FILED
AUG 03 2011
DEPARTMENT OF REAL ESTATE
By

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of	)	
	)	
MARIPOSA MORTGAGE, INC., a California Corporation,	)	CASE NO. H-10082 SF
VISION QUEST 21, INC., a California Corporation, and	)	OAH NO. 2011010737
BIC D. PHO et al.,	)	
Respondents.	)	

DECISION

The Proposed Decision dated June 22, 2011, of the Administrative Law Judge of the Office of Administrative Hearings is hereby adopted as the Decision of the Real Estate Commissioner in the above-entitled matter.

The Decision suspends or revokes the real estate license and/or license rights.

The right to reinstatement of a revoked real estate license or to the reduction of a suspension is controlled by Section 11522 of the Government Code. A copy of Section 11522 and a copy of the Commissioner's Criteria of Rehabilitation are attached hereto for the information of respondent.

This Decision shall become effective at 12 o'clock noon on AUG 22 2011.

IT IS SO ORDERED 8/1/11.

BARBARA J. BIGBY
Acting Real Estate Commissioner

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation Of: MARIPOSA MORTGAGE, INC., a California Corporation, VISION QUEST 21, INC., a California Corporation, and BIC D. PHO et al., Respondents.	Case No. H-10082 SF OAH No. 2011010737

PROPOSED DECISION

Administrative Law Judge Ruth S. Astle, State of California, Office of Administrative Hearings, heard this matter in Oakland, California, on May 26, 2011.

Michael B. Rich, Counsel, represented complainant.

There was no appearance by or on behalf of any respondent.

The matter was submitted on May 26, 2011.

There were numerous other respondents named in the accusation. All other respondents' matters were disposed of by default decisions or dismissed. On May 25, 2011, respondent Pho filed a Notice of Non-Opposition in which he withdrew his Notice of Defense to the Accusation and stated he would not appear at the hearing. Upon proof of compliance with Government Code sections 11505 and 11509, this matter proceeded as a default pursuant to Government Code section 11520.

FACTUAL FINDINGS

1. Charles W. Koenig made the accusation in his official capacity as a Deputy Real Estate Commissioner of the State of California.

2. Mariposa Mortgage, Inc., and Vision Quest 21, Inc. (respondents) were licensed and have licensing rights under the Real Estate Law as a corporate real estate brokers. Mariposa Mortgage, Inc.'s license expired December 1, 2010 and Vision Quest 21,

Inc.'s license expired September 20, 2009. Bic D. Pho was licensed and has licensing rights under the Real Estate Law as a real estate broker. His license will expire September 23, 2013 unless otherwise renewed.

3. Until February 4, 2001, respondent Pho acted as the designated officer-broker of respondent Mariposa. As the designated broker, respondent Pho was responsible for the supervision of Mariposa for which a license was required.

Until July 5, 2007 as designated officer-broker of respondent Vision Quest, respondent Pho was responsible for the supervision of the activities of the officers, agents, real estate licensees and employees of respondent Vision Quest for which a license was required.

4. Whenever reference is made in a Finding to an act or omission of respondent Mariposa and/or respondent Vision Quest, that Finding shall be deemed to mean that the officers, directors, employees, agents and real estate licensees employed by or associated with respondents Mariposa and/or Vision Quest committed those acts or omissions while engaged in the furtherance of the business or operation of respondents and while acting within the course and scope of their corporate authority and employment.

5. At all times set forth herein, respondent Mariposa engaged in the business of, acted in the capacity of, advertised or assumed to act as a real estate broker in the State of California within the meaning of the law, including operation and conduct of a mortgage loan brokerage business with the public wherein respondent Mariposa, for another or others, for or in expectation of compensation, solicited lenders and borrowers for loans secured directly or collaterally by liens on real property or a business opportunity, and arranged, negotiated, processed and consummated those loans.

6. At all times set forth herein, respondent Vision Quest engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate broker within the meaning of the law, including the operation and conduct of real estate sales brokerage businesses with the public wherein, on behalf of others, for compensation or in expectation of compensation, respondent sold and offered to sell, bought and offered to buy, solicited prospective sellers and purchases of, solicited and obtained listings of, and negotiated the purchase and sale of real property.

First Cause for Disciplinary Action

7. From February 7, 2006, through March 31, 2006, in the course of the mortgage loan brokerage and real estate resale brokerage activities, respondents Mariposa and Vision Quest entered into and participated in a fraudulent plan or scheme to substantially benefit themselves by inducing four different mortgage lenders to make mortgage loans to finance purchases of residential real property by misrepresenting the buyer's qualifications and by concealing their true intentions from the mortgage lenders.

8. From February 1, 2006, through March 31, 2006, respondents Vision Quest and Mariposa committed acts in furtherance of the fraudulent scheme in that they solicited and obtained first and second mortgage loans for $360,000 and $120,000 from Ownit Mortgage Solutions, Inc., to finance a single buyer's (Michelle Barries) purchase of the real property at 904 Cold Brook Way, Galt, California, that secured the loan, by representing to the mortgage lender, contrary to the facts, that the property would be the primary residence of the purchaser and that the purchaser was then employed as a web designer. Respondents also materially inflated the purchaser's income.

9. From February 1, 2006, through March 31, 2006, respondents Vision Quest and Mariposa committed acts in furtherance of the fraudulent scheme in that they solicited and obtained first and second mortgage loans for $405,400 and$100,600 from New Century Mortgage Corporation to finance a single buyer's purchase of the real property at 993 Manton Court, Galt, California, that secured the loan, by representing to the mortgage lender, contrary to the facts, that the property would be the primary residence of the purchaser and that the purchaser was then employed as a web designer. Respondents also materially inflated the purchaser's income.

10. From February 1, 2006, through March 31, 2006, respondents Vision Quest and Mariposa committed acts in furtherance of the fraudulent scheme in that they solicited and obtained first and second mortgage loans for $404,000 and $101,000 from Opteum Financial Services, LLC to finance a single buyer's purchase of the real property at 10414 Point Reyes Circle, Stockton, California, that secured the loan, by representing to the mortgage lender, contrary to the facts, that the property would be the primary residence of the purchaser and that the purchaser was then employed as a web designer. Respondents also materially inflated the purchaser's income.

11. From February 1, 2006, through March 31, 2006, respondents Vision Quest and Mariposa committed acts in furtherance of the fraudulent scheme in that they solicited and obtained first and second mortgage loans for $424,000 and $106,000 from Long Beach Mortgage Company to finance a single buyer's purchase of the real property at 983 Colmore Way, Galt, California, that secured the loan, by representing to the mortgage lender, contrary to the facts, that the property would be the primary residence of the purchaser and that the purchaser was then employed as a web designer. Respondents also materially inflated the purchaser's income.

12. Respondents concealed from each of the mortgage lenders in Findings 8, 9, 10 and 11, above, each of the other purchases and mortgage loan transactions. In truth and in fact, respondents (each of them) knew that the purchaser was not buying any of the subject properties as her primary residence, that she was not employed as a web designer, and that her income was materially less than the amount represented to the mortgage lenders.

13. The acts and omission of respondents described in Findings 7 through 12, above, constitute the substantial misrepresentation of a material fact, a continued and flagrant course of misrepresentation through agents and fraud and dishonest dealing.

Second Cause for Disciplinary Action

14. From March 1, 2006, through May 15, 2006, in the course of the mortgage loan brokerage and real estate resale brokerage activities described above, respondents entered into and participated in a fraudulent plan or scheme to substantially benefit themselves by inducing a mortgage lender to make a mortgage loan ostensibly to finance a purchaser's (Kulwinder Singh) purchases of residential real property by misrepresenting the purchaser's qualification and by concealing their true intentions from the mortgage lender.

15. From March 1, 2006, through May 15, 2006, in the course of the fraudulent plan and scheme set forth in Finding 14, above, respondents solicited and obtained mortgage loans in the sum of $463,200 and $115,800 from Fremont Investment and Loan, Inc,. secured by real property at 1390 Saddle Rack Street #434, San Jose, California, ostensibly to finance the purchase by the purchaser of the property, by representing, contrary to fact that he was purchasing the property for his own account as his primary residence and that he had advanced $4,045 toward the purchase of the property and that he was employed earning $12,000 per month from Neri Transportation Company and that the sum of $20,000 from the Seller's proceeds of the sale would be disbursed at close of the escrow consummating the sale and loans to a bona fide third party named Arvi Salting.

16. When the representations set forth in Finding 15, above were made, respondent know that the representations were false. In truth and in fact, purchaser was not purchasing the property for his own account or as his primary residence. He had not advanced any money toward the purchase, but had agreed to accept $2,500 for serving as a "straw buyer" in the transaction, without any intention of occupying the property. The purchaser was not employed by Neri Transportation for any amount, but was employed by Vision Quest as a telemarketer. Further, Arvi Salting received $20,000 at close of escrow, but Arvi Salting is in actuality the wife of one of the respondents and was not a bona fide third party. The purchaser was compensated for acting as a "straw buyer" in the transaction by receiving $2,000 from the proceeds of the mortgage loans and $500 from one of the respondents after the close of escrow.

17. The acts and omission of respondents as set forth in Findings 14, 15, and 16, above, constitute the substantial misrepresentation of a material fact, a continued and flagrant course of misrepresentation and fraud and dishonest dealing.

Third Cause for Disciplinary Action

18. From March 1, 2006, through April 6, 2006, in the course of the mortgage loan brokerage and real estate resale brokerage activities set forth above, respondents entered into and participated in a fraudulent plan and scheme to substantially benefit themselves by

inducing three different mortgage lenders to make mortgage loans to finance a single purchaser's (Heraclio Hernandez) purchases of residential real property by misrepresenting the purchaser's qualifications and by concealing their true intentions from the mortgage lenders.

19. Respondents solicited and obtained first and second mortgage loans for $562,500 and $187,500 from Ownit Mortgage Solutions, Inc. ostensibly to finance the purchaser's purchase of the real property at 1348 Park Pleasant Circle, San Jose, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of the purchaser. In addition, respondents concealed the other purchase and mortgage loan transactions from the mortgage lender.

20. Respondents solicited and obtained first and second mortgage loans for $512,000 and $128,000 from WMC Mortgage Corp. ostensibly to finance the purchaser's purchase of the real property at 79 West Alma Avenue, San Jose, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of the purchaser. In addition, respondents concealed the other purchase and mortgage loan transactions from the mortgage lender.

