

**FILED**

**AUG 15 2018**

DEPARTMENT OF REAL ESTATE

By 

BEFORE THE DEPARTMENT OF REAL ESTATE<sup>1</sup>

STATE OF CALIFORNIA

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In the Matter of the Accusation against	)	DRE No. H-41075 LA
	)	
ALIBABA E.R.E., INC. and	)	
PAUL TAKESHI MORINISHI, individually, and)	)	
as designated officer for Alibaba E.R.E., Inc.,	)	
	)	
Respondents.	)	
	)	

DECISION

This Decision is being issued in accordance with the provisions of Section 11520 of the Government Code, on evidence of compliance with Section 11505 of the Government Code and pursuant to the Order of Default filed on July 31, 2018, and the Findings of Fact set forth herein, which are based on one or more of the following: (1) The express admissions of ALIBABA E.R.E., INC., and PAUL TAKESHI MORINISHI, individually and as designated officer for Alibaba E.R.E., Inc., (collectively "Respondents"); (2) affidavits; and (3) other evidence.

This Decision revokes one or more real estate licenses and/or license rights pursuant to the Real Estate Law, Part I of Division 4, of the Business and Professions Code<sup>2</sup> for violations of sections 10162, 10148, 10159.2, Regulation 2715, and Regulation 2742, subdivision (c), which constitutes cause for discipline pursuant to Code sections 10166.051, subdivision (b), 10165, and 10177, subdivisions (a), (d) (f), and (h).

Pursuant to Government Code section 11521, the Department of Real Estate ("Department") may order reconsideration of this Decision on petition of any party. The Department's power to order reconsideration of this Decision shall expire 30 days after mailing of this Decision, or on the effective date of this Decision, whichever occurs first. The right to reinstatement of a revoked real estate license or to the reduction of a penalty is controlled by

<sup>1</sup> Between July 1, 2013 and July 1, 2018, the Department of Real Estate operated as the Bureau of Real Estate under the Department of Consumer Affairs.

<sup>2</sup> All references to the "Code" are to the California Business and Professions Code, all references to the "Real Estate Law" are to Part 1 of Division 4 of the Code, and all references to "Regulations" are to the Regulations of the Real Estate Commissioner, Title 10, Chapter 6, California Code of Regulations.

section 11522 of the Government Code. A copy of sections 11521 and 11522 and a copy of the Commissioner's Criteria of Rehabilitation are attached hereto for the information of Respondent.

### FINDINGS OF FACT

1.

On June 7, 2018, Chika Sunquist made the Accusation in her official capacity as a Supervising Special Investigator of the State of California. On June 21, 2018, the Accusation, Statement to Respondent, and Notice of Defense were mailed by regular mail and by certified mail, return receipt requested, to the last known mailing addresses for Respondents. The certified mailing to Respondent PAUL TAKESHI MORINISHI was delivered on June 29, 2018. The regular mailing and certified mailing to Respondent ALIBABA E.R.E., INC. was returned by the post office marked, "Return to Sender Attempted Not Known Unable to Forward."

2.

On July 31, 2018, no Notice of Defense having been filed herein within the time prescribed by section 11506 of the Government Code, Respondents' defaults were entered herein.

3.

Respondents are licensed and have license renewal rights under the Real Estate Law (Part 1 of Division 4 of the California Business and Professions Code ("Code")).

4.

Respondent ALIBABA E.R.E., INC. has been licensed by the Bureau as a real estate corporation, License ID 01978301 from May 19, 2015 through the present.

5.

Respondent PAUL TAKESHI MORINISHI has been licensed by the Bureau as a real estate broker, License ID 00956203 from August 3, 1987 through the present. Respondent has a Mortgage Loan Originator ("MLO") license endorsement, National Mortgage Licensing System ("NMLS") no. 253867. Respondent has a company MLO license endorsement no. 159461.

6.

From May 19, 2015 through the present, Respondent PAUL TAKESHI MORINISHI has been the designated officer for Respondent ALIBABA E.R.E., INC., pursuant to section 10211 of the Code, and is responsible for the supervision and control of the activities conducted on behalf of Respondent ALIBABA by its officers, agents, and employees as necessary to secure full compliance with Real Estate Law as set forth in section 10159.2 of the Code.

7.

Attached as Exhibit "A" is a true and correct copy of the Accusation filed on June 21, 2018, which is incorporated herein as part of this Decision.

### DETERMINATION OF ISSUES

1.

Cause for disciplinary action against Respondent ALIBABA E.R.E., INC. exists for violations of Code sections 10162, 10148, Regulation 2715, and Regulation 2742, subdivision (c), which constitutes cause for discipline pursuant to Code sections 10166.051, subdivision (b), 10165, and 10177, subdivisions (a), (d), and (f).

2.

Cause for disciplinary action against Respondent PAUL TAKESHI MORINISHI exists for violations of Code sections 10162, 10148, and Regulation 2715, which constitutes cause for discipline pursuant to Code sections 10166.051, subdivision (b), 10165, and 10177, subdivisions (a) (d), and (h).

3.

The standard of proof applied was clear and convincing proof to a reasonable certainty.

4.

The Department incurred investigation costs of \$1,289.42 and enforcement costs of \$890.00 in this matter.

ORDER

All licenses, MLO license endorsements, and licensing rights of Respondents ALIBABA E.R.E., INC., and PAUL TAKESHI MORINISHI, individually, and as designated officer for Alibaba E.R.E., Inc., under the provisions of the Real Estate Law are revoked.

This Decision shall become effective at 12 o'clock noon on **SEP 03 2018**

DATED: August 10, 2018

DANIEL J. SANDRI  
ACTING REAL ESTATE COMMISSIONER

*Daniel J. Sandri*

1 Department of Real Estate  
2 1651 Exposition, Blvd.  
3 Sacramento, CA, 95815

**FILED**

**JUL 31 2018**

DEPARTMENT OF REAL ESTATE

By *[Signature]*

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8 **BEFORE THE DEPARTMENT OF REAL ESTATE**  
9 **STATE OF CALIFORNIA**

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11 In the Matter of the Accusation against: ) DRE No. H-41075 LA  
12 PAUL TAKESHI MORINISHI, ) DEFAULT ORDER  
13 Respondent. )  
14 )

15 Respondent PAUL TAKESHI MORINISHI, having failed to file a Notice of  
16 Defense within the time required by Section 11506 of the Government Code, is now in  
17 default. It is, therefore, ordered that a default be entered on the record in this matter.

18 **IT IS SO ORDERED JULY 31, 2018.**

19 DANIEL SANDRI  
20 ACTING REAL ESTATE COMMISSIONER

21  
22 By: *[Signature]*  
23 JOSEPH M. CARRILLO  
24 Managing Deputy Commissioner IV  
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