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FILED
APR - 1 2009
DEPARTMENT OF REAL ESTATE

by Tama B. Aron

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

| | | |
|------------------------------------|---|----------------|
| In the Matter of the Accusation of |) | No. H-35351 LA |
| |) | |
| GERALD L. WOLFE, |) | |
| |) | |
| Respondent. |) | |
| |) | |

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSE

On October 02, 2008, an Accusation was filed in this matter against Respondent GERALD L. WOLFE.

On March 2, 2009, Respondent petitioned the Commissioner to voluntarily surrender his, real estate broker license(s) pursuant to Section 10100.2 of the Business and Professions Code.

IT IS HEREBY ORDERED that Respondent GERALD L. WOLFE's petition for voluntary surrender of his real estate broker license(s) is accepted as of the effective date of this Order as set forth below, based upon the understanding and agreement expressed in Respondent's Declaration dated March 2, 2009 (attached

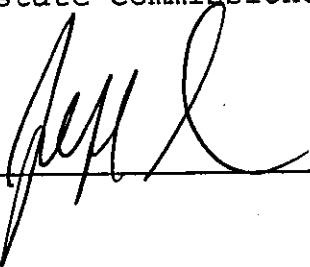
1 as Exhibit "A" hereto). Respondent's license certificate(s),
2 pocket card(s) and any branch office license certificate(s) shall
3 be sent to the below listed address so that they reach the
4 Department on or before the effective date of this Order:

5 DEPARTMENT OF REAL ESTATE
6 Attn: Licensing Flag Section
7 P. O. Box 187000
8 Sacramento, CA 95818-7000

9 This Order shall become effective at 12 o'clock noon
10 on APR 21 2009

11 DATED: 3/25/09

12 JEFF DAVI
13 Real Estate Commissioner

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

| | | |
|-------------------------------------|---|----------------|
| In the Matter of the Accusation of. |) | No. H-35351 LA |
| GERALD L. WOLFE, |) | L-2008110744 |
| |) | |
| |) | |
| Respondent.) |) | |

DECLARATION

My name is GERALD L. WOLFE, and I am currently licensed as a real estate broker and/or have license rights with respect to said license. I am represented in this matter by attorney Steven Jay Katzman, of the Law Offices of Bienert, Miller, Weitzel & Katzman.

In lieu of proceeding in this matter in accordance with the provisions of the Administrative Procedure Act (Sections 11400 et seq., of the Government Code), I wish to voluntarily surrender my real estate license issued by the Department of Real Estate ("Department"), pursuant to Business and Professions Code Section 10100.2.

1 I understand that by so voluntarily surrendering my
2 license, I may be relicensed as a broker or as a salesperson
3 only by petitioning for reinstatement pursuant to Section 11522
4 of the Government Code. I also understand that by so
5 voluntarily surrendering my license(s), I agree to the
6 following:

7 1. The filing of this Declaration shall be deemed as
8 my petition for voluntary surrender.

9 2. It shall also be deemed to be an understanding
10 and agreement by me that I waive all rights I have to require
11 the Commissioner to prove the allegations contained in the
12 Accusation filed in this matter at a hearing held in accordance
13 with the provisions of the Administrative Procedure Act
14 (Government Code Sections 11400 et seq.), and that I also waive
15 other rights afforded to me in connection with the hearing such
16 as the right to discovery, the right to present evidence in
17 defense of the allegations in the Accusation and the right to
18 cross-examine witnesses.

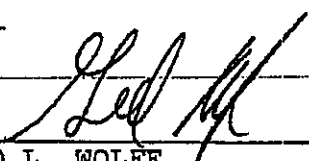
19 3. I further agree that upon acceptance by the
20 Commissioner, as evidenced by an appropriate order, that
21 although I am not admitting or denying the truth of the
22 allegations, I will not contest the factual allegations in the
23 Accusation filed in this proceeding and the Commissioner shall
24 not be required to provide further evidence of such allegations
25 for the purpose of deciding whether to grant reinstatement of
26 the license pursuant to Government Code Section 11522, or for an
27

application for a new license, or for any other administrative proceedings by the Department of Real Estate.

