1 Department of Real Estate 320 West 4th Street, Suite 350 2 Los Angeles, CA 90013-1105 3 Telephone: (213) 576-6982 5 6 7 9 10 12 13

JAN 0 6 2011

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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In the Matter of the Accusation of) H-36422 LA L-2010020571

GLENDALE PROPERTIES INC., a corporate real estate broker, doing business as Trumark Real Estate Management and Services; and MARK CHRISTOPHER TRUEBLOOD, individually, and as designated officer of Glendale Properties Inc.,

Respondents.

STIPULATION AND AGREEMENT

It is hereby stipulated by and between GLENDALE PROPERTIES INC. ("GLENDALE") and MARK CHRISTOPHER TRUEBLOOD ("TRUEBLOOD"), individually, and as designated broker-officer of GLENDALE, (sometimes collectively referred to as "Respondents"), and the Respondents' attorney Frank Buda, Esq., and the Complainant, acting by and through Cheryl Keily, Counsel for the Department of Real Estate, as follows for the purpose of settling and disposing of the Accusation filed on January 14,

2010, in this matter.

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

- 2. Respondents have received, read and understood the Statement to Respondent, the Discovery Provisions of the APA and the Accusation filed by the Department of Real Estate ("Department") in this proceeding.
- 3. On January 26, 2010, Respondents filed a Notice of Defense, pursuant to Section 11506 of the Government Code for the purpose of requesting a hearing on the allegations in the Accusation. Respondents hereby freely and voluntarily withdraw said Notice of Defense. Respondents acknowledge that they understand that by withdrawing said Notice of Defense they will thereby waive their right to require the Commissioner to prove the allegations in the Accusation at a contested hearing held in accordance with the provisions of the APA and that they will waive other rights afforded to them in connection with the hearing, such as the right to present evidence in defense of the

allegations in the Accusation and the right to cross-examine witnesses.

- 4. This Stipulation is based on the factual allegations contained in the Accusation. In the interest of expedience and economy, Respondents choose not to contest these allegations, but to remain silent and understand that, as a result thereof, these factual allegations, without being admitted or denied, will serve as a prima facie basis for the disciplinary action stipulated to herein. The Real Estate Commissioner shall not be required to provide further evidence to prove said factual allegations.
- 5. This Stipulation and Respondents' decision not to contest the Accusation are made for the purpose of reaching an agreed disposition of this proceeding, and are expressly limited to this proceeding and any other proceeding or case in which the Department of Real Estate, or another licensing agency of this state, another state or the federal government is involved and otherwise shall not be admissible in any other criminal or civil proceedings.
- 6. The Order or any subsequent Order of the Real Estate Commissioner made pursuant to this Stipulation and Agreement shall not constitute an estoppel, merger or bar to any further administrative or civil proceedings by the Department of Real Estate with respect to any matters which were not

specifically alleged to be causes for accusation in this proceeding.

7. Respondents have received, read and understand the "Notice Concerning Costs of Audits." Respondents understand that by agreeing to this Stipulation and Agreement, the findings set forth below in the Determinations of Issues become final, and that the Commissioner may charge Respondents for the costs of the audit which lead to the disciplinary action. Respondents understands that by agreeing to this Stipulation, Respondents agree to pay, pursuant to Business and Professions Code ("Code") Section 10148, the cost of the original audit. The total cost of the original audit is \$4,295.35.

DETERMINATION OF ISSUES

By reason of the foregoing stipulations, admissions and waivers and solely for the purpose of settlement of the pending Accusation without a hearing, it is stipulated and agreed that the following determination of issues shall be made:

1. The conduct, acts or omissions of Respondent GLENDALE, as set forth in the Accusation, constitute cause to suspend or revoke the real estate license and license rights of Respondent GLENDALE under the provisions of Code Section 10177(d) for violation of Section 10145 of the Code in conjunction with Title 10, Chapter 6 of the California Code of Regulations ("Regulations"), Sections 2832(a) and 2834.

2. The conduct, acts or omissions of Respondent

TRUEBLOOD, as set forth in the Accusation, constitute cause to suspend or revoke the real estate license and license rights of Respondent TRUEBLOOD under the provisions of Code Sections

10177(d) for violation of Code Section 10159.2.

ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

I. All licenses and license rights of Respondent

GLENDALE PROPERTIES INC. and Respondent MARK CHRISTOPHER

GLENDALE PROPERTIES INC. and Respondent MARK CHRISTOPHER

TRUEBLOOD under the Real Estate Law are suspended for a period of one hundred twenty (120) days from the effective date of this Decision.

A. Provided, however, that if Respondents request, the initial thirty (30) days of said suspension (or a portion thereof) shall be stayed upon condition that:

1. Each Respondent pays a monetary penalty pursuant to Section 10175.2 of the Code at the rate of \$50 per day for each day of the suspension for a total monetary penalty of \$1,500 per each respondent.