21. Respondents solicited and obtained first and second mortgage loans for $524,800 and $131,200 from Greenpoint Mortgage Funding, Inc., ostensibly to finance the purchaser's purchase of the real property at 1647 Farringdon Drive, San Jose, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of the purchaser. In addition, respondents concealed the other purchase and mortgage loan transactions from the mortgage lender.

22. In truth and fact, respondents knew of all three transactions and knew the purchaser was not buying the properties as his primary residence.

23. The acts and omissions of respondents as set forth in Findings 18, 19, 20, and 21, above, constitute the substantial misrepresentation of material facts, a continued and flagrant course of misrepresentation and fraud, and dishonest dealing.

Fourth Cause for Disciplinary Action

24. From August 2005 through October 2005, in the course of the mortgage loan brokerage and real estate resale brokerage activities described above, respondents entered into and participated in a fraudulent plan and scheme to substantially benefit themselves by inducing a mortgage lender to make mortgage loans to finance the purchaser's (Patricia Lynch) purchases of residential real property by misrepresenting the purchaser's qualifications and by concealing their true intentions from the mortgage lender.

25. From August 2005 through October 2005, respondents solicited and obtained first and second mortgage loans for $548,000 and $137,000 from Unified Capitol Group, ostensibly to finance purchaser's purchase of the real property at 1618 Farringdon Court, San

Jose, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of the purchaser.

26. In truth and fact, respondents knew the purchaser was not buying the property as her primary residence.

27. The acts and omissions of respondents as set forth in Findings 24 through 26, above, constitute the substantial misrepresentation of material fact, a continued and flagrant course of misrepresentation and fraud and dishonest dealing.

Fifth Cause for Disciplinary Action

28. From February 7, 2006, through June 1, 2007, in connection with the purchase and mortgage loan transactions set forth above, respondent Vision Quest failed to retain for three years copies of all listings, deposit receipts, cancelled checks, trust records and other documents executed or obtained by respondent Vision Quest in connection with transactions for which a real estate broker license is required and failed after notice to make those cancelled checks and other trust records available for examination, inspection and copying by the designated representative of the Real Estate Commissioner.

Sixth Cause for Disciplinary Action

29. In acting as a real estate broker as set forth above, Mariposa Mortgage accepted or received funds in trust from or on behalf of sellers, buyers, lenders and investors, borrowers and others in connection with the mortgage loan brokerage activities set forth above, and thereafter from time to time made disbursements of those trust funds.

30. From June 1, 2004 through June 30, 2006, in connection with the collection and disbursement of the trust funds, respondent Mariposa failed to keep a columnar record in chronological sequence of all trust funds received and disbursed as required by law; failed to keep a separate record for each beneficiary or transaction as required by law; failed to reconcile, at least once a month, the balance of all separate beneficiary or transaction records with the record of all trust funds in conformance with the requirements of the law; and failed to place trust funds entrusted to respondent Mariposa into the hands of a principal on whose behalf the funds were received, into a neutral escrow depository, or into a trust fund account in the name of respondent Mariposa as trustee at a bank or other financial institution, in conformance with the requirements of the law.

Seventh Cause for Disciplinary Action

31. From June 1, 2004, through June 30, 2006, in the course of the real estate brokerage activities set forth above, respondent Mariposa failed to provide mortgage loan disclosure statements containing all of the information required by law.

Eighth Cause for Disciplinary Action

32. Respondent Pho failed to exercise reasonable supervision over the acts of respondents Mariposa and Vision Quest in such a manner as to allow the acts and events described in the Findings above, to occur.

LEGAL CONCLUSIONS

1. By reason of the matters set forth in Findings 7 through 13, cause for disciplinary action exists against respondents pursuant to Business and Professions Code section 10176, subdivisions (a) (making any substantial misrepresentation), (c) (a continued and flagrant course of misrepresentation), and (i) (fraud or dishonest dealing), and section 10177 (g) (negligence or incompetence).

2. By reason of the matters set forth in Findings 14 through 17, cause for disciplinary action exists against respondents pursuant to Business and Professions Code section 10176, subdivisions (a) (making any substantial misrepresentation), (c) (a continued and flagrant course of misrepresentation), and (i) (fraud or dishonest dealing), and section 10177 (g) (negligence or incompetence).

3. By reason of the matters set forth in Findings 18 through 23, cause for disciplinary action exists against respondents pursuant to Business and Professions Code section 10176, subdivisions (a) (making any substantial misrepresentation), (c) (a continued and flagrant course of misrepresentation), and (i) (fraud or dishonest dealing), and section 10177 (g) (negligence or incompetence).

4. By reason of the matters set forth in Findings 24 through 27, cause for disciplinary action exists against respondents pursuant to Business and Professions Code section 10176, subdivisions (a) (making any substantial misrepresentation), (c) (a continued and flagrant course of misrepresentation), and (i) (fraud or dishonest dealing), and section 10177 (g) (negligence or incompetence).

5. By reason of the matters set forth in Finding 28, cause for disciplinary action exists against respondents pursuant to Business and Professions Code section 10148 (records) in conjunction with section 10177, subdivision (d) (willful disregard for the law).

6. By reason of the matters set forth in Findings 29 and 30, cause for disciplinary action exists against Mariposa pursuant to Business and Professions Code section 10177, subdivision (d) (willful disregard for the law) in conjunction with California Code of Regulations, title 10, sections 2731, 2831, 2831.2, and 2832 (documentation requirements).

7. By reason of the matters set forth in Finding 31, cause for disciplinary action exists against Mariposa pursuant to Business and Professions Code section 10177, subdivision (d) (willful disregard for the law) in conjunction with sections 10236.4 and

10240 (written disclosure statements) and California Code of Regulations, title 10, sections 2731, 2831, 2831.2, and 2832 (documentation requirements).

8. By reason of the matters set forth in Finding 32, cause for disciplinary action exists against Pho pursuant to Business and Professions Code section 10177, subdivisions (g) (negligence), and (h) (lack of supervision) and section 10159.2 (responsibility of corporate officer in charge) in conjunction with section 10177, subdivision (d) (willful disregard for the law).

ORDER

1. All licenses and licensing rights of respondent Mariposa Mortgage, Inc., under the Real Estate Law are revoked.

2. All licenses and licensing rights of respondent Vision Quest 21, Inc., under the Real Estate Law are revoked.

3. All licenses and licensing rights of respondent Bic D. Pho under the Real Estate Law are revoked.

DATED: 6/22/11

Ruth S. Astle

RUTH S. ASTLE
Administrative Law Judge
Office of Administrative Hearings

FILED

AUG 17 2010

DEPARTMENT OF REAL ESTATE

By L. Frost

EFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of MARIPOSA MORTGAGE, INC., a California Corporation, VISION QUEST 21, INC., a California corporation, BIC D. PHO, MILTON C. McLAURIN, NATRIAN BERNARD MAXWELL, MARK DWELLE, FELIPE ARTURO NERI, GERALDINE KATHLEEN NUNEZ, JULISSA I. GILL, GLORIA M. ALVAREZ, RUTH MABEL MEJORADO, ROBERT PAUL ATENCIO, Jr., ROBERT WARDEN, ROBERT SEAN VILLEGAS, EDDIE BURNIAS, PETER G.SANCHEZ, MINERVA SANCHEZ RUSHWAN T. JONES, and JOHN TRUNG NGUYEN, Respondents.	NO. H-10082 SF

DISMISSAL

The First Amended Accusation herein filed on June 2, 2008, against Respondent ROBERT SEAN VILLEGAS is DISMISSED.

IT IS SO ORDERED 7/27/2010.

JEFF DAVI
Real Estate Commissioner

FLAG

FILED

AUG 17 2010

DEPARTMENT OF REAL ESTATE

By L. Frost

EFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of MARIPOSA MORTGAGE, INC., a California Corporation, VISION QUEST 21, INC., a California corporation, BIC D. PHO, MILTON C. McLAURIN, NATRIAN BERNARD MAXWELL, MARK DWELLE, FELIPE ARTURO NERI, GERALDINE KATHLEEN NUNEZ, JULISSA I. GILL, GLORIA M. ALVAREZ, RUTH MABEL MEJORADO, ROBERT PAUL ATENCIO, Jr., ROBERT WARDEN, ROBERT SEAN VILLEGAS, EDDIE BURNIAS, PETER G.SANCHEZ, MINERVA SANCHEZ RUSHWAN T. JONES, and JOHN TRUNG NGUYEN, Respondents.	NO. H-10082 SF

DISMISSAL

The First Amended Accusation herein filed on June 2, 2008, against Respondent GERALDINE KATHLEEN NUNEZ is DISMISSED.

IT IS SO ORDERED 7-12-2010.

JEFF DAVI
Real Estate Commissioner

FLAG

FILED

AUG 17 2010

DEPARTMENT OF REAL ESTATE

By

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of MARIPOSA MORTGAGE, INC., a California Corporation, VISION QUEST 21, INC., a California corporation, BIC D. PHO, MILTON C. McLAURIN, NATRIAN BERNARD MAXWELL, MARK DWELLE, FELIPE ARTURO NERI, GERALDINE KATHLEEN NUNEZ, JULISSA I. GILL, GLORIA M. ALVAREZ, RUTH MABEL MEJORADO, ROBERT PAUL ATENCIO, Jr., ROBERT WARDEN, ROBERT SEAN VILLEGAS, EDDIE BURNIAS, PETER G.SANCHEZ, MINERVA SANCHEZ RUSHWAN T. JONES, and JOHN TRUNG NGUYEN, Respondents.	NO. H-10082 SF

DISMISSAL

The First Amended Accusation herein filed on June 2, 2008, against Respondent MINERVA SANCHEZ, MARK DWELLE, MILTON C. McLAURIN, RUTH MABEL MEJORADO, RUSHAWN T. JONES, is DISMISSED.

IT IS SO ORDERED 8-12, 2010.

JEFF DAVI
Real Estate Commissioner

FILED

AUG 17 2010

DEPARTMENT OF REAL ESTATE

By L. Frost

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of	)	
	)	NO. H-10082 SF
MARIPOSA MORTGAGE, INC., a California Corporation, VISION QUEST 21, INC., a California corporation, BIC D. PHO, MILTON C. McLAURIN, NATRIAN BERNARD MAXWELL, MARK DWELLE, FELIPE ARTURO NERI, GERALDINE KATHLEEN NUNEZ, JULISSA I. GILL, GLORIA M. ALVAREZ, RUTH MABEL MEJORADO, ROBERT PAUL ATENCIO, Jr., ROBERT WARDEN, ROBERT SEAN VILLEGAS, EDDIE BURNIAS, PETER G.SANCHEZ, MINERVA SANCHEZ RUSHWAN T. JONES, and JOHN TRUNG NGUYEN,	)	
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 February 23, 2009, and the findings of fact set forth herein, which are based on one or more of the following: (l) Respondents' express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

1

On May 28, 2008, Charles W. Koenig made the First Amended Accusation in his official capacity as a Deputy Real Estate Commissioner of the State of California. The First

Amended Accusation, Statement to Respondent and Notice of Defense were mailed, by regular and certified mail, to Respondents' last known mailing addresses on file with the Department on June 3, 2008.