4. This voluntary surrender and Respondent's decision not to contest the Accusation are made for the purpose of reaching an agreed disposition of this proceeding, and, except as set forth above, shall not be admissible in any other criminal or civil proceedings.

5. I freely and voluntarily surrender all my licenses and license rights with the Department of Real Estate under the Real Estate Law.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct and that this declaration was executed March 2, 2009, at Kapolei, ~~California.~~
Hawaii



GERALD L. WOLFE

*Sect 10
7/10*

FILED
FEB - 3 2009
DEPARTMENT OF REAL ESTATE

JAMES B. STON

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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

| | | |
|------------------------------------|---|----------------|
| In the Matter of the Accusation of |) | No. H-35351 LA |
| |) | L-2008110744 |
| ANDREW JOSEPH BOHUSLAVIZKI, |) | |
| |) | |
| Respondent. |) | |
| |) | |

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSE

On October 2, 2008, an Accusation was filed in this matter against Respondent ANDREW JOSEPH BOHUSLAVIZKI.

On January 5, 2009, Respondent petitioned the Commissioner to voluntarily surrender his real estate broker license(s) pursuant to Section 10100.2 of the Business and Professions Code.

IT IS HEREBY ORDERED that Respondent ANDREW JOSEPH BOHUSLAVIZKI's petition for voluntary surrender of his real estate broker license(s) is accepted as of the effective date of this Order as set forth below, based upon the understanding and

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

7
8 DEPARTMENT OF REAL ESTATE
9 Attn: Licensing Flag Section
10 P. O. Box 187000
11 Sacramento, CA 95818-7000

12 This Order shall become effective at 12 o'clock noon
13 on FEB 23 2009.

14 DATED: 1-27-09.

15 JEFF DAVI
16 Real Estate Commissioner
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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

| | | |
|------------------------------------|---|----------------|
| In the Matter of the Accusation of |) | No. H-35351 LA |
| ANDREW JOSEPH BOHUSLAVIZKI, |) | L-2008110744 |
| |) | |
| |) | |
| Respondent.) |) | |

DECLARATION

My name is ANDREW JOSEPH BOHUSLAVIZKI, and I am currently licensed as a real estate broker and/or have license rights with respect to said license. I am representing myself in this matter.

In lieu of proceeding in this matter in accordance with the provisions of the Administrative Procedure Act (Sections 11400 et seq., of the Government Code), I wish to voluntarily surrender my real estate license issued by the Department of Real Estate ("Department"), pursuant to Business and Professions Code Section 10100.2.

1 I understand that by so voluntarily surrendering my
2 license, I may be relicensed as a broker or as a salesperson
3 only by petitioning for reinstatement pursuant to Section 11522
4 of the Government Code. I also understand that by so
5 voluntarily surrendering my license(s), I agree to the
6 following:

7 1. The filing of this Declaration shall be deemed as
8 my petition for voluntary surrender.

9 2. It shall also be deemed to be an understanding and
10 agreement by me that I waive all rights I have to require the
11 Commissioner to prove the allegations contained in the Accusation
12 filed in this matter at a hearing held in accordance with the
13 provisions of the Administrative Procedure Act (Government Code
14 Sections 11400 et seq.), and that I also waive other rights
15 afforded to me in connection with the hearing such as the right
16 to discovery, the right to present evidence in defense of the
17 allegations in the Accusation and the right to cross-examine
18 witnesses.

19 3. I further agree that upon acceptance by the
20 Commissioner, as evidenced by an appropriate order, all
21 affidavits and all relevant evidence obtained by the Department
22 in this matter prior to the Commissioner's acceptance, and all
23 allegations contained in the Accusation filed in the Department
24 Case No. H-35351 LA may be considered by the Department to be
25 true and correct for the purpose of deciding whether to grant
26 relicensure or reinstatement pursuant to Government Code Section
27 11522.