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

accordance with the terms of the Decision, the Commissioner may, without a hearing, order the immediate execution of all or any part of the stayed suspension, in which event the Respondents shall not be entitled to any repayment or credit, prorated or otherwise, for money paid to the Department under the terms of this Decision.

5. If Respondents pay the monetary penalty and if no further cause for disciplinary action against the real estate license of either Respondent occurs within one (1) year from the effective date of the Decision, the stay hereby granted shall become permanent.

B. The remaining ninety (90) days of the one hundred twenty (120) day suspension shall be stayed for one (1) year upon the following terms and conditions:

regulations governing the rights, duties and responsibilities of a real estate licensee in the State of California; and

2. That no final subsequent determination be made, after hearing or upon stipulation, that cause for disciplinary action occurred within one (1) year of the effective date of this Decision. Should such a 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.

MARK CHRISTOPHER TRUEBLOOD 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 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.

MARK CHRISTOPHER TRUEBLOOD and Respondent GLENDALE PROPERTIES

INC. shall pay the Commissioner's reasonable cost for (a) the audit which led to the disciplinary action, and (b) a subsequent audit to determine if Respondent GLENDALE PROPERTIES INC. has corrected the violations found in the Determination of Issues. In calculating the amount of the Commissioner' reasonable cost, the Commissioner may use the estimated average hourly salary for all persons performing audits of real estate brokers, and shall include an allocation for travel time to and from the auditor's place of work. Respondents shall pay such cost within 60 days of receiving an invoice from the

Commissioner detailing the activities performed during the audit and the amount of time spent performing those activities. The

CHRISTOPHER TRUEBLOOD and GLENDALE PROPERTIES INC. pending a
hearing held in accordance with Section 11500, et seq., of the
Government Code, if payment is not timely made as provided for
herein, or as provided for in a subsequent agreement between
Respondents and the Commissioner. The suspension shall remain
in effect until payment is made in full or until Respondents
enter into an agreement satisfactory to the Commissioner to
provide for payment, or until a decision providing otherwise is
adopted following a hearing held pursuant to this condition.

DATED: Dec 6, 2010

CHERYL D. KEILY, Counsel
DEPARTMENT OF REAL ESTATE

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

Respondents can signify acceptance and approval of the terms and conditions of this Stipulation and Agreement by

1	faxing a copy of its signature page, as actually signed by		
2	Respondents, to the Department at the following telephone/fax		
3	number (213) 576-6917. Respondent agrees, acknowledges, and		
4	understands that by electronically sending to the Department a		
5	fax copy of his actual signature as it appears on the		
6	Stipulation and Agreement, that receipt of the faxed copy by		
7			
8	the Department shall be as binding on Respondent as if the		
9	Department had received the original signed Stipulation and		
.10	Agreement.		
11	DATED: 11-17-2010		
12	MARK CHRISTOPHER TRUEBLOOD, Respondent		
13	DATED: 11-12-240		
14	MARK CHRISTOPHER TRUEBLOOD, as designated broker-officer,		
15	on behalf of Respondent		
16	GLENDALE PROPERTIES INC.		
17	I have reviewed the Stipulation and Agreement as to		
18	form and content and have advised my client accordingly.		
19	11.22-10 the Bud		
20	DATED: Frank Buda, Esq.		
21	Attorney for Respondents MARK CHRISTOPHER TRUEBLOOD		
22	GLENDALE PROPERTIES INC.		
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The foregoing Stipulation and Agreement is hereby

adopted as my Decision in this matter and shall become

effective at 12 o'clock noon on FEB 0 4 2011

IT IS SO ORDERED 12 30, 2010.

JEFF DAVI / Real Estate Commissioner

CHERYL D. KEILY SBN# 94008 Department of Real Estate 320 West 4th Street, Suite 350 Los Angeles, California 90013-1105 JAN 1 4 2010 Telephone: (213) 576-6982 (Direct) (213) 576-6905 DEPARTMENT OF REAL ESTATE 5 6 7 8 BEFORE THE DEPARTMENT OF REAL ESTATE 9 STATE OF CALIFORNIA 10 11 No. H- 36422 LA In the Matter of the Accusation of 12 GLENDALE PROPERTIES INC., a 13 corporate real estate broker, ACCUSATION doing business as Trumark Real 14 Estate Management and Services;) and MARK CHRISTOPHER TRUEBLOOD, 15 individually, and as designated) officer of Glendale Properties 16 Inc., 17 Respondents. 18 19 The Complainant, Robin Trujillo, a Deputy Real Estate 20 Commissioner of the State of California, for cause of Accusation 21 against GLENDALE PROPERTIES INC., doing business as Trumark Real 22 Estate Management, and MARK CHRISTOPHER TRUEBLOOD, individually, 23 and as designated broker-officer of GLENDALE PROPERTIES INC., is 24 informed and alleges as follows: 25 111 26 27 111

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The Complainant, Robin Trujillo, a Deputy Real Estate Commissioner of the State of California, makes this Accusation in her official capacity.