2

On February 23, 2009, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondents' default was entered herein.

3

Respondent NATRIAN BERNARD MAXWELL (hereinafter "Respondent MAXWELL") and Respondent FELIPE ARTURO NERI (hereinafter "Respondent NERI"), are presently licensed and/or have license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereafter "the Code").

4

At all times herein mentioned, Respondent MAXWELL was and is licensed by the Department of Real Estate (hereafter "the Department") as a real estate salesperson.

5

At all times herein mentioned, Respondent NERI was and is licensed by the Department of Real Estate (hereafter "the Department") as a real estate salesperson.

6

At all times herein mentioned, Respondents MAXWELL and NERI were licensed in the employ of VISION QUEST 21, INC., a licensed corporate real estate broker, under a broker-salesperson arrangement.

7

With reference to the facts set forth in Paragraphs 1 through 6, above, Respondents engaged in the business of, acted in the capacity of, advertised, or assumed to act as real estate brokers within the meaning of Sections 10131(a) and 10131(d), including:

(a) Selling or offering to sell, buying or offering to buy, soliciting prospective sellers or purchasers of, soliciting or obtaining listings of, or negotiating the purchase, sale or exchange of real property or a business opportunity; and,

(b) Soliciting borrowers or lenders for or negotiating loans or collecting payments or performing services for borrowers or lenders or note owners in connection with loans secured directly or collaterally by liens on real property or on a business opportunity.

FIRST CAUSE OF ACTON

8

From approximately February 7, 2006 through March 31, 2006, in the course of the mortgage loan brokering activities and real estate brokerage activities described in Paragraph 7, above, Respondent MAXWELL, in association with Michele Barries (hereinafter "Barries") entered into a fraudulent plan or scheme to substantially benefit themselves by inducing four different mortgage lenders to make mortgage loans to finance Barries' purchases of residential real property by misrepresenting Barries' qualifications and by concealing their true intentions from the mortgage lenders.

9

From approximately February 7, 2006 through March 31, 2006, Respondent MAXWELL committed the following acts in furtherance of the fraudulent plan or scheme described in Paragraph 8, above:

(a) Said Respondent solicited and obtained first and second mortgage loans for $360,000.00 and $120,000.00 from Ownit Mortgage Solutions, Inc., to finance Barries' purchase of the real property at 904 Cold Brook Way, Galt, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Barries and that Barries was then employed as a web designer. Said Respondent also materially inflated Barries' monthly income;

(b) Said Respondent solicited and obtained first and second mortgage loans for $402,400.00 and $100,000.00 from New Century Mortgage Corporation to finance Barries' purchase of the real property at 993 Manton Court, Galt, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Barries and that Barries was then employed as a web designer. Said Respondent also materially inflated Barries' monthly income;

(c) Said Respondent solicited and obtained first and second mortgage loans for $404,000.00 and $101,000.00 from Opteum Financial Services, LLC, to finance Barries' purchase of the real property at 10414 Point Reyes Circle, Stockton, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Barries and that Barries was then employed as a web designer. Said Respondent also materially inflated Barries' monthly income;

(d) Said Respondent solicited and obtained first and second mortgage loans for $424,000.00 and $106,000.00 from Long Beach Mortgage Company to finance Barries' purchase of the real property at 983 Colmore Way, Galt, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Barries and that Barriers was then employed as a web designer. Said Respondent also materially inflated Barries' monthly income; and,

(e) Said Respondent concealed from each of the mortgage lenders identified hereinabove the other purchases and mortgage loan transactions.

10

In truth and fact, Respondent MAXWELL knew Barries was not buying any of the subject properties as her primary residence, that Barries was not employed as a web designer, and that Barries' income was materially less than the amount represented to the mortgage lenders.

11

The acts and omissions of Respondent MAXWELL described in Paragraphs 8 through 10, above, constitute substantial misrepresentations of a material fact, fraud, and dishonest dealing.

SECOND CAUSE OF ACTION

12

From approximately March 1, 2006, through May 15, 2006, in the course of the mortgage loan brokerage and real estate resale brokerage activities described in Paragraph 7, above, Respondents MAXWELL and NERI, in association with Kulwinder Singh (hereinafter "Singh") entered into and participated in a fraudulent plan or scheme to substantially benefit themselves by inducing a mortgage lender to make a mortgage loan ostensibly to finance Singh's purchases of residential real property by misrepresenting Singh's qualifications and by concealing their true intentions from the mortgage lender.

13

From approximately March 1, 2006, through May 15, 2006, in the course of the fraudulent plan or scheme described in Paragraph 12, above, Respondents MAXWELL and NERI solicited and obtained mortgage loans in the sum of $463,200.00 and $115,800.00 from Fremont Investment and Loan, Inc., secured by real property at 1390 Saddle Rack Street, #434, San Jose, California, ostensibly to finance the purchase by Singh of the property, by representing, contrary to fact:

(a) That Singh was purchasing the property for his own account as Singh's primary residence, and that Singh had advanced $4,045.00 toward the purchase of the property;

(b) That Singh was employed earning $12,000.00 per month from Neri Transportation Company; and,

(c) That the sum of $20,000.00 from the Seller's proceeds of sale would be disbursed at close of the escrow consummating the sale and loans to a bona fide third party named Arvi Stalling.

14

When the representations described in Paragraph 13, above, were made, Respondents MAXWELL and NERI knew that the representations were false. In truth and fact:

(a) Singh was not purchasing the property for Singh's own account or as Singh's primary residence, and Singh had not advanced $4,045.00 toward the purchase of the property, or any other sum, but instead had agreed to accept $2,500.00 for serving as a "straw buyer" in the transaction, without any intention of occupying the property;

(b) Singh was not employed by Neri Transportation Company for any amount at all, but instead was employed by Vision Quest 21, Inc., as a telemarketer under the supervision of Respondents MAXWELL and NERI;

(c) Arvi Stalling received $20,000.00 at close of escrow, but Arvi Stalling is and was in actuality Respondent MAXWELL's wife and not a bona fide third party; and,

(d) Singh was compensated for acting as a straw buyer in the transaction by receiving $2,000.00 from the mortgage loans and $500.00 from Respondent MAXWELL after close of escrow.

15

The acts and omissions of Respondents MAXWELL and NERI described in Paragraphs 12 through 14, above, constitute substantial misrepresentations of a material fact, fraud, and dishonest dealing.

DETERMINATION OF ISSUES

16

The acts and/or omissions of Respondent MAXWELL, as alleged in Paragraphs 8 through 15, above and the acts and/or omissions of Respondent NERI as alleged in Paragraphs 12 through 15, above, constitute grounds for the revocation or suspension of Respondents' licenses and/or license rights under the following provisions:

(a) Under Section 10176(a) of the Code (making a substantial misrepresentation);

(b) Under Section 10176(c) of the Code (continued and flagrant course of misrepresentation or false promises through salespersons);

(c) Under Section 10176(i) of the Code (any other conduct, whether of the same or a different character than specified in this section, which constitutes fraud or dishonest dealing); and

(d) Under Section 10177(g) of the Code (demonstrated negligence or incompetence performing an act for which a license is required).

17

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

ORDER

All licenses and licensing rights of Respondent NATRIAN BERNARD MAXWELL and Respondent FELIPE ARTURO NERI under the provisions of Part I of Division 4 of the Business and Professions Code, are revoked.

This Decision shall become effective at 12 o'clock noon on SEP 06 2010.

DATED: 7/27/2010

JEFF DAVI
Real Estate Commissioner

Department of Real Estate
P. O. Box 187007
Sacramento, CA 95818-7007

Telephone: (916) 227-0789

FILED
FEB 23 2009
DEPARTMENT OF REAL ESTATE
By L. Frost

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

In the Matter of the Accusation of MARIPOSA MORTGAGE, INC. a California Corporation, VISION QUEST 21, INC., a California Corporation, BIC D. PHO, MILTON C. McLAURIN, NATRIAN BERNARD MAXWELL, MARK DWELLE, FELIPE ARTURO NERI, JULISSA I. GILL, GERALDINE KATHLEEN NUNEZ, GLORIA M. ALVAREZ, RUTH MABEL MEJORADO, ROBERT PAUL ATENCIO, JR., ROBERT WARDEN, ROBERT SEAN VILLEGAS, EDDIE BURNIAS, PETER G. SANCHEZ, MINERVA SANCHEZ, RUSHAWN T. JONES, and JOHN TRUNG NGUYEN, Respondents.	No. H-10082 SF DEFAULT ORDER

Respondents, NATRIAN BERNARD MAXWELL, FELIPE ARTURO NERI, GLORIA M. ALVAREZ, ROBERT PAUL ATENCIO, JR., ROBERT WARDEN, EDDIE BURNIAS, PETER G. SANCHEZ, and JOHN TRUNG NGUYEN, having failed to file Notices of Defense within the time required by Section 11506 of the Government Code, are now in default. It is, therefore, ordered that a default be entered on the record in this matter.

IT IS SO ORDERED February 23, 2009.

JEFF DAVI
Real Estate Commissioner

By: Charles Koenig
CHARLES W. KOENIG
Regional Manager

FILED

AUG 17 2010

DEPARTMENT OF REAL ESTATE

By L. Frost

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of	)	
	)	NO. H-10082 SF
MARIPOSA MORTGAGE, INC., a California Corporation, VISION QUEST 21, INC., a California corporation, BIC D. PHO, MILTON C. McLAURIN, NATRIAN BERNARD MAXWELL, MARK DWELLE, FELIPE ARTURO NERI, GERALDINE KATHLEEN NUNEZ, JULISSA I. GILL, GLORIA M. ALVAREZ, RUTH MABEL MEJORADO, ROBERT PAUL ATENCIO, Jr., ROBERT WARDEN, ROBERT SEAN VILLEGAS, EDDIE BURNIAS, PETER G.SANCHEZ, MINERVA SANCHEZ RUSHWAN T. JONES, and JOHN TRUNG NGUYEN,	)	
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 February 23, 2009, and the findings of fact set forth herein, which are based on one or more of the following: (1) Respondents' express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

1

On May 28, 2008, Charles W. Koenig made the First Amended Accusation in his official capacity as a Deputy Real Estate Commissioner of the State of California. The First

Amended Accusation, Statement to Respondent and Notice of Defense were mailed, by regular and certified mail, to Respondents' last known mailing addresses on file with the Department on June 3, 2008.