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4. I freely and voluntarily surrender all my licenses and license rights under the Real Estate Law.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct, and that this declaration was executed January 5th, 2008, at IRVINE, California.



ANDREW JOSEPH BOHUSLAVIZKI

Handwritten signature

FILED
OCT 02 2008
DEPARTMENT OF REAL ESTATE

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MARTHA J. ROSETT, Counsel (SBN 142072)
Department of Real Estate
320 West Fourth St. #350
Los Angeles, CA 90013

(213) 576-6982
(213) 620-6430

By Laura B. Dem

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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|--------------------------------------|----------------------------|
| In the Matter of the Accusation of) | No. H-35351 LA |
| ANDREW JOSEPH BOHUSLAVIZKI, and) | |
| GERALD L. WOLFE,) | |
| Respondents.) | <u>A C C U S A T I O N</u> |

The Complainant, Maria Suarez, a Deputy Real Estate Commissioner, for cause of Accusation against ANDREW JOSEPH BOHUSLAVIZKI, dba BNB and Associates, and GERALD L. WOLFE, is informed and alleges as follows:

1.

At all times relevant herein, Maria Suarez is and was a Deputy Real Estate Commissioner of the State of California, and she brings this Accusation in her official capacity.

2.

At all times herein mentioned, Respondent ANDREW JOSEPH BOHUSLAVIZKI, dba BNB and Associates (hereinafter "Respondent

1 BOHUSLAVIZKI"), was and still is licensed and/or has license
2 rights under the Real Estate Law (Part 1 of Division 4 of the
3 Business and Professions Code, hereinafter "Code") as a real
4 estate broker. Respondent was first licensed by the Department
5 of Real Estate (hereinafter "Department") as a real estate broker
6 on or about March 28, 2005.

7 3.

8 The BNB Group, Inc. ("BNB") is a California corporation
9 and is licensed as a corporate real estate broker. The BNB Group
10 was first incorporated on or about August 16, 2005. BNB was
11 first licensed by the Department as a corporate real estate
12 broker on or about December 11, 2006. Respondent BOHUSLAVIZKI is
13 the broker officer designated, pursuant to Code Section 10159.2,
14 to be responsible for the supervision of the real estate
15 activities of the officers, agents and employees of The BNB
16 Group, to ensure compliance with the real estate laws. Prior to
17 licensure by the Department, BNB and Associates was the dba of
18 Respondent BOHUSLAVIZKI.

19 4.

20 Respondent GERALD L. WOLFE ("WOLFE") is currently
21 licensed by the Department as a real estate broker. Respondent
22 WOLFE was first licensed by the Department as a real estate
23 broker on or about March 30, 2005. Respondent WOLFE executed the
24 Articles of Incorporation for the BNB Group Inc. on or about
25 August 5, 2005, and was also listed as the corporate agent for
26
27

1 service of process in documents filed with the Secretary of State
2 pertaining to the BNB Group Inc. at the time of its incorporation
3 on or about August 16, 2005.

4 5.

5 At all times material herein, Respondent BOHUSLAVIZKI
6 engaged in the business of, acted in the capacity of, advertised
7 or assumed to act as a real estate broker within the meaning of
8 Code Sections 10131(a) and 10131(d), representing another or
9 others in the purchase, sale or exchange of real property and
10 business opportunities and representing borrowers and lenders in
11 obtaining and/or making loans secured by real property.

12 6.

13 All further references to "Respondents", unless
14 otherwise specified, include the parties identified in Paragraphs
15 2 through 5 above, and also include the employees, agents and real
16 estate licensees employed by or associated with said parties, who
17 at all times herein mentioned were engaged in the furtherance of
18 the business or operations of said parties and who were acting
19 within the course and scope of their authority and employment.

20 7.