2.

Respondent GLENDALE PROPERTIES INC. (hereafter "GP") is presently licensed and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code, hereafter "Code"), as a corporate real estate broker. Respondent GP has been licensed by the Department of Real Estate (hereafter the "Department") as a corporate real estate broker since on or about February 1, 1983. At all times relevant herein, Respondent GP was and is authorized to act by and through Respondent MARK CHRISTOPHER TRUEBLOOD as the designated officer and broker responsible, pursuant to the provisions of Code Section 10159.2, for the supervision and control of the activities conducted on behalf of Respondent GP by Respondent GP's officers and employees. Respondent GP also does business under the fictitious business name Trumark Real Estate

3.

Respondent MARK CHRISTOPHER TRUEBLOOD (hereafter "TRUEBLOOD") is presently licensed and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Code) as a real estate broker. Respondent TRUEBLOOD has been licensed by the Department as a real estate broker since on or about

December 16, 1993. At all times relevant herein, Respondent TRUEBLOOD was and is the broker-officer of Respondent GP, and thereby responsible pursuant to the provisions of Code Section 10159.2 for the supervision and control of the activities conducted on behalf of Respondent GP by Respondent GP's officers and employees.

4.

At all times material herein for compensation, or in expectation of compensation, Respondents engaged in the business of real property management, including renting or offering to rent real property and collecting rental payments thereon, on behalf of another or others within the meaning of Code Section 10131(b).

5.

Respondents GP and TRUEBLOOD, and also includes officers, directors, employees, agents and real estate licensees employed by or associated with Respondents GP and TRUEBLOOD, and who at all times herein mentioned were engaged in the furtherance of the business or operations of Respondents GP and TRUEBLOOD, and who were acting within the course and scope of their authority and employment.

PRIOR DISCIPLINE

6.

On or about August 21, 2007, the Department filed an Accusation in Case No. H-34215 LA (the "Accusation") against

Respondents GP and TRUEBLOOD seeking suspension or revocation of respondents' real estate licenses pursuant to the provisions of Code Sections 10177(d), 10177(g) and 10177(h). The Department's conduct of an audit examination of the books and records of Respondent GP pertaining to the real estate activities described in Paragraph 4, above, covering a period from July 1, 2005, to March 30, 2007, revealed numerous violations of the Real Estate Law.

7.

On or about February 4, 2008, following the execution of a Stipulation and Agreement by and between Respondents GP and TRUEBLOOD and the Department acknowledging the existence of grounds for discipline as set forth in the Accusation, an Order was made by the Commissioner of Real Estate suspending the licenses and licenses rights of Respondents GP and TRUEBLOOD for a period of ninety (90) days on certain terms and conditions. The foregoing suspension of the licenses of Respondents GP and TRUEBLOOD was stayed for a period of two years upon certain conditions and limitations.

AUDIT EXAMINATION

8.

On or about December 29, 2008, the Department completed its audit examination of the books and records of Respondent GP pertaining to the real estate activities described in Paragraph 4, above, covering a period from March 21, 2008 to July 31, 2008. The purpose of the examination was to perform a

chargeable follow-up audit examination to determine Respondent GP's compliance with Code Section 10145 and Sections 2832.1 and 2832(a) of the Regulations as cited in the Stipulation and Agreement in Case No. H-34215 LA, above. The audit examination revealed violations of the Code and of the Regulations as set forth in the following paragraphs, and as more specifically set forth in Audit Report LA 080004 and the Exhibits and Work Papers attached thereto.

9.

At all times mentioned herein, and in connection with the activities described in Paragraph 4, above, Respondent GP accepted or received funds, including funds in trust (hereafter "trust funds") from or on behalf of owners of the real property managed by Respondent GP, and thereafter made deposits and/or disbursements of such funds. From time-to-time herein mentioned during the audit period, said trust funds were deposited into accounts maintained by Respondents in bank accounts as follows:

"Trust Account #1"

Glendale Properties, Inc.

DBA Trumark Real Estate Management & Services

Commercial Trust Account

Account No. 0001-742671

Mellon 1st Business Bank

Los Angeles, California 90071 22

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"Trust Account #2"
Glendale Properties, Inc.
DBA Trumark Real Estate Management
& Services
Residential Trust Account
Account No. 0001-742663
Mellon 1st Business Bank
Los Angeles, California 90071

10.