2

On February 23, 2009, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondents' default was entered herein.

3

Respondent PETER G.SANCHEZ (hereinafter "Respondent P. SANCHEZ"), Respondent ROBERT WARDEN (hereinafter "Respondent Warden"), and Respondent EDDIE BURNIAS (hereinafter "Respondent BURNIAS") are presently licensed and/or have license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereafter "the Code").

4

At all times herein mentioned, Respondent P. SANCHEZ was licensed by the Department as a real estate salesperson.

5

At all times herein mentioned, Respondent P. SANCHEZ was licensed in the employ of VISION QUEST 21, INC., a licensed corporate real estate broker under a broker-salesperson arrangement.

6

At all times herein mentioned, Respondent WARDEN was licensed by the Department as a conditional real estate salesperson.

7

At all times herein mentioned, Respondent WARDEN was licensed in the employ of MARIPOSA MORTGAGE, INC., a licensed corporate real estate broker under a broker-salesperson arrangement.

8

At all times herein mentioned, Respondent BURNIAS was licensed by the Department as a real estate salesperson.

9

At all times herein mentioned, Respondent BURNIAS was licensed in the employ of MARIPOSA MORTGAGE, INC., a licensed corporate real estate broker under a broker-salesperson arrangement.

10

With reference to the facts set forth in Paragraphs 1 through 9, above, Respondents engaged in the business of, acted in the capacity of, advertised, or assumed to act as real estate brokers within the meaning of Sections 10131(a) and 10131(d), including:

(a) Selling or offering to sell, buying or offering to buy, soliciting prospective sellers or purchasers of, soliciting or obtaining listings of, or negotiating the purchase, sale or exchange of real property or a business opportunity; and,

(b) Soliciting borrowers or lenders for or negotiating loans or collecting payments or performing services for borrowers or lenders or note owners in connection with loans secured directly or collaterally by liens on real property or on a business opportunity.

FIFTH CAUSE OF ACTON

11

In approximately January 2007, in the course of the mortgage loan brokering activities and real estate brokerage activities described in Paragraph 10, above, Respondent P. SANCHEZ, Respondent WARDEN, and Respondent BURNIAS in association with Ruben Pacheco (hereinafter "Pacheco") entered into a fraudulent plan or scheme to substantially benefit themselves by inducing mortgage lenders to make mortgage loans ostensibly to finance Pacheco's purchase of residential real property by misrepresenting Pacheco's qualifications and by concealing their true intentions from the mortgage lenders.

12

In approximately January 2007, Respondents P. SANCHEZ, WARDEN and BURNIAS committed the following acts in furtherance of the fraudulent plan or scheme described in Paragraph 11, above:

(a) Said Respondents solicited and obtained first and second mortgage loans in the sum of $368,000.00 and $92,000.00 from Mortgageit, Inc., secured by real property at 1763 - 84th Avenue, Oakland, California, ostensibly to finance the purchase by Pacheco of the property, by representing, contrary to fact, that Pacheco was purchasing the property for his own account as Pacheco's primary residence and that Pacheco was then employed as a Project Manager. Said Respondents also materially inflated Pacheco's income;

(b) Said Respondents solicited and obtained first and second mortgage loans in the sum of $620,000.00 and $155,000.00 from New Century Mortgage secured by real property at 3000 Hoover Street, Stockton, California, ostensibly to finance the purchase by Pacheco of the property, by representing, contrary to fact, that Pacheco was purchasing the property for his own account as Pacheco's primary residence and that Pacheco was then employed as a Financial Services Manager. Said Respondents also materially inflated Pacheco's income and concealed the other purchase and mortgage loan transactions from the mortgage lender;

(c) Said Respondents solicited and obtained first and second mortgage loans for $344,000.00 and $86,000.00 from First National Bank of Arizona secured by real property at 1500 Houser Lane, Modesto, California, ostensibly to finance the purchase by Pacheco of the property, by representing, contrary to fact, that Pacheco was purchasing the property for his own account as Pacheco's primary residence and that Pacheco was then employed as a Project Manager. Said Respondents also materially inflated Pacheco's income and concealed the other purchase and mortgage loan transactions from the mortgage lender; and,

(d) Said Respondents solicited and obtained first and second mortgage loans for $480,000.00 and $120,000.00 from BNC Mortgage, Inc., secured by real property at 3013 East Hills, San Jose, California, ostensibly to finance the purchase by Pacheco of the property, by representing, contrary to fact, that Pacheco was purchasing the property for his own account as Pacheco's primary residence and that Pacheco was then employed as a Project Manager. Said Respondents also materially inflated Pacheco's income and concealed the other purchase and mortgage loan transactions from the mortgage lender.

13

When the representations described in Paragraph 12, above, were made, Respondents P. SANCHEZ, WARDEN and BURNIAS knew the representations were false. In truth and fact:

(a) Pacheco was not purchasing any of the four properties for his own account nor was he planning to use any of the properties as his primary residence;

(b) Pacheco was not employed by Winger Electric for any amount or at all; and,

(c) Respondents represented to the mortgage lenders that Pacheco had advanced $1,000.00 toward the purchase of the properties, but instead agreed to accept $5,000.00 for serving as a "co-signer" in the transactions, without any intention of occupying the properties.

14

The acts and omissions of Respondent P. SANCHEZ, Respondent WARDEN and Respondent BURNIAS described in Paragraphs 11 through 13, above, constitute substantial misrepresentations of a material fact, fraud, and dishonest dealing.

DETERMINATION OF ISSUES

15

The acts and/or omissions of Respondent P. SANCHEZ, Respondent WARDEN and Respondent BURNIAS as alleged in Paragraphs 11 through 14, above, constitute grounds for the revocation or suspension of Respondents' licenses and/or license rights under the following provisions:

(a) Under Section 10176(a) of the Code (making a substantial misrepresentation);
(b) Under Section 10176(c) of the Code (continued and flagrant course of misrepresentation or false promises through salespersons);
(c) Under Section 10176(i) of the Code (any other conduct, whether of the same or a different character than specified in this section, which constitutes fraud or dishonest dealing); and,
(d) Under Section 10177(g) of the Code (demonstrated negligence or incompetence performing an act for which a license is required).

16

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

ORDER

All licenses and licensing rights of Respondent PETER G.SANCHEZ, Respondent ROBERT WARDEN and Respondent EDDIE BURNIAS under the provisions of Part I of Division 4 of the Business and Professions Code, are revoked.

This Decision shall become effective at 12 o'clock noon on SEP 0 6 2010.

DATED: 7/27/2010

JEFF DAVI
Real Estate Commissioner

Department of Real Estate
P. O. Box 187007
Sacramento, CA 95818-7007

Telephone: (916) 227-0789

FILED
FEB 23 2009
DEPARTMENT OF REAL ESTATE
By L. Frost

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

In the Matter of the Accusation of MARIPOSA MORTGAGE, INC. a California Corporation, VISION QUEST 21, INC., a California Corporation, BIC D. PHO, MILTON C. McLAURIN, NATRIAN BERNARD MAXWELL, MARK DWELLE, FELIPE ARTURO NERI, JULISSA I. GILL, GERALDINE KATHLEEN NUNEZ, GLORIA M. ALVAREZ, RUTH MABEL MEJORADO, ROBERT PAUL ATENCIO, JR., ROBERT WARDEN, ROBERT SEAN VILLEGAS, EDDIE BURNIAS, PETER G. SANCHEZ, MINERVA SANCHEZ, RUSHAWN T. JONES, and JOHN TRUNG NGUYEN, Respondents.	No. H-10082 SF DEFAULT ORDER

Respondents, NATRIAN BERNARD MAXWELL, FELIPE ARTURO NERI, GLORIA M. ALVAREZ, ROBERT PAUL ATENCIO, JR., ROBERT WARDEN, EDDIE BURNIAS, PETER G. SANCHEZ, and JOHN TRUNG NGUYEN, having failed to file Notices of Defense within the time required by Section 11506 of the Government Code, are now in default. It is, therefore, ordered that a default be entered on the record in this matter.

IT IS SO ORDERED February 23, 2009.

JEFF DAVI
Real Estate Commissioner

By: Charles Koenig
CHARLES W. KOENIG
Regional Manager

FILED

JUL 27 2010

DEPARTMENT OF REAL ESTATE

By

EFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of MARIPOSA MORTGAGE, INC., a California Corporation, VISION QUEST 21, INC., a California corporation, BIC D. PHO, MILTON C. McLAURIN, NATRIAN BERNARD MAXWELL, MARK DWELLE, FELIPE ARTURO NERI, GERALDINE KATHLEEN NUNEZ, JULISSA I. GILL, GLORIA M. ALVAREZ, RUTH MABEL MEJORADO, ROBERT PAUL ATENCIO, Jr., ROBERT WARDEN, ROBERT SEAN VILLEGAS, EDDIE BURNIAS, PETER G.SANCHEZ, MINERVA SANCHEZ RUSHWAN T. JONES, and JOHN TRUNG NGUYEN, Respondents.	NO. H-10082 SF

DISMISSAL

The First Amended Accusation herein filed on June 2, 2008, against Respondent JULISSA I. GILL is DISMISSED.

IT IS SO ORDERED 7/27/2010.

JEFF DAVI
Real Estate Commissioner

FILED

JUL 20 2010

DEPARTMENT OF REAL ESTATE

By

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of MARIPOSA MORTGAGE, INC., a California Corporation, VISION QUEST 21, INC., a California corporation, BIC D. PHO, MILTON C. McLAURIN, NATRIAN BERNARD MAXWELL, MARK DWELLE, FELIPE ARTURO NERI, GERALDINE KATHLEEN NUNEZ, JULISSA I. GILL, GLORIA M. ALVAREZ, RUTH MABEL MEJORADO, ROBERT PAUL ATENCIO, Jr., ROBERT WARDEN, ROBERT SEAN VILLEGAS, EDDIE BURNIAS, PETER G.SANCHEZ, MINERVA SANCHEZ RUSHWAN T. JONES, and JOHN TRUNG NGUYEN, Respondents.	)	NO. H-10082 SF

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 February 23, 2009, and the findings of fact set forth herein, which are based on one or more of the following: (l) Respondent's express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

1

On May 28, 2008, Charles W. Koenig made the First Amended Accusation in his official capacity as a Deputy Real Estate Commissioner of the State of California. The First Amended Accusation, Statement to Respondent and Notice of Defense were mailed, by regular

and certified mail, to Respondents' last known mailing addresses on file with the Department on June 3, 2008.