21 Beginning on or before August 29, 2005, and continuing
22 through January 30, 2006, Respondent BOHUSLAVIZKI, doing business
23 as BNB Group Inc., represented Hubert Franklin ("Franklin") in
24 obtaining loans secured by eight or more residential properties
25 located in Southern California. As part of the process of
26
27

1 obtaining these loans, Respondent BOHUSLAVIZKI prepared and
2 signed loan applications and related documents which contained
3 materially false or misleading statements, and/or contained
4 omissions of material facts. Respondent BOHUSLAVIZKI submitted
5 these loan packages to lenders who relied on the representations
6 made in the loan applications and funded the loans.

7 8.

8 Each of the subject transactions relating to the loan
9 applications set forth herein called for disbursements of
10 seller's proceeds in amounts ranging from \$40,000.00 to
11 \$65,000.00 per transaction to BOHUSLAVIZKI's business associate,
12 Respondent WOLFE¹. Respondents BOHUSLAVIZKI and WOLFE failed to
13 disclose their business affiliation to the parties and lenders,
14 or to maintain copies of disclosures in the loan files.

15 9.

16 Due to the higher risk related to investment
17 properties, the lenders would not have approved the loans on the
18 granted terms had Respondents disclosed the true facts, including
19 that the subject properties were investment properties, that the
20 borrower was simultaneously taking on large amounts of debts
21 which were not disclosed, and that the transactions called for
22 Respondent BOHUSLAVIZKI's business associate, Respondent WOLFE,
23 to receive compensation without disclosures of their business
24

25
26 _____
27 ¹ WOLFE, an attorney, was not licensed by the Department at that time, but subsequently
obtained his real estate broker license.

1 affiliation.

2 23618 Saint Raphael Drive, Murrieta, CA 92562

3 10.

4 Beginning on or before September 20, 2005, Respondent
5 BOHUSLAVIZKI, doing business as BNB and Associates, represented
6 Hubert Franklin in the purchase of real property located at 23618
7 Saint Raphael Drive, Murrieta, CA 92562 ("St. Raphael Property").
8 Respondent also represented Franklin in obtaining purchase money
9 loans secured by the St. Raphael Property.

10 11.

11 In connection with the purchase of the St. Raphael
12 Property, and related loans, Respondent BOHUSLAVIZKI prepared a
13 Uniform Residential Loan Application, which he signed as the
14 interviewer. The application represented that Franklin intended
15 to reside in the property as his primary residence. In addition,
16 on October 23, 2005, Franklin executed an "Owner Occupancy
17 Affidavit," which was notarized and submitted to the lender
18 package. As Respondent BOHUSLAVIZKI well knew, Franklin was
19 purchasing several properties, as set forth below, and did not
20 intend to reside in the St. Raphael Drive Property as his primary
21 residence². The loan application and related documentation
22 signed by Respondent BOHUSLAVIZKI and submitted to the lender did
23 not accurately disclose Franklin's income, assets and
24 liabilities.

25
26
27 ² For example, on August 29, 2005, escrow closed on Franklin's purchase of property located on Dahlias Way in Murrieta, and on October 17, 2005, escrow closed on Franklin's purchase of property on Clear Creek St. in Murrieta.

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12.

Respondent BOHUSLAVIZKI submitted the loan application and related documentation to lenders. Franklin obtained a first mortgage in the amount of \$488,000.00 and a second, subordinate mortgage in the amount of \$122,000.00. The loans were funded and escrow closed on or about October 26, 2005.

13.

In connection with the mortgage broker activities related to the St. Raphael property, Respondent BOHUSLAVIZKI, doing business as BNB and Associates, received a commission at closing.

14.

In connection with the St. Raphael property, Respondent WOLFE received a payment from the escrow account of \$65,000.00 on or about October 25, 2005. No disclosures were made to the parties, or contained in the loan files that Respondent WOLFE was a business associate of Respondent BOHUSLAVIZKI.

15.

HSBC Mortgage Services ("HSBC") purchases closed/funded loans from banking clients on the secondary market. On or about November 28, 2005, HSBC purchased the first and second loans originated by Respondent BOHUSLAVIZKI on the St. Raphael property. HSBC relied on the representations made in the loan applications and related documentation. HSBC would not have purchased the loans if it had known the true facts.

