

1 CHERYL D. KEILY, SBN# 94008
2 Bureau of Real Estate
3 320 West Fourth Street, Ste. 350
4 Los Angeles, California 90013

5 Telephone: (213) 576-6982
6 (Direct) (213) 576-6905

FILED

MAR 14 2016

BUREAU OF REAL ESTATE

By 

BUREAU OF REAL ESTATE

STATE OF CALIFORNIA

11
12 In the Matter of the Accusation of) No. H-40165 LA
13 FRANCISCO HOBSON,) ACCUSATION
14 Respondent.)
15 _____)

16
17 The Complainant, Veronica Kilpatrick, a Supervising Special Investigator, for
18 cause of Accusation against Respondent FRANCISCO HOBSON ("Respondent"), also known as
19 Frank Hobson, is informed and alleges as follows:

20 1.

21 The Complainant, Veronica Kilpatrick, a Supervising Special Investigator, makes
22 this Accusation in her official capacity.

23 2.

24 Respondent is presently licensed and/or has license rights under the Real Estate
25 Law (Part 1 of Division 4 of the Business and Professions Code, hereinafter "Code"), as a real
26 estate salesperson. His license is scheduled to expire on August 10, 2017, unless renewed.

27 ///

1 3.

2 At all times relevant herein Respondent was employed under the broker license of
3 Rockpointe Realty Group, Inc. ("Rockpointe"). One of Rockpointe's authorized fictitious
4 business names is "Coldwell Banker Alliance Realty." Rockpointe had no knowledge of the
5 activities of Respondent alleged herein.

6 4.

7 Commencing in or around July 1, 2012, Respondent was engaged in the business
8 of real estate sales within the meaning of Code Section 10131(a). Those activities included
9 soliciting sellers and buyers for the listing, sale and purchase of real property, and negotiating the
10 purchase and sale of real property on behalf of buyers and sellers, for compensation or in
11 expectation of compensation.

12 5.

13 Commencing in or around March, 2013, Respondent represented to Michelle R.
14 that he had a listing for a property located at 8590 South Gage Avenue, South Gate, California
15 (the "Property") that she might be interested in purchasing as an investment. Respondent
16 represented to Michelle R. that the Property was owned by the former lender, and had great
17 potential for someone interested in buying the Property and then reselling it at a potential 25%
18 profit.

19 6.

20 In reliance on Respondent's representations to her as alleged in Paragraph 5,
21 above, Michelle R. executed an offer to purchase the Property for a purchase price of \$245,000,
22 and transmitted the offer to Respondent. The purchase offer prepared by Respondent falsely
23 represented that Respondent's employer Rockpointe was acting as the broker using its fictitious
24 business name Coldwell Banker Alliance Realty. Along with the executed purchase offer,
25 Michelle R. transmitted her check in the amount of \$75,000 as the earnest money deposit called
26 for by the terms of the agreement. At Respondent's instruction the check was made payable to
27 "Escrow -- Hobson Brokerage."

1 7.

2 On or about April 18, 2013, Respondent directed Michelle R. to wire the balance
3 of the \$245,000 purchase price to him to permit escrow to close on her purchase of the Property.
4 On or about April 22, 2013, Michelle C. wired \$170,000 to Respondent at Washington Mutual
5 Bank.

6 8.

7 In August, 2013, Respondent informed Michelle R. that he needed an additional
8 \$53,366.07 from her to close the escrow for her purchase of the Property. Accordingly, on or
9 about August 23, 2013, Michelle R. wired the additional sum requested by Respondent to
10 Respondent at Washington Mutual Bank. The total amount Michelle R. gave Respondent for the
11 purchase of the Property was \$298,366.07.

12 9.

13 Thereafter, Respondent professed to be attempting to negotiate a sale of the
14 Property on Michelle R.'s behalf. As the months passed without a consummated sale,
15 Respondent provided Michelle R. with numerous excuses for the failure of the Property to sell so
16 as to permit Michelle R. to realize a profit from her investment. Among other excuses,
17 Respondent represented to Michelle R. that he was involved in making and responding to
18 counteroffers with a potential buyer for the Property.

19 10.

20 During the fall of 2014, Michelle R. became suspicious at Respondent's delaying
21 tactics, and consulted a title company to confirm that she owned the Property. As a result of her
22 investigation Michelle R. discovered that she did not own the Property.

23 11.

24 When Michelle R. confronted Respondent with the information that he had taken
25 her funds without obtaining title to the Property for her, Respondent admitted his guilt and
26 agreed to return Michelle R.'s money to her. Despite subsequent repeated promises by
27 Respondent that Michelle R.'s funds would be returned to her, Respondent has failed and refused

1 to refund any portion of the \$298,366.07 given to him by Michelle R.

2 12.

3 Respondent's representation that he was acting on behalf of Michelle R. in the
4 purchase of the Property was false and fraudulent in that Respondents had no intention of using
5 Michelle R.'s funds to effectuate the completion of the sale of the Property, and instead intended
6 to convert Michelle R.'s funds to his own use and benefit.

7 13.

8 The conduct, acts and/or omissions of Respondents as described herein above
9 constitute making a substantial misrepresentation, the making of false promise(s) of a character
10 likely to influence, persuade or induce, fraud or dishonest dealing and engaging in unlicensed
11 conduct and is cause for the suspension or revocation of all real estate licenses and license rights
12 of Respondent under the provisions of Code Sections 10176(a), 10176(b), 10176(i) and/or
13 10177(j) and 10130.

14 Code Section 10106 provides, in pertinent part, that in any order issued in
15 resolution of a disciplinary proceeding before the Bureau, the Commissioner may request the
16 administrative law judge to direct a licensee found to have committed a violation of this part to
17 pay a sum not to exceed the reasonable costs of investigation and enforcement of the case.

18 ///

19 ///

20 ///

21 ///

22 ///

23 ///

24 ///

25 ///

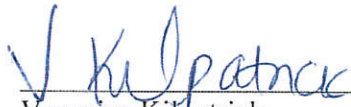
26 ///

27

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

WHEREFORE, 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 the licenses and license rights of Respondent FRANCISCO HOBSON under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code), for the cost of investigation and enforcement as permitted by law, and for such other and further relief as may be proper under other applicable provisions of law.

Dated at San Diego, California
this 15th day of March, 2016.



Veronica Kilpatrick
Supervising Special Investigator

cc: FRANCISCO HOBSON
R. E. Advisors Corp.
Veronica Kilpatrick
Sacto