2

On February 23, 2009, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondents' default was entered herein.

3

Respondent GLORIA M. ALVAREZ (hereinafter "Respondent ALVAREZ"), is presently licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereafter "the Code").

4

At all times herein mentioned, Respondent ALVAREZ was licensed by the Department of Real Estate (hereafter "the Department") as a real estate salesperson.

5

At all times herein mentioned, Respondent ALVAREZ was licensed in the employ of VISION QUEST 21, INC., a licensed corporate real estate broker under a broker-salesperson arrangement.

6

With reference to the facts set forth in Paragraphs 1 through 5, above, Respondent engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate broker within the meaning of Sections 10131(a) and 10131(d), including:

(a) Selling or offering to sell, buying or offering to buy, soliciting prospective sellers or purchasers of, soliciting or obtaining listings of, or negotiating the purchase, sale or exchange of real property or a business opportunity; and,

(b) Soliciting borrowers or lenders for or negotiating loans or collecting payments or performing services for borrowers or lenders or note owners in connection with loans secured directly or collaterally by liens on real property or on a business opportunity.

THIRD CAUSE OF ACTON

7

From approximately March 1, 2006 through April 6, 2006, in the course of the mortgage loan brokering activities and real estate brokerage activities described in Paragraph 6,

above, Respondent ALVAREZ, in association with Heraclio Hernandez (hereinafter "Hernandez") entered into and participated in a fraudulent plan or scheme to substantially benefit themselves by inducing three different mortgage lenders to make mortgage loans to finance Hernandez' purchases of residential real property by misrepresenting Hernandez' qualifications and by concealing their true intentions from the mortgage lenders.

8

From approximately March 1, 2006 through April 6, 2006, Respondent ALVAREZ committed the following acts in furtherance of the fraudulent plan or scheme described in Paragraph 7, above:

(a) Said Respondent solicited and obtained first and second mortgage loans for $562,500.00 and $187,500.00 from Ownit Mortgage Solutions, Inc., ostensibly to finance Hernandez' purchase of the real property at 1348 Park Pleasant Circle, San Jose, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Hernandez. In addition, said Respondent concealed the other purchase and mortgage loan transactions from the mortgage lender;

(b) Said Respondent solicited and obtained first and second mortgage loans for $512,000.00 and $128,000.00 from WMC Mortgage Corp ostensibly to finance Hernandez' purchase of the real property at 79 West Alma Avenue, San Jose, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Hernandez. In addition, said Respondent concealed the other purchase and mortgage loan transactions from the mortgage lender; and,

(c) Said Respondent solicited and obtained first and second mortgage loans for $524,800.00 and $131,200.00 from Greenpoint Mortgage Funding to finance Hernandez' purchase of the real property at 1647 Farringdon Drive, San Jose, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Hernandez. In addition, said Respondent concealed the other purchase and mortgage loan transactions from the mortgage lender.

9

In truth and fact, Respondent ALVAREZ knew of all three transactions and knew Hernandez was not buying any of the subject properties as his primary residence.

10

The acts and omissions of Respondent ALVAREZ described in Paragraphs 7 through 9, above, constitute substantial misrepresentations of a material fact, fraud, and dishonest dealing.

DETERMINATION OF ISSUES

11

The acts and/or omissions of Respondent ALVAREZ as alleged in Paragraphs 7 through 10, above, constitute grounds for the revocation or suspension of Respondent's licenses and/or license rights under the following provisions:

(a) Under Section 10176(a) of the Code (making a substantial misrepresentation);
(b) Under Section 10176(c) of the Code (continued and flagrant course of misrepresentation or false promises through salespersons);
(c) Under Section 10176(i) of the Code (any other conduct, whether of the same or a different character than specified in this section, which constitutes fraud or dishonest dealing); and
(d) Under Section 10177(g) of the Code (demonstrated negligence or incompetence performing an act for which a license is required).

12

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

ORDER

All licenses and licensing rights of Respondent GLORIA M. ALVAREZ under the provisions of Part I of Division 4 of the Business and Professions Code, are revoked.

This Decision shall become effective at 12 o'clock noon on AUG 09 2010

DATED: 7/15/2010

JEFF DAVI
Real Estate Commissioner

FILED

JUL 15 2010

DEPARTMENT OF REAL ESTATE

By L. Frost

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of MARIPOSA MORTGAGE, INC., a California Corporation, VISION QUEST 21, INC., a California corporation, BIC D. PHO, MILTON C. McLAURIN, NATRIAN BERNARD MAXWELL, MARK DWELLE, FELIPE ARTURO NERI, JULISSA I. GILL, GERALDINE KATHLEEN NUNEZ, GLORIA M. ALVAREZ, RUTH MABEL MEJORADO, ROBERT PAUL ATENCIO, JR., ROBERT WARDEN, ROBERT SEAN VILLEGAS, EDDIE BURNIAS, PETER G. SANCHEZ, MINERVA SANCHEZ RUSHAWN T. JONES, and JOHN TRUNG NGUYEN, Respondents.	)	NO. H-10082 SF

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 February 23, 2009, and the findings of fact set forth herein, which are based on one or more of the following: (l) Respondents' express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

1

On May 28, 2008, Charles W. Koenig made the First Amended Accusation in his official capacity as a Deputy Real Estate Commissioner of the State of California. The First Amended Accusation, Statement to Respondent and Notice of Defense were mailed, by regular and

certified mail, to Respondents' last known mailing addresses on file with the Department on June 3, 2008.

2

On February 23, 2009, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondents' default was entered herein.

3

Respondent ROBERT PAUL ATENCIO, JR. (hereinafter "Respondent ATENCIO") and JOHN TRUNG NGUYEN (hereinafter "Respondent NGUYEN"), are presently licensed and/or have license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereafter "the Code").

4

At all times herein mentioned, Respondent ATENCIO was licensed by the Department of Real Estate (hereafter "the Department") as a real estate salesperson.

5

At all times herein mentioned, Respondent ATENCIO was licensed in the employ of Vision Quest 21, Inc., a licensed corporate real estate broker, under a broker-salesperson arrangement.

6

At all times herein mentioned, Respondent NGUYEN was licensed by the Department as a real estate salesperson.

7

At all times herein mentioned, Respondent NGUYEN was licensed in the employ of Mariposa Mortgage, Inc., a licensed corporate real estate broker, under a broker-salesperson arrangement.

8

With reference to the facts set forth in Paragraphs 3 through 7, above, Respondents engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate broker within the meaning of Sections 10131(a) and 10131(d), including:

(a) Selling or offering to sell, buying or offering to buy, soliciting prospective sellers or purchasers of, soliciting or obtaining listings of, or negotiating the purchase, sale or exchange of real property or a business opportunity; and,

(b) Soliciting borrowers or lenders for or negotiating loans or collecting payments or performing services for borrowers or lenders or note owners in connection with loans secured directly or collaterally by liens on real property or on a business opportunity.

FOURTH CAUSE OF ACTON

9

From approximately August 2005 through October 2005, in the course of the mortgage loan brokering activities and real estate brokerage activities described in Paragraph 8, above, Respondent ATENCIO and Respondent NGUYEN, in association with Patricia Lynch (hereinafter "Lynch") entered into a fraudulent plan or scheme to substantially benefit themselves by inducing a mortgage lender to make mortgage loans to finance Lynch's purchases of residential real property by misrepresenting Lynch's qualifications and by concealing their true intentions from the mortgage lenders.

10

From approximately August 2005 through October 2005, Respondents ATENCIO and NGUYEN committed the following acts in furtherance of the fraudulent plan or scheme described in Paragraph 8, above, said Respondents solicited and obtained first and second mortgage loans for $548,500.00 and $137,000.00 from United Capital Group, ostensibly to finance Lynch's purchase of the real property at 1618 Farringdon Court, San Jose, California, that secured the loans, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Lynch.

11

In truth and fact, Respondent ATENCIO and Respondent NGUYEN knew Lynch was not buying the subject property as Lynch's primary residence.

12

The acts and omissions of Respondent ATENCIO and Respondent NGUYEN described in Paragraphs 9 through 11, above, constitute substantial misrepresentations of a material fact, fraud, and dishonest dealing.

DETERMINATION OF ISSUES

13

The acts and/or omissions of Respondent ATENCIO and Respondent NGUYEN as alleged in Paragraphs 9 through 12, above, constitute grounds for the revocation or suspension of Respondents' licenses and/or license rights under the following provisions:

(a) Under Section 10176(a) of the Code (making a substantial misrepresentation);

(b) Under Section 10176(c) of the Code (continued and flagrant course of misrepresentation or false promises through salespersons);

(c) Under Section 10176(i) of the Code (any other conduct, whether of the same or a different character than specified in this section, which constitutes fraud or dishonest dealing); and

(d) Under Section 10177(g) of the Code (demonstrated negligence or incompetence performing an act for which a license is required).

14

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

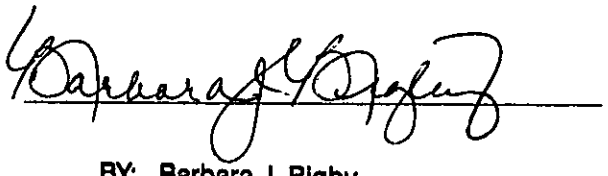
ORDER

All licenses and licensing rights of Respondent ROBERT PAUL ATENCIO, JR. and Respondent JOHN TRUNG NGUYEN, under the provisions of Part I of Division 4 of the Business and Professions Code, are revoked.

This Decision shall become effective at 12 o'clock noon on JUL 15 2010.