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///

1 32192 Daisy Drive, Winchester, CA 92596

2 16.

3 Beginning on or before September 12, 2005 and
4 continuing through December 2005, Respondent BOHUSLAVIZKI, doing
5 business as BNB and Associates, represented Hubert Franklin in
6 the purchase of real property located at 32192 Daisy Drive in
7 Winchester, CA ("Daisy Drive Property"). Respondent also
8 represented Franklin in obtaining purchase money loans secured by
9 the Daisy Drive Property.

10 17.

11 In connection with the Daisy Drive Property
12 transaction, Respondent BOHUSLAVIZKI signed a Uniform Residential
13 Loan Application as the "interviewer" and loan broker. The
14 application represented that the borrower intended to reside in
15 the property as his primary residence. As Respondent
16 BOHUSLAVIZKI well knew, Franklin was purchasing several
17 properties, as set forth below, and did not intend to reside in
18 the Daisy Drive Property as his primary residence. The loan
19 application and related documentation signed by Respondent
20 BOHUSLAVIZKI and submitted to the lender did not accurately
21 disclose Franklin's income, assets and liabilities, and did not
22 make any reference to the purchase of the Dahlias Way property,
23 or any other pending purchases and related liabilities.

24 18.

25 Respondent BOHUSLAVIZKI submitted the loan application
26 and related documentation to lenders. In reliance on the
27 information and representations made the loan application, Resmae

1 Mortgage Co. financed the full purchase price of the property,
2 issuing a first mortgage for \$436,000.00 and a second mortgage
3 for \$109,000.00. The loans funded and escrow closed on or about
4 October 28, 2005.

5 19.

6 In connection with the mortgage broker activities
7 related to the Daisy Drive Property, Respondent BOHUSLAVIZKI,
8 doing business as BNB and Associates, received a commission at
9 closing..

10 20.

11 On or about October 28, 2005, Respondent WOLFE received
12 a payment from the escrow account relating to this transaction of
13 \$60,000.00. No disclosures were made to the parties, or
14 contained in the loan files that Respondent WOLFE was a business
15 associate of Respondent BOHUSLAVIZKI.

16 21.

17 On or about November 17, 2005, HSBC purchased the
18 second loan originated by Respondent BOHUSLAVIZKI on the Daisy
19 Drive property. HSBC relied on the representations made in the
20 loan applications and related documentation. HSBC would not have
21 purchased the loan if it had known the true facts.

22 4275 Morales Way, Corona, CA 92883

23 22.

24 Beginning on or before August 29, 2005, and continuing
25 through December of 2005, Respondent BOHUSLAVIZKI, doing business
26 as BNB and Associates, represented Hubert Franklin in the
27 purchase of real property located at 4275 Morales Way, in Corona,

1 CA 92883 ("Morales Way Property"). Respondent also represented
2 Franklin in obtaining a purchase money loan secured by the
3 Morales Way Property.

4 23.

5 In connection with the Morales Way Property
6 transaction, on or about October 11, 2005, Respondent
7 BOHUSLAVIZKI signed a Uniform Residential Loan Application for
8 loans to purchase the Morales Way Property. Respondent signed
9 the application as the interviewer and broker. The application
10 represented that Franklin intended to reside in the property as
11 his primary residence. As Respondent BOHUSLAVIZKI well knew,
12 Franklin was purchasing several properties, as set forth below,
13 and did not intend to reside in the Daisy Drive Property as his
14 primary residence. The loan application and related
15 documentation signed by Respondent BOHUSLAVIZKI and submitted to
16 the lender did not accurately disclose Franklin's assets and
17 liabilities, and did not make any reference to the purchase of
18 the Dahlias Way property, or any other pending purchases and
19 related liabilities.

20 24.

21 Respondent BOHUSLAVIZKI submitted the loan application
22 and related documentation to lenders. Mandalay Mortgage issued a
23 first mortgage for \$624,000.00 and a second mortgage for
24 \$156,000.00 in reliance on the information contained in the loan
25 application and representations made therein. The loans were
26 funded and escrow closed on or about October 25, 2005. In
27 connection with the mortgage broker activities related to the

1 Morales Way Property, Respondent BOHUSLAVIZKI, doing business as
2 BNB and Associates, received a commission at closing.