In the course of activities described in Paragraphs 4 and 9, above, and during the examination period described in Paragraph 8, above, Respondents GP and TRUEBLOOD acted in violation of the Code and the Regulations in that Respondents:

- disbursement of trust funds from Trust Account #1 so that as of July 31, 2008, the commercial trust account had a shortage of \$22,680.58. Respondents caused, permitted and/or allowed said withdrawal or disbursement of trust funds from this account so that the total of aggregate funds remaining in the commercial trust account was less than the existing aggregate trust fund liability of GP to every principal who was an owner of said funds without first obtaining the prior written consent of the owners of said funds as is required by Code Section 10145 and Section 2832.1 of the Regulations.
- (b) Permitted, allowed or caused the withdrawal or disbursement of trust funds from Trust Account #2 so that as of July 31, 2008, the residential trust account had a shortage of \$4,400.99. Respondents caused, permitted and/or allowed said

withdrawal or disbursement of trust funds from this account so 1 that the total of aggregate funds remaining in the residential 2 trust account was less than the existing aggregate trust fund 3 liability of GP to every principal who was an owner of said funds without first obtaining the prior written consent of the 5 owners of said funds as is required by Code Section 10145 and 6 Section 2832.1 of the Regulations. 7 Permitted unlicensed and unbonded persons, Maria 8 Estavillo and Glorya Rane, as authorized signatories on Trust 9 10 Account #1 and Trust Account #2 in violation of Code Section 11 10145 and Section 2834 of the Regulations. 12 Failed to place trust funds, including tenant (d) 13 rent payments, accepted on behalf of another into the hands of 1.4 the owner of the funds, a neutral escrow depository or into a 15 trust account in the name of the broker at a bank or other 16 financial institution not later than the next business day 17 following receipt of the funds by the broker as is required by 18 Code Section 10145 and Section 2832(a) of the Regulations. 19 Received more in real property management fees 20 than the amount earned, and thereafter failed to disclose to the 21 owners the existence of such excess payments as is required by 22 Code Section 10176(g). 24 TRUEBLOOD failed to have a system in place for (f) regularly monitoring compliance with the Real Estate Law, 26 particularly with respect to establishing systems, policies and 27 procedures to review trust fund handling in violation of Code 7 -

Sections 10159.2 and 10177(h) and Section 2725 of the Regulations.

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DISCIPLINARY STATUTES AND REGULATIONS

11.

The conduct of Respondent GP and TRUEBLOOD described in Paragraph 10, above, violated the Code and the Regulations as set forth below:

8	PARAGRAPH	PROVISIONS VIOLATED
9	10(a)	Code Section 10145; Section 2832.1
10		of the Regulations
11		
12	10 (b)	Code Section 10145; Section 2832.1
13		of the Regulations
14		
15	10(c)	Code Section 10145; Sections 2834
16	10(0)	of the Regulations
17		of the Regulations
18		
19	10(d)	Code Section 10145; Section 2832(a) of
20		the Regulations
21		
22	10(e)	Code Section 10176(g)
23		•
24	10(f)	Code Section 10159.5 and 10177(h) and
25		Section 2725 of the Regulations
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The foregoing violations are cause for the suspension or revocation of the licenses and license rights of Respondent GP and of Respondent TRUEBLOOD pursuant to Code Sections 10176(g), 10177(d) and/or 10177(g).

13.

The foregoing violations constitute negligence or incompetence by Respondents in their performance of activities requiring a real estate license, and are cause for the suspension or revocation of all real estate licenses and license rights of Respondent GP and Respondent TRUEBLOOD under the provisions of Code Section 10177(g).

14.

The foregoing violations constitute a failure by
Respondent TRUEBLOOD, as the broker-officer of Respondent GP, to
exercise reasonable supervision and control over the licensed
activities of Respondent GP as is required by Code Section
10159.2, and is cause for the suspension or revocation of the
real estate license and license rights of Respondent TRUEBLOOD
pursuant to the provisions of Code Section 10177(h).

WHEREFORE, Complainant prays that a hearing be 1 conducted on the allegations of this Accusation and that upon 2 proof thereof, a decision be rendered imposing disciplinary 3 action against all the licenses and license rights of Respondent GLENDALE PROPERTIES INC. and Respondent MARK CHRISTOPHER 5 TRUEBLOOD, individually, and as designated broker-officer of 6 Respondent Glendale Properties Inc., under the Real Estate Law, 7 and for such other and further relief as may be proper under other applicable provisions of law. 10 Dated at Los Angeles, California 11 this 13 day of 2010. 12 13

Robin Trwiillo

Deputy Real Estate Commissioner

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cc: Glendale Properties Inc.
Mark Christopher Trueblood
Robin Trujillo
Sacto.

Audits - Robert S. Brody