DATED: 7-12-10

JEFF DAVI
Real Estate Commissioner



BY: Barbara J. Bigby
Chief Deputy Commissioner

ANGELA L. CASH, Counsel (SBN 230882)
Department of Real Estate
P. O. Box 187007
Sacramento, CA 95818-7007

Telephone: (916) 227-0789
-or- (916) 227-0805 (Direct)

FILED
JUN - 2 2008
DEPARTMENT OF REAL ESTATE
By

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of MARIPOSA MORTGAGE, INC., a California Corporation, VISION QUEST 21, INC., a California Corporation, BIC D. PHO, MILTON C. McLAURIN, NATRIAN BERNARD MAXWELL, MARK DWELLE, FELIPE ARTURO NERI, JULISSA I. GILL, GERALDINE KATHLEEN NUNEZ, GLORIA M. ALVAREZ, RUTH MABEL MEJORADO, ROBERT PAUL ATENCIO, JR., ROBERT WARDEN, ROBERT SEAN VILLEGAS, EDDIE BURNIAS, PETER G. SANCHEZ, MINERVA SANCHEZ, RUSHAWN T. JONES, and JOHN TRUNG NGUYEN, Respondents.	H-10082 SF FIRST AMENDED ACCUSATION

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The Complainant, Charles W. Koenig, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against Respondents MARIPOSA MORTGAGE, INC. (hereinafter "MARIPOSA"), VISION QUEST 21, INC. (hereinafter "VISION QUEST"), BIC D. PHO (hereinafter "PHO"), MILTON C. McLAURIN (hereinafter "McLAURIN"), NATRIAN BERNARD MAXWELL (hereinafter "MAXWELL"), MARK DWELLE (hereinafter "DWELLE"), FELIPE ARTURO NERI (hereinafter "NERI"), JULISSA I. GILL (hereinafter "GILL"), GERALDINE KATHLEEN NUNEZ (hereinafter "NUNEZ"), GLORIA M. ALVAREZ (hereinafter "ALVAREZ"), RUTH MABEL MEJORADO (hereinafter "MEJORADO"), ROBERT PAUL ATENCIO, JR. (hereinafter "ATENCIO"), ROBERT WARDEN (hereinafter "WARDEN"), ROBERT SEAN VILLEGAS, (hereinafter "VILLEGAS"), EDDIE BURNIAS (hereinafter "BURNIAS"), PETER G. SANCHEZ (hereinafter "SANCHEZ"), MINERVA SANCHEZ, RUSHAWN T. JONES (hereinafter "JONES") and JOHN TRUNG NGUYEN (hereinafter "NGUYEN") (collectively referred to as "Respondents"), is informed and alleges as follows:

PRELIMINARY ALLEGATIONS

I

The Complainant, Charles W. Koenig Deputy Real Estate Commissioner of the State of California, makes this Accusation in his official capacity.

II

Respondents are presently licensed and/or have license rights under the Real Estate Law, Part 1 of Division 4 of the Business and Professions Code (hereinafter "the Code").

III

At all times herein mentioned, Respondent MARIPOSA was and now is licensed by the Department of Real Estate of the State of California (herein "the Department") as a corporate real estate broker.

IV

At all times herein mentioned, Respondent VISION QUEST was and now is licensed by the Department of Real Estate of the Department as a corporate real estate broker.

V

At all times herein mentioned, Respondent PHO was and now is licensed by the Department as a real estate broker, individually and:

(a) To and until February 4, 2007 as designated officer-broker of Respondent MARIPOSA. As said designated officer-broker, Respondent PHO was at all times mentioned herein responsible pursuant to Section 10159.2 of the Code for the supervision of the activities of the officers, agents, real estate licensees and employees of Respondent MARIPOSA for which a license is required; and

(b) To and until July 5, 2007 as designated officer-broker of Respondent VISION QUEST. As said designated officer-broker, Respondent PHO was at all times mentioned herein responsible pursuant to Section 10159.2 of the Code for the supervision of the activities of the officers, agents, real estate licensees and employees of Respondent VISION QUEST for which a license is required.

VI

Whenever reference is made in an allegation in this Accusation to an act or omission of Respondent MARIPOSA, such allegation shall be deemed to mean that the officers, directors, employees, agents and real estate licensees employed by or associated with Respondent MARIPOSA committed such act or omission while engaged in the furtherance of the business or operations of Respondent MARIPOSA and while acting within the course and scope of their corporate authority and employment.

VII

Whenever reference is made in an allegation in this Accusation to an act or omission of Respondent VISION QUEST, such allegation shall be deemed to mean that the officers, directors, employees, agents and real estate licensees employed by or associated with Respondent VISION QUEST committed such act or omission while engaged in the furtherance of the business or operations of Respondent VISION QUEST and while acting within the course and scope of their corporate authority and employment.

VIII

At all times herein mentioned, Respondent MARIPOSA, a licensed corporate real estate broker, engaged in the business of, acted in the capacity of, advertised or assumed to act as a real estate broker in the State of California within the meaning of Section 10131(d) of the Code, including the operation and conduct of a mortgage loan brokerage business with the public wherein Respondent MARIPOSA, for another or others, for or in

expectation of compensation, solicited lenders and borrowers for loans secured directly or collaterally by liens on real property or a business opportunity, and arranged, negotiated, processed, and consummated such loans.

IX

At all times herein mentioned, Respondent VISION QUEST, engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate broker within the State of California within the meaning of Sections 10131(a) of the Code, including the operation and conduct of real estate sales brokerage businesses with the public wherein, on behalf of others, for compensation or in expectation of compensation, Respondent sold and offered to sell, bought and offered to buy, solicited prospective sellers and purchases of, solicited and obtained listings of, and negotiated the purchase and sale of real property.

X

At all times herein mentioned, Respondents McLAURIN, MAXWELL, DWELLE, NERI, GILL, NUNEZ, ALVAREZ, MEJORADO, ATENCIO, WARDEN, VILLEGAS, BURNIAS, SANCHEZ, MINERVA SANCHEZ, JONES and NGUYEN were and now are licensed by the Department as real estate salespersons.

XI

At all times herein mentioned, Respondents McLAURIN, MAXWELL, DWELLE, NERI, GILL, NUNEZ, ALVAREZ, MEJORADO, ATENCIO, WARDEN, VILLEGAS, BURNIAS, SANCHEZ, MINERVA SANCHEZ, JONES and NGUYEN were employed by Respondents MARIPOSA and/or VISION QUEST

to engage in and conduct the mortgage loan brokerage and real estate resale brokerage activities described in Paragraphs VIII and IX, above.

FIRST CAUSE OF ACCUSATION

XII

There is hereby incorporated in this first, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs I through XI, inclusive of the Preliminary Allegations with the same force and effect as if herein fully set forth.

XIII

From approximately February 7, 2006 through March 31, 2006, in the course of the mortgage loan brokerage and real estate resale brokerage activities described in Paragraphs VIII and IX, above, Respondents MARIPOSA, VISION QUEST, McLAURIN, MAXWELL and DWELLE, in association with Michelle Barries (hereinafter "Barries") entered into and participated in a fraudulent plan or scheme to substantially benefit themselves by inducing four different mortgage lenders to make mortgage loans to finance Barries' purchases of residential real property by misrepresenting Barries' qualifications and by concealing their true intentions from the mortgage lenders.

XIV

From approximately February 1, 2006 through March 31, 2006, Respondents VISION QUEST, MARIPOSA, McLAURIN, MAXWELL and DWELLE committed the following acts in furtherance of the fraudulent plan or scheme described in Paragraph XIII, above:

(a) Said Respondents solicited and obtained first and second mortgage loans for $360,000 and $120,000 from Ownit Mortgage Solutions, Inc. to finance Barries' purchase of the real property at 904 Cold Brook Way, Galt, California that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Barries and that Barries was then employed as a web designer. Said Respondents also materially inflated Barries' monthly income;

(b) Said Respondents solicited and obtained first and second mortgage loans for $402,400 and $100,600 from New Century Mortgage Corporation to finance Barries' purchase of the real property at 993 Manton Court, Galt, California that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Barries and that Barries was then employed as a web designer. Said Respondents also materially inflated Barries' monthly income;

(c) Said Respondents solicited and obtained first and second mortgage loans for $404,000 and $101,000 from Opteum Financial Services, LLC to finance Barries' purchase of the real property at 10414 Point Reyes Circle, Stockton, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Barries and that Barries was then employed as a web designer. Said Respondents also materially inflated Barries' monthly income;

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(d) Said Respondents solicited and obtained first and second mortgage loans for $424,000 and $106,000 from Long Beach Mortgage Company to finance Barries' purchase of the real property at 983 Colmore Way, Galt, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Barries and that Barries was then employed as a web designer. Said Respondents also materially inflated Barries' monthly income; and

(e) Said Respondents concealed from each of the mortgage lenders identified hereinabove the other purchase and mortgage loan transactions.

XV

In truth and fact, Respondents VISION QUEST, MARIPOSA, McLAURIN, MAXWELL and DWELLE, and each of them, knew Barries was not buying any of the subject properties as her primary residence, that Barries was not employed as a web designer, and that Barries' income was materially less than the amount represented to the mortgage lenders.

XVI

The acts and omissions of Respondents VISION QUEST, MARIPOSA, McLAURIN, MAXWELL and DWELLE described in Paragraphs XII through XV, above constitute the substantial misrepresentation of a material fact, a continued and flagrant course of misrepresentation through agents, and/or fraud and/or dishonest dealing.

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SECOND CAUSE OF ACCUSATION

XVII

There is hereby incorporated in this Second separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs I through XVI, inclusive, above, with the same force and effect as if herein fully set forth.

XVIII

From approximately March 1, 2006 through May 15, 2006, in the course of the mortgage loan brokerage and real estate resale brokerage activities described in Paragraphs VIII and IX, above, Respondents MARIPOSA, VISION QUEST, NERI, MAXWELL, GILL and NUNEZ, in association with Kulwinder Singh (hereinafter "Singh") entered into and participated in a fraudulent plan or scheme to substantially benefit themselves by inducing a mortgage lender to make a mortgage loan ostensibly to finance Singh's purchases of residential real property by misrepresenting Singh's qualifications and by concealing their true intentions from the mortgage lender.

XIX

From approximately March 1, 2006 through May 15, 2006, in the course of the fraudulent plan or scheme described in Paragraph XVIII, above, Respondents NERI, MAXWELL, GILL AND NUNEZ solicited and obtained mortgage loans in the sum of $463,200 and $115,800 from Fremont Investment and Loan, Inc. secured by real property at 1390 Saddle Rack Street #434, San Jose, California, ostensibly to finance the purchase by Singh of the property, by representing, contrary to fact:

(a) That Singh was purchasing the property for his own account as Singh's primary residence, and that Singh had advanced $4,045 toward the purchase of the property;

(b) That Singh was employed earning $12,000 per month from Neri Transportation Company; and

(c) That the sum of $20,000 from the Seller's proceeds of the sale would be disbursed at close of the escrow consummating the sale and loans to a bona fide third party named Arvi Salting.

XX

When the representations described in Paragraph XIX, above, were made, Respondents MARIPOSA, VISION QUEST, NERI, MAXWELL, GILL AND NUNEZ knew that the representations were false. In truth and fact:

(a) Singh was not purchasing the property for Singh's own account or as Singh's primary residence, and Singh had not advanced $4,045 toward the purchase of the property, or any other sum, but instead had agreed to accept $2500 for serving as a "straw buyer" in the transaction, without any intention of occupying the property;

(b) Singh was not employed by Neri Transportation Company for any amount or at all, but instead was employed by VISION QUEST as a telemarketer under the supervision of Respondents MAXWELL and NERI;

(c) Arvi Salting received $20,000 at close of escrow, but Arvi Salting is in actuality Respondent MAXWELL's wife and not a bona fide third party; and

(d) Singh was compensated for acting as a "straw buyer" in the transaction by receiving $2,000 from the proceeds of the mortgage loans and $500 from Respondent MAXWELL after close of escrow.

XXI

The acts and omissions of Respondents VISION QUEST, MARIPOSA, NERI, MAXWELL, GILL and NUNEZ described in Paragraphs XVIII through XX, above constitute the substantial misrepresentation of a material fact, a continued and flagrant course of misrepresentation through agents, and/or fraud and/or dishonest dealing.

THIRD CAUSE OF ACCUSATION

XXII

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

XXIII

From approximately March 1, 2006 through April 6, 2006, in the course of the mortgage loan brokerage and real estate resale brokerage activities described in Paragraphs VIII and IX, above, Respondents MARIPOSA, VISION QUEST, ALVAREZ and MEJORADO, in association with Heraclio Hernandez (hereinafter "Hernandez") entered into and participated in a fraudulent plan or scheme to substantially benefit themselves by inducing three different mortgage lenders to make mortgage loans to finance Hernandez' purchases of residential real property by

misrepresenting Hernandez' qualifications and by concealing their true intentions from the mortgage lenders.

XXIV

From approximately March 1, 2006 through April 6, 2006, Respondents VISION QUEST, MARIPOSA, ALVAREZ and MEJORADO committed the following acts in furtherance of the fraudulent plan or scheme described in Paragraph XXIII, above:

(a) Such Respondents solicited and obtained first and second mortgage loans for $562,500 and $187,500 from Ownit Mortgage Solutions, Inc. ostensibly to finance Hernandez' purchase of the real property at 1348 Park Pleasant Circle, San Jose, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Hernandez. In addition, said Respondents concealed the other purchase and mortgage loan transactions from the mortgage lender;

(b) Such Respondents solicited and obtained first and second mortgage loans for $512,000 and $128,000 from WMC Mortgage Corp ostensibly to finance Hernandez' purchase of the real property at 79 West Alma Avenue, San Jose, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Hernandez. In addition, said Respondents concealed the other purchase and mortgage loan transactions from the mortgage lender; and

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(c) Such Respondents solicited and obtained first and second mortgage loans for $524,800 and $131,200 from Greenpoint Mortgage Funding, Inc. to finance Hernandez' purchase of the real property at 1647 Farringdon Drive, San Jose, California that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Hernandez. In addition, said Respondents concealed the other purchase and mortgage loan transactions from the mortgage lender.

XXV

In truth and fact, Respondents VISION QUEST, MARIPOSA, ALVAREZ and MEJORADO, and each of them, knew of all three transactions and knew Hernandez was not buying the subject properties as Hernandez' primary residence.

XXVI

The acts and omissions of Respondents VISION QUEST, MARIPOSA, ALVAREZ and MEJORADO described in Paragraphs XXIII through XXV, above, constitute the substantial misrepresentation of a material fact, a continued and flagrant course of misrepresentation through agents, and/or fraud and/or dishonest dealing.

FOURTH CAUSE OF ACCUSATION

XXVII

There is hereby incorporated in this Fourth separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs I through XXVI, inclusive, above, with the same force and effect as if herein fully set forth.

XXVIII

From approximately August 2005 through October 2005, in the course of the mortgage loan brokerage and real estate resale brokerage activities described in Paragraphs VIII and IX, above, Respondents MARIPOSA, VISION QUEST, NGUYEN and ATENCIO, in association with Patricia Lynch (hereinafter "Lynch") entered into and participated in a fraudulent plan or scheme to substantially benefit themselves by inducing a mortgage lender to make mortgage loans to finance Lynch's purchases of residential real property by misrepresenting Lynch's qualifications and by concealing their true intentions from the mortgage lender.

XXIX

From approximately August 2005 through October 2005, Respondents VISION QUEST, MARIPOSA, NGUYEN and ATENCIO committed the following acts in furtherance of the fraudulent plan or scheme described in Paragraph XXVIII, such Respondents solicited and obtained first and second mortgage loans for $548,000 and $137,000 from Unified Capitol Group, ostensibly to finance Lynch's purchase of the real property at 1618 Farringdon Court, San Jose, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Lynch.

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XXX

In truth and fact, Respondents VISION QUEST, MARIPOSA, NGUYEN and ATENCIO, and each of them, knew Lynch was not buying the subject property as Lynch's primary residence.

XXXI

The acts and omissions of Respondents VISION QUEST, MARIPOSA, NGUYEN and ATENCIO described in Paragraphs XXVIII through XXX, above, constitute the substantial misrepresentation of a material fact, a continued and flagrant course of misrepresentation through agents, and/or fraud and/or dishonest dealing.

FIFTH CAUSE OF ACCUSATION

XXXII

There is hereby incorporated in this Fifth separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs I through XXXI, inclusive, above, with the same force and effect as if herein fully set forth.

XXXIII

In approximately January 2007, in the course of the mortgage loan brokerage and real estate resale brokerage activities described in Paragraphs VIII and IX, above, Respondents MARIPOSA, VISION QUEST, WARDEN, VILLEGAS, BURNIAS, SANCHEZ, MARIA SANCHEZ, MEJORADO and JONES in association with Ruben Pacheco (hereinafter "Pacheco") entered into and participated in a fraudulent plan or scheme to substantially benefit themselves by inducing a mortgage lender to make a mortgage loan ostensibly to finance Pacheco's purchases of

residential real property by misrepresenting Pacheco's qualifications and by concealing their true intentions from the mortgage lender.

XXXIV

In approximately January 2007, in the course of the fraudulent plan or scheme described in Paragraph XXXIII, above, Respondents MARIPOSA, VISION QUEST, WARDEN, VILLEGAS, BURNIAS, SANCHEZ, MARIA SANCHEZ, MEJORADO and JONES committed the following acts in furtherance of the fraudulent plan or scheme described in Paragraph XXXIII, above:

(a) Such Respondents solicited and obtained first and second mortgage loans in the sum of $368,000 and $92,000 from Mortgageit, Inc. secured by real property at 1763 84th Avenue, Oakland, California, ostensibly to finance the purchase by Pacheco of the property, by representing, contrary to fact that Pacheco was purchasing the property for his own account as Pacheco's primary residence and that Pacheco was then employed as a Project Manager. Said Respondents also materially inflated Pacheco's income;

(b) Such Respondents solicited and obtained first and second mortgage loans in the sum of $620,000 and $155,000 from New Century Mortgage secured by real property at 3000 Hoover Street, Redwood City, California, ostensibly to finance the purchase by Pacheco of the property, by representing, contrary to fact that Pacheco was purchasing the property for his own account as Pacheco's primary residence, that Pacheco was then employed as a Financial Services Manager. Said Respondents also

materially inflated Pacheco's income and concealed the other purchase and mortgage loan transactions from the mortgage lender;

(c) Such Respondents solicited and obtained first and second mortgage loans in the sum of $344,000 and $86,000 from First National Bank of Arizona secured by real property at 1500 Houser Lane, Modesto, California, ostensibly to finance the purchase by Pacheco of the property, by representing, contrary to fact that Pacheco was purchasing the property for his own account as Pacheco's primary residence and that Pacheco was then employed as a Project Manager. Said Respondents also materially inflated Pacheco's income and concealed the other purchase and mortgage loan transactions from the mortgage lender; and

(d) Such Respondents solicited and obtained first and second mortgage loans in the sum of $480,000 and $120,000 from BNC Mortgage, Inc. secured by real property at 3013 East Hills, San Jose, California, ostensibly to finance the purchase by Pacheco of the property, by representing, contrary to fact that Pacheco was purchasing the property for his own account as Pacheco's primary residence and that Pacheco was then employed as a Project Manager. Said Respondents also materially inflated Pacheco's income and concealed the other purchase and mortgage loan transactions from the mortgage lender.

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XXXV

When the representations described in Paragraph XXXIV, above, were made, Respondents MARIPOSA, VISION QUEST, WARDEN, VILLEGAS, BURNIAS, SANCHEZ, MARIA SANCHEZ, MEJORADO and JONES knew the representations were false. In truth and fact:

(a) Pacheco was not purchasing any of the four properties for his own account nor was he planning to use any of the properties as his primary residence;

(b) Pacheco was not employed by Winger Electric for any amount or at all; and

(c) Respondents represented to the mortgage lenders that Pacheco had advanced $1,000 toward the purchase of the properties, but instead he agreed to accept $5,000 for serving as a "co-signer" in the transactions, without any intention of occupying the properties.

XXXVI

The acts and omissions of Respondents MARIPOSA, VISION QUEST, WARDEN, VILLEGAS, BURNIAS, SANCHEZ, MARIA SANCHEZ, MEJORADO and JONES described in Paragraphs XXXIII through XXXV, above constitute the substantial misrepresentation of a material fact, a continued and flagrant course of misrepresentation through agents, and/or fraud and/or dishonest dealing.

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SIXTH CAUSE OF ACCUSATION

XXXVII

There is hereby incorporated in this Sixth separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs I through XXXVI, inclusive, above, with the same force and effect as if herein fully set forth.

XXXVIII

From approximately February 7, 2006 through June 1, 2007, in connection with the purchase and mortgage loan transactions described above in Paragraphs XIII, XIV, XVIII, XIX, XXIII, XXIV, XXVIII, XIX, XXXIII and XXXIV, Respondent VISION QUEST:

(a) Failed to retain for three years copies of all listings, deposit receipts, canceled checks, trust records and other documents executed or obtained by Respondent VISION QUEST in connection with transactions for which a real estate broker license is required; and/or

(b) Failed after notice to make such canceled checks and other trust records available for examination, inspection and copying by the designated representative of the Real Estate Commissioner.