3 25.

4 On or about November 14, 2005, HSBC purchased the first
5 mortgage originated by Respondent BOHUSLAVIZKI on the Morales Way
6 property. HSBC relied on the representations made in the loan
7 applications and related documentation. HSBC would not have
8 purchased the loans if it had known the true facts.

9 26.

10 Between August of 2005 and December of 2005, Respondent
11 BOHUSLAVIZKI represented Franklin as selling agent and loan
12 broker in the following additional real estate transactions in
13 which the loan applications and related documentation contained
14 materially false and/or misleading statements and omissions:

| 15 Address | Escrow Closed | Payment to WOLFE |
|---------------------------|---------------|------------------|
| 16 41904 Dahlias Way | 10/3/05 | \$60,000.00 |
| 17 Murrieta, CA 92562 | | |
| 18 38170 Clear Creek St., | 10/17/05 | \$65,000.00 |
| 19 Murrieta, CA 92562 | | |
| 20 13 Paseo Vista | 10/31/05 | \$45,000.00 |
| 21 Menifee, CA | | |
| 22 58 Paseo Vista | 10/31/05 | \$40,000.00 |
| Menifee, CA | | |
| 23 26784 Evergreen Ave. | 11/29/05 | \$50,000.00 |
| 24 Murrieta, CA 92563 | | |
| 25 /// | | |
| 26 /// | | |
| 27 /// | | |

1 27.

2 The applications for mortgage loans in relation to the
3 properties, described above, contained material
4 misrepresentations of fact regarding the borrower's intent to
5 reside in each of the properties as his "primary residence." At
6 the time the representations were made, Respondent knew, or
7 should reasonably have known, that the representations were false
8 and/or misleading, and that the loans were being made in reliance
9 on those misrepresentations.

10 28.

11 Respondents BOHUSLAVIZKI and WOLFE engaged in a scheme
12 and ongoing course of conduct involving substantial
13 misrepresentations and dishonest dealing by engaging in a pattern
14 or soliciting lenders for residential loans at more favorable
15 rates, when in fact the loans were for the purchase of investment
16 property. Respondent BOHUSLAVIZKI and WOLFE shared in the
17 profits from these loans, and failed to disclose their business
18 affiliation to all parties to the transactions.

19 29.

20 The conduct set forth above constitutes grounds to
21 discipline the license and license rights of Respondent
22 BOHUSLAVIZKI pursuant to Business and Professions Code Sections
23 10176(a), 10176(b), 10176(c), 10176(i), and/or 10177(g), for
24 making substantial misrepresentations and engaging in conduct
25 which constitutes fraud or dishonest dealing.

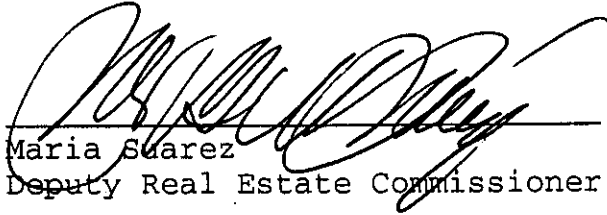
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The conduct set forth above constitutes grounds to discipline Respondent WOLFE's license and license rights pursuant to Business and Professions Code Section 10177(j) and/or 10177(g), for engaging in conduct which constitutes fraud or dishonest dealing.

WHEREFORE, the Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action against all licenses and/or license rights of Respondent, ANDREW JOSEPH BOHUSLAVIZKI and Respondent GERALD L. WOLFE, under the Real Estate Law and for such other and further relief as may be proper under applicable provisions of law.

Dated at Los Angeles, California
this 2nd day of October, 2008.



Maria Suarez
Deputy Real Estate Commissioner

cc: Andrew Joseph Bohuslavizki
Gerald L. Wolfe
Maria Suarez
Sacto.