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	1	LISSETE GARCIA, Counsel (SBN 211552) Department of Real Estate		
	2 3 [.]	320 West 4th Street, Suite 350 Los Angeles, California 90013-1105	NOV 2 2 2011	
	4	Telephone: (213) 576-6982	DEPARTMENT OF REAL ESTATE	
	5	(Direct) (213) 576-6914	By_ <u>C</u>	
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	8	BEFORE THE DEPARTMENT OF REAL ESTATE		
9		STATE OF CALIF	ORNIA	
	10 * * *			
	11	In the Matter of the Accusation of	NO. H-37691 LA	
	12	EXECUTIVE ONE REAL ESTATE AND	ACCUSATION	
	13	MORTGAGE CORPORATION, GERALD FRANKLIN GEORGE,)	
. '	14	individually and as designated) officer of Executive One Real)	
	16	Estate and Mortgage Corporation, CHRISTOPHER PAUL GEORGE,		
	17	individually and as former		
	18	designated officer of Executive One Real Estate and		
	19	Mortgage Corporation, and MABLE ROSE HERNANDEZ,		
	20	Respondents.		
	21)	
	²² The Complainant, Maria Suarez, a Deputy Real Estate			
,		Commissioner of the State of California, for cause of Accusation against EXECUTIVE ONE REAL ESTATE AND MORTGAGE CORPORATION,		
	GERALD FRANKLIN GEORGE, individually and as officer of Executive			
	26 One Real Estate and Mortgage Corporation, CHRISTOPHER P 27		ion, CHRISTOPHER PAUL	
	28	GEORGE, individually and as former officer of Executive One Real		
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Estate and Mortgage Corporation, and MABLE ROSE HERNANDEZ 1 2 (collectively "Respondents") is informed and alleges as follows: 3 1. 4 The Complainant, Maria Suarez, a Deputy Real Estate 5 Commissioner of the State of California, makes this Accusation 6 in her official capacity. 7 2 8 At all times herein mentioned, Respondents were 9 licensed and/or have license rights under the Real Estate Law 10 (Part 1 of Division 4 of the California Business and Professions 11 Code). 12 3. 13 All references to the "Code" are to the California 14 Business and Professions Code and all references to 15 "Regulations" are to Title 10, Chapter 6, California Code of 16 Regulations. 17 4. 18 From May 20, 2004, through the present, EXECUTIVE ONE 19 REAL ESTATE AND MORTGAGE CORPORATION ("EXECUTIVE ONE") was 20 21 licensed as a corporate real estate broker, License No. 22 . 01431726. From May 20, 2004, through May 19, 2008, Respondent 23 EXECUTIVE ONE was licensed to act by and through Respondent 24 CHRISTOPHER PAUL GEORGE as its officer pursuant to Code Section 25 10159.2 to be responsible for ensuring compliance with the Real 26 Estate Law. From May 20, 2008, through the present, Respondent 27 EXECUTIVE ONE has been acting by and through Respondent GERALD 28 FRANKLIN GEORGE as its officer pursuant to Code Section 10159.2

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1 to be responsible for ensuring compliance with the Real Estate 2 Law.

5.

From November 6, 2004, through the present, Respondent GERALD FRANKLIN GEORGE has been licensed as a real estate broker, License No. 01354433. During all times relevant herein, Respondent GERALD FRANKLIN GEORGE was an officer, director, and owned or controlled ten percent or more of EXECUTIVE ONE's stock.

6.

From April 22, 2003, through the present, Respondent CHRISTOPHER PAUL GEORGE has been licensed as a real estate broker, License No. 01262125. During all times relevant herein, Respondent CHRISTOPHER PAUL GEORGE was an officer, director, and owned or controlled ten percent or more of EXECUTIVE ONE's stock.

From October 19, 2005, through the present, Respondent 19 20 MABLE ROSE HERNANDEZ ("HERNANDEZ") has been licensed as a 21 restricted real estate salesperson, License No. 01462457. From May 14, 2008, through May 17, 2009, Respondent HERNANDEZ was licensed under the employ of Respondent EXECUTIVE ONE. 24 111

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FIRST CAUSE OF ACCUSATION (Dissolved Corporation)

(FAILURE TO SUPERVISE - Respondent GERALD FRANKLIN GEORGE

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Regulation 2743, subdivision (c) states: "[A] corporation licensed under Section 10211 of the Code shall not engage in the business of a real estate broker while not in good legal standing with the Office of the Secretary of State."

9.

Respondent EXECUTIVE ONE was dissolved as a corporation with the California Secretary of State. No notice of the change in corporate status was provided to the Department by either Respondent EXECUTIVE ONE or Respondent GERALD FRANKLIN GEORGE.

10.

The dissolution of Respondent EXECUTIVE ONE's corporate status is in violation of Regulation 2742, subdivision (c) and constitutes grounds to suspend or revoke Respondent EXECUTIVE ONE's corporate real estate broker license pursuant to Code Sections 10177(d) and/or 10177(g).

11.

The conduct, acts and/or omissions of Respondent GERALD FRANKLIN GEORGE as set forth in Paragraph 9, above, in failing to adequately supervise the activities of Respondent EXECUTIVE ONE to ensure compliance with the Real Estate Law, is in violation of Section 10159.2 of the Code and constitutes grounds to discipline the license and/or license rights of

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Respondent GERALD FRANKLIN GEORGE pursuant to Code Sections 1 2 10177(h), 10177(d) and/or 10177(g). 3 SECOND CAUSE OF ACCUSATION 4 ADVANCE FEE VIOLATIONS/MISREPRESENTATIONS/DISHONEST DEALING (Respondents EXECUTIVE ONE, GERALD FRANKLIN GEORGE, CHRISTOPHER 5 PAUL GEORGE, and MABLE ROSE HERNANDEZ) 6 12. 7 There is hereby incorporated in this Second, separate 8 Cause of Accusation, all of the allegations contained in 9 Paragraphs 1 though 11 above, with the same force and effect as 10 if herein fully set forth. 11 13. 12 21st Century Legal Services, Inc. has never been 13 licensed by the Department in any capacity. 14 14. 15 21st Century Real Estate Investment Corporation was 16 formerly licensed by the Department as a corporate real estate 17 broker, License No. 01835672. 21st Century Real Estate 18 Investment Corporation's license was revoked by the Department 19 on June 28, 2011, in Department Case No. H-36504 LA. 20 15. 21 For an unknown period of time beginning no later than 22 November 26, 2008, and continuing to the present, Respondents 23 24 while using the fictitious business names 21st Century Real 25 Estate Investment Corporation, 21st Century Real Estate & 26 Investment Corp., or other fictitious business names not known 27 at this time, engaged in the business of, acted in the capacity 28 of, advertised or assumed to act as real estate brokers in the

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State of California within the meaning of Code Sections 10131, subdivision (d) and 10131.2. Their activities included soliciting borrowers or lenders for and/or negotiating loans, collecting payments and/or performing services for borrowers or lenders in connection with loans secured by liens on real property. Their activities also included claiming, demanding, charging, receiving, collecting or contracting for the collection of an advance fee within the meaning of Code Sections 10026 and 10085.

16.

In or around November, 2008, HERNANDEZ solicited loan modification and negotiation services in connection with loans secured by liens on real property to Jacqueline Ann Gano ("Gano"). HERNANDEZ provided Gano with a residential loan modification agreement between 21st Century Real Estate & Investment Corp. and Gano. Respondent HERNANDEZ made misrepresentations to Gano including that a licensed attorney would handle the loan modification and negotiation with Gano's lender in order to induce Gano to enter into the agreement with 21st Century Real Estate & Investment Corp. On November 26, 2008, Gano paid \$1,000 in advance fees to HERNANDEZ for loan negotiation and modification services. On December 30, 2008, Gano paid \$1,000 in advance fees to HERNANDEZ for loan negotiation and modification services. On January 31, 2009, Gano paid \$1,000 in advance fees to HERNANDEZ for loan negotiation and modification services. Gano did not obtain a loan modification through Respondents.

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The residential loan modification agreement which charged a \$3,000 advance fee to Gano was not submitted to the Department prior to use as was required under Code Section 10085 and Regulation Section 2970.

18.

The advance fees collected by Respondents were not deposited in a trust account as required under Code Section 10146. Respondents did not provide an accounting to principals, in violation of Code Section 10146 and Regulation Section 2972.

19.

On or about September 7, 2011, Respondent HERNANDEZ provided a written statement to the Department wherein HERNANDEZ 14 claimed she conducted the loan modification and negotiation 15 services for Gano while HERNANDEZ was working under the 16 direction of Respondents CHRISTOPHER PAUL GEORGE and EXECUTIVE 18 ONE.

20.

The conduct, acts and/or omissions of Respondents 20 21 EXECUTIVE ONE, GERALD FRANKLIN GEORGE and CHRISTOPHER PAUL 22 GEORGE, as set forth above, in collecting advance fees from 23 prospective borrowers pursuant to a written fee agreement, which 24 agreement was not submitted to the Department for review prior 25 to use, is in violation of Code Section 10085 and Regulation 26 Section 2970, and constitutes grounds for the suspension or 27 revocation of the licenses and license rights of Respondents 28 EXECUTIVE ONE, GERALD FRANKLIN GEORGE and CHRISTOPHER PAUL

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GEORGE, pursuant to Code Sections 10177(d) or 10177(g).

21.

The conduct, acts and/or omissions of Respondents EXECUTIVE ONE, GERALD FRANKLIN GEORGE, and CHRISTOPHER PAUL GEORGE, as set forth above, in collecting advance fees from prospective borrowers and failing to deposit the advance fees into a trust account and provide an accounting to principals, is in violation of Code Section 10146 and Regulation Section 2972, and constitutes grounds for the suspension or revocation of the licenses and license rights of Respondents EXECUTIVE ONE, GERALD FRANKLIN GEORGE, CHRISTOPHER PAUL GEORGE, and HERNANDEZ pursuant to Code Sections 10177(d) or 10177(g).

22.

The conduct, acts and/or omissions of Respondent 15 HERNANDEZ as set forth above, in making misrepresentations and 16 engaging in dishonest dealing in order to induce Gano to enter 17 into an advance fee agreement, constitutes grounds for the 18 suspension or revocation of the license and license rights of 19 20 Respondent HERNANDEZ pursuant to Code Sections 10137, 10145, 21 subdivision (c), 10176, subdivision (a), 10176, subdivision (b), 22 and 10176, subdivision (i).

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(Use of Unlicensed Fictitious Business Name)

23.

There is hereby incorporated in this Third, separate, Cause of Accusation, all of the allegations contained in Paragraphs 1 through 22 above, with the same force and effect as if herein fully set forth.

.24.

The activities described in Paragraphs 15 and 16, above, require a real estate license under Code Section 10131, subdivision (d). Use of a fictitious business name for activities requiring the issuance of a real estate license requires the filing of an application for the use of such name with the Department in accordance with the provisions of Code Section 10159.5 and Regulation 2731.

25.

Respondents acted without Department authorization in using the fictitious business names 21st Century Real Estate Investment Corporation and/or 21st Century Real Estate & Investment Corp. to engage in activities requiring the issuance of a real estate license.

26.

The conduct, acts and/or omissions of Respondents EXECUTIVE ONE, GERALD FRANKLIN GEORGE and CHRISTOPHER PAUL GEORGE, as set forth in Paragraphs 24 and 25 above, violate Code Section 10159.5 and Regulation 2731, and is cause for the suspension or revocation of the licenses and license rights of

1	Respondents EXECUTIVE ONE, GERALD FRANKLIN GEORGE and		
2	CHRISTOPHER PAUL GEORGE, pursuant to Code Sections 10177,		
3	subdivision (d) and/or 10177, subdivision (g).		
4			
5	FOURTH CAUSE OF ACCUSATION (Failure to Supervise)		
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7	27.		
8	There is hereby incorporated in this Fourth, separate		
9	Cause of Accusation, all of the allegations contained in		
10	Paragraphs 1 through 26, above, with the same force and effect		
11	as if herein fully set forth.		
12	28.		
13	Respondent GERALD FRANKLIN GEORGE's failure to		
14	supervise the activities of Respondent EXECUTIVE ONE and its		
15 .	employees to ensure compliance with the Real Estate Law, is in violation of Code Section 10159.2 and Regulation 2725, which		
16 17			
17	constitutes grounds to suspend or revoke Respondent GERALD		
19	FRANKLIN GEORGE's license and license rights pursuant to Code		
20	Sections 10177, subdivision (h), 10177, subdivision (d) or		
21	10177, subdivision (g).		
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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 all licenses and/or license rights of Respondents 5 EXECUTIVE ONE REAL ESTATE AND MORTGAGE CORPORATION, GERALD 6 FRANKLIN GEORGE, individually and as officer of Executive One 7 Real Estate and Mortgage Corporation, CHRISTOPHER PAUL GEORGE, 8 individually and as former officer of Executive One Real Estate 9 and Mortgage Corporation, and MABLE ROSE HERNANDEZ, under the 10 Real Estate Law (Part 1 of Division 4 of the Business and 11 Professions Code) and for such other and further relief as may 12 be proper under other applicable provisions of law. 13 Dated at Los Angeles, California 14 this Ast day of Muleulor, 2011. 15 16 17 18 Deputy Real Estate Commissioner 19 20 21 22 23 cc: Executive One Real Estate and Mortgage Corporation Gerald Franklin George 24 Christopher Paul George Mable Rose Hernandez 25 Maria Suarez 26 Sacto. 27 28 - 11 -