SEVENTH CAUSE OF ACCUSATION

XXXIX

There is hereby incorporated in this seventh, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs I through XXXVIII, inclusive, above, with the same force and effect as if herein fully set forth.

XL

In so acting as a real estate broker, as described in Paragraph VIII, above, Respondent MARIPOSA accepted or received funds in trust (hereinafter "trust funds") from or on behalf of sellers, buyers, lenders or investors, borrowers and others in connection with the mortgage loan brokerage activities described above in Paragraphs XIII, XIV, XVIII, XIX, XXIII, XXIV, XXVIII, XIX, XXXIII and XXXIV, and thereafter from time to time made disbursements of said trust funds.

XLI

From approximately June 1, 2004 through June 30, 2006, in connection with the collection and disbursement of said trust funds, Respondent MARIPOSA:

(a) Failed to keep a columnar record in chronological sequence of all trust funds received and disbursed as required by Section 2831 of the Regulations;

(b) Failed to keep a separate record for each beneficiary or transaction as required by Section 2831.1 of the Regulations;

(c) Failed to reconcile, at least once a month, the balance of all separate beneficiary or transaction records with the record of all trust funds in conformance with the requirements of Section 2831.2 of the Regulations; and

(d) Failed to place trust funds entrusted to Respondent MARIPOSA into the hands of a principal on whose behalf the funds were received, into a neutral escrow depository, or into a trust fund account in the name of

Respondent MARIPOSA as trustee at a bank or other financial institution, in conformance with the requirements of Section 10145 of the Code and Section 2832(a) of the Regulations.

EIGHTH CAUSE OF ACCUSATION

XLII

There is hereby incorporated in this eighth, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs I through XL, inclusive, above, with the same force and effect as if herein fully set forth.

XLIII

From approximately June 1, 2004 through June 30, 2006, in the course of the real estate brokerage activities described in Paragraph VIII above, Respondent MARIPOSA failed to provide mortgage loan disclosure statements containing all of the required information pursuant to Sections 10236.4, 10240, and 10241 of the Code.

NINTH CAUSE OF ACCUSATION

XLIV

There is hereby incorporated in this ninth, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs I through XLIII, inclusive, above, with the same force and effect as if herein fully set forth.

XLV

Respondent PHO failed to exercise reasonable supervision over the acts of Respondents MARIPOSA and VISION QUEST in such a manner as to allow the acts and events described above to occur.

CONCLUDING ALLEGATIONS

XLVI

The acts and omissions of Respondents MARIPOSA, VISION QUEST, McLAURIN, MAXWELL and DWELLE described in Paragraphs XIII through XVI, inclusive, above, in the First Cause of Accusation constitute cause for the suspension or revocation of the licenses and license rights of Respondents MARIPOSA, VISION QUEST, McLAURIN, MAXWELL and DWELLE, under Sections 10176(a), 10176(c), 10176(i), and/or 10177(g) of the Code.

XLVII

The acts and omissions of Respondents MARIPOSA, VISION QUEST, MAXWELL, NERI, GILL and NUNEZ described in Paragraphs XVIII through XXI, inclusive, above, in the Second Cause of Accusation constitute cause for the suspension or revocation of the licenses and license rights of Respondents MARIPOSA, VISION QUEST, MAXWELL, NERI, GILL and NUNEZ under Sections 10176(a), 10176(c), 10176(i), and/or 10177(g) of the Code.

XLVIII

The acts and omissions of Respondents MARIPOSA, VISION QUEST, ALVAREZ and MEJORADO described in Paragraphs XXIII through XXVI, inclusive, above, in the Third Cause of Accusation constitute cause for the suspension or revocation of the licenses and license rights of Respondents MARIPOSA, VISION QUEST, MAXWELL, NERI, GILL and NUNEZ under Sections 10176(a), 10176(c), 10176(i), and/or 10177(g) of the Code.

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XLIX

The acts and omissions of Respondents MARIPOSA, VISION QUEST, ATENCIO and NGUYEN described in Paragraphs XXVIII through XXXI, inclusive, above, in the Fourth Cause of Accusation constitute cause for the suspension or revocation of the licenses and license rights of Respondents MARIPOSA, VISION QUEST, MAXWELL, NERI, ATENCIO and NGUYEN under Sections 10176(a), 10176(c), 10176(i), and/or 10177(g) of the Code.

L

The acts and omissions of Respondents MARIPOSA, VISION QUEST, WARDEN, VILLEGAS, BURNIAS, SANCHEZ, MARIA SANCHEZ, MEJORADO and JONES described in Paragraphs XXXIII through XXXVI, inclusive, above, in the Fifth Cause of Accusation constitute cause for the suspension or revocation of the licenses and license rights of Respondents MARIPOSA, VISION QUEST, WARDEN, VILLEGAS, BURNIAS, SANCHEZ, MARIA SANCHEZ, MEJORADO and JONES under Sections 10176(a), 10176(c), 10176(i), and/or 10177(g) of the Code.

LI

The acts and omissions of Respondent VISION QUEST described in Paragraph XXXVIII, above, in the Sixth Cause of Accusation constitute cause for the suspension or revocation of the licenses and license rights of Respondent VISION QUEST under Section 10148 of the Code in conjunction with Section 10177(d) of the Code.

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LII

The acts and omissions of Respondent MARIPOSA described in Paragraphs XL and XLI, above, in the Seventh Cause of Accusation constitute cause for the suspension or revocation of the licenses and license rights of Respondent MARIPOSA under Section 10177(d) in conjunction with Sections 2731, 2831, 2831.2, and 2832 of the Regulations.

LIII

The acts and omissions of Respondent MARIPOSA described in Paragraph XLIII, above, in the Eighth Cause of Accusation constitute cause for the suspension or revocation of the licenses and license rights of Respondent MARIPOSA under Section 10177(d) in conjunction with Sections 10236.4 and 10240 of the Code, and Sections 2731, 2831, 2831.2, and 2832 of the Regulations.

LIV

The facts alleged in Paragraph XLV, above, in the Ninth Cause of Accusation constitute cause for the suspension or revocation of the licenses and license rights of Respondent PHO under Section 10177(g) and/or Section 10177(h) of the Code and Section 10159.2 of the Code in conjunction with Section 10177(d) of the Code.

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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 licenses and license rights of Respondents under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) and for such other and further relief as may be proper under other applicable provisions of law.

CHARLES W. KOENIG
Deputy Real Estate Commissioner

Dated at Sacramento, California
this 28th day of May, 2008.

ANGELA L. CASH, Counsel (SBN 230882)
Department of Real Estate
P. O. Box 187007
Sacramento, CA 95818-7007

Telephone: (916) 227-0789
-or- (916) 227-0805 (Direct)

FILED
JUL 20 2007
DEPARTMENT OF REAL ESTATE
By D. Contreras

BEFORE THE

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of BIC D. PHO, MARIPOSA MORTGAGE, INC., A California Corporation, VISION QUEST 21, INC., A California Corporation, and, MARK DWELLE, Respondents.	H-10082 SF ACCUSATION

The Complainant, CHARLES W. KOENIG, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against BIC D. PHO (hereinafter "Respondent BIC PHO"), MARIPOSA MORTGAGE, INC. (hereinafter "Respondent MARIPOSA MORTGAGE"), VISION QUEST 21, INC. (hereinafter "Respondent VISION QUEST 21"), and MARK DWELLE (hereinafter "Respondent DWELLE") collectively referred to as "Respondents", is informed and alleges as follows:

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I

The Complainant, CHARLES W. KOENIG, a Deputy Real Estate Commissioner of the State of California, makes this Accusation in his official capacity.

II

Respondents are presently licensed and/or have license rights under the Real Estate Law, Part 1 of Division 4 of the Business and Professions Code (hereinafter "the Code").

III

At all times herein mentioned, Respondent MARIPOSA MORTGAGE was and now is licensed by the Department of Real Estate of the State of California (herein "the Department") as a corporate real estate broker by and through Respondent BIC PHO as designated officer-broker of Respondent MARIPOSA MORTGAGE to qualify said corporation and to act for said corporation as a real estate broker.

IV

At all times herein mentioned, Respondent VISION QUEST 21 was and now is licensed by the Department as a corporate real estate broker by and through Respondent BIC PHO as designated officer-broker of Respondent VISION QUEST 21 to qualify said corporation and to act for said corporation as a real estate broker.

V

At all times herein mentioned, Respondent BIC PHO was and now is licensed by the Department as a real estate broker, individually and:

(a) to and until February 4, 2007, as designated officer-broker of Respondent MARIPOSA MORTGAGE. As said designated officer-broker, Respondent BIC PHO is at all times mentioned herein responsible pursuant to Section 10159.2 of the Code for the supervision of the activities of the officers, agents, real estate licensees, and employees of Respondent MARIPOSA MORTGAGE for which a license is required; and,

(b) as designated officer-broker of Respondent VISION QUEST 21. As said designated officer-broker, Respondent BIC PHO is at all times mentioned herein responsible pursuant to Section 10159.2 of the Code for the supervision of the activities of the officers, agents, real estate licensees, and employees of Respondent VISION QUEST 21 for which a license is required.

VI

Whenever reference is made in an allegation in this Accusation to an act or omission of Respondent MARIPOSA MORTGAGE, such allegation shall be deemed to mean that the officers, directors, employees, agents, and real estate licensees employed by or associated with Respondent MARIPOSA MORTGAGE committed such act or omission while engaged in the furtherance of the business or operations of Respondent MARIPOSA MORTGAGE and while acting within the course and scope of their corporate authority and employment.

VII

Whenever reference is made in an allegation in this Accusation to an act or omission of Respondent VISION QUEST 21, such allegation shall be deemed to mean that the officers,

directors, employees, agents, and real estate licensees employed by or associated with Respondent VISION QUEST 21 committed such act or omission while engaged in the furtherance of the business or operations of Respondent VISION QUEST 21 and while acting within the course and scope of their corporate authority and employment.

VIII

At all times herein mentioned, Respondent MARIPOSA MORTGAGE, a licensed corporate real estate broker, engaged in the business of, acted in the capacity of, advertised or assumed to act as a real estate broker in the State of California within the meaning of Section 10131(d) of the Code, including the operation and conduct of a mortgage loan brokerage business with the public wherein Respondent MARIPOSA MORTGAGE, for another or others, for or in expectation of compensation, solicited lenders and borrowers for loans secured directly or collaterally by liens on real property or a business opportunity, and arranