to the "Code" are to the California
7 Business and Professions Code and all references to "Regulations"
8 are to Title 10, Chapter 6, California Code of Regulations.
9

10 LICENSE HISTORY

3.

11
12 A. At all times mentioned, GUERRA & LEON INC. ("GUERRA
13 & LEON") was licensed or had license rights issued by the
14 Department of Real Estate ("Department") as a real estate broker.
15 On February 9, 2005, GUERRA & LEON was originally licensed as a
16 real estate broker by and through JAMES ALFRED SANTANA as
17 designated officer.
18

19 B. At all times mentioned, JAMES ALFRED SANTANA
20 ("SANTANA") was licensed or had license rights issued by the
21 Department of Real Estate (Department) as a real estate broker.
22 On March 28, 1995, SANTANA was originally licensed as a real
23 estate broker. At all times material, SANTANA was licensed as
24 the designated officer of GUERRA & LEON.

25 C. At all times material herein, GUERRA & LEON was
26 licensed by the Department as a corporate real estate broker by
27 and through SANTANA, as the designated officer and broker

1 responsible, pursuant to Code Section 10159.2 of the Business and
2 Professions Code for supervising the activities requiring a real
3 estate license conducted on behalf GUERRA & LEON's officers,
4 agents and employees, including SANTANA.

5 BROKERAGE

6 4.

7 At all times mentioned, in the City of Tustin, County
8 of Orange, GUERRA & LEON and SANTANA, acted as real estate
9 brokers and conducted licensed activities within the meaning of
10 Code Section 10131(a). GUERRA & LEON operated a residential
11 resale brokerage dba Guerra & Associates Realty and engaged in
12 the business of, acted in the capacity of, advertised or assumed
13 to act as a real estate broker, including the solicitation for
14 listings of and the negotiation of the sale of real property as
15 the agent of others.

16 AUDIT OF GUERRA & LEON REALTY INC.

17 5.

18 On December 21, 2006, the Department completed an audit
19 examination of the books and records of GUERRA & LEON pertaining
20 to the residential resale activities described in Paragraph 4.A.,
21 which require a real estate license. The audit examination
22 covered a period of time beginning on February 9, 2005 to
23 November 30, 2006. The audit examination revealed violations of
24 the Code and the Regulations as set forth in the following
25
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1 paragraphs, and more fully set forth in Audit Report LA 060064
2 and the exhibits and workpapers attached thereto.

3 GUERRA & LEON REALTY INC.

4 TRUST ACCOUNT

5 6.

6 During the audit period, GUERRA & LEON did not maintain a
7 trust account.

8 GUERRA & LEON REALTY INC.

9 VIOLATIONS OF THE REAL ESTATE LAW

10 7.

11 In the course of activities described in Paragraph 4,
12 above, and during the examination period described in Paragraph
13 5, Respondents GUERRA & LEON and SANTANA, acted in violation of
14 the Code and the Regulations in that they:

15 (a) Failed to place trust funds, including earnest
16 money deposits, accepted on behalf of another into the hands of
17 the owner of the funds, a neutral escrow depository or into a
18 trust fund account in the name of the trustee at a bank or other
19 financial institution not later than three business days
20 following receipt of the funds by the broker or by the broker's
21 salesperson, as required by Code Section 10145 and Regulation
22 2832(a) and (d). Earnest money deposits for buyers Luna,
23 Casteneda, Ramal, Jimenez, Aguilar and Verdin were not timely
24 deposited.
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1 (b) Failed to maintain a control record in the form of
2 a columnar record in chronological order of all trust funds
3 received, in violation of Code Section 10145 and Regulation 2831.

4 (c) Employed and compensated Victor Salazar, as loan
5 agents who he knew was licensed to Chac-Mool Financial Inc., a
6 corporation of which SANTANA was licensed as the designated
7 officer, Inc. for performing acts for which a real estate
8 license is required, in violation of Code Sections 10137 and
9 10177(g).

10 (d) The broker-salesperson agreements were between
11 GUERRA & LEON, CHAC-MOOL FINANCIAL INC. and the salespersons and
12 not GUERRA & Leon alone, in violation of Regulation 2726.

13 (e) Failed to retain the salesperson license
14 certificates for Stephen Dugan and Fanny Guerra, in violation of
15 Code Section 10160 and Regulation 2753.

16
17 GUERRA & LEON REALTY INC.

18 DISCIPLINARY STATUTES AND REGULATIONS

19 8.

20 The conduct of Respondents GUERRA & LEON and SANTANA,
21 described in Paragraph 7, above, violated the Code and the
22 Regulations as set forth below:

23 PARAGRAPH

PROVISIONS VIOLATED

24
25 7(a)

Code Section 10145 and Regulation
26 2832(a) and (b)
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- 7(b) Code Section 10145 and Regulation 2831
- 7(c) Code Sections 10137 and 10177(g)
- 7(d) Code Section Regulation 2726
- 7(e) Code Section 10160 and Regulation 2753

The foregoing violations constitute cause for the suspension or revocation of the real estate license and license rights of GUERRA & LEON and SANTANA under the provisions of Code Sections 10137, 10177(d) and/or 10177(g).

NEGLIGENCE

9.

The overall conduct of Respondents GUERRA & LEON and SANTANA constitutes negligence. This conduct and violation are cause for the suspension or revocation of the real estate license and license rights of said pursuant to Code Section 10177(g).

LACK OF SUPERVISION AND COMPLIANCE

10.

The overall conduct of Respondent SANTANA constitutes a failure on his part, as officer designated by a corporate broker licensee, to exercise the reasonable supervision and control over the licensed activities of GUERRA & LEON as required by Code

1 Section 10159.2, and to keep GUERRA & LEON in compliance with the
2 Real Estate Law, and is cause for the suspension or revocation of
3 the real estate license and license rights of SANTANA pursuant to
4 the provisions of Code Sections 10177(d), 10177(g) and 10177(h).

5 WHEREFORE, Complainant prays that a hearing be
6 conducted on the allegations of this Accusation and that upon
7 proof thereof, a decision be rendered imposing disciplinary
8 action against the license and license rights of Respondents
9 GUERRA & LEON INC. and JAMES ALFRED SANTANA, under the Real
10 Estate Law (Part 1 of Division 4 of the Business and Professions
11 Code) and for such other and further relief as may be proper
12 under other applicable provisions of law.

13 Dated at Los Angeles, California

14 this 18 day of April 2008 Robin Trujillo
15 Deputy Real Estate Commissioner
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24 cc: Guerra & Leon Inc.
25 c/o James Alfred Santana D.O.
26 Robin Trujillo
27 Sacto
Audits - Danio Fajardo