

1 FINDINGS OF FACT

2 1.

3 From May 6, 1997, Respondent SIC has been licensed as a real estate
4 corporation. At all times relevant herein, SIC was acting by and through Respondent LUO as its
5 designated broker-officer since February 5, 1999, pursuant to Business and Professions Code
6 (“Code”) Section 10159.2 to be responsible for ensuring compliance with the Real Estate Law.

7 2.

8 From February 5, 1999, through the present, Respondent LUO has been licensed
9 as a real estate broker.

10 3.

11 Whenever reference is made in a finding to an act or omission of SIC or LUO,
12 such finding shall be deemed to mean that the officers, directors, employees, agents and real
13 estate licensees employed by or associated with SIC or LUO committed such act or omission
14 while engaged in the furtherance of the business or operations of SIC or LUO and while acting
15 within the course and scope of their corporate authority and employment.

16 4.

17 At all times mentioned, in the City of Monterey Park, County of Los Angeles,
18 Respondents SIC and LUO acted as real estate brokers and conducted licensed activities within
19 the meaning of:

20 A. Code Section 10131(a). Respondents engaged in the business of a residential
21 resale brokerage and acted in the capacity of, advertised or assumed to act as a real estate broker,
22 including the solicitation and negotiation of the sale of real property as the agent of others; and

23 B. In addition, SIC conducted broker-controlled escrows through its escrow
24 division, Skyway Escrow, under the exemption set forth in California Financial Code Section
25 17006(a)(4) for real estate brokers performing escrows incidental to a real estate transaction
26 where the broker is a party and where the broker is performing acts for which a real estate
27 license is required.

(Broker-Controlled Escrow Audit)

5.

On April 30, 2013, the Bureau completed an audit examination of the books and records of Respondent SIC pertaining only to the broker-controlled escrow activities described in Finding 6, which require a real estate license. The audit examination covered a period of time beginning on March 1, 2010 and ending on February 28, 2013. The audit examination revealed violations of the Code and the Title 10, Chapter 6, California Code of Regulations ("Regulations") set forth in the following Findings, and more fully set forth in Audit Report LA120234 and the exhibits and work papers attached thereto.

6.

In the course of activities described in Finding 4B, above, and during the examination period described in Finding 5, SIC and LUO conducted third party sales escrows for the escrows set forth in the table below wherein SIC and LUO were not performing acts in the course of or incidental to a real estate transaction, in which they were an agent or party to the transaction and in which they were performing acts for which a real estate license is required:

Table: Skyway Investment Corporation: Third Party Escrows:

	Buyer/Borrower Name	Escrow No.
1	Danny/Emily Min Leliu	SWED00108-EH
2	James/Amy V.	SWED00119-EH
3	Wen-Hui L	SWED00113-EH
4	Steven/Mindy T.	SWED00134-EH
5	Melvin/Jean Chen	SWED00126-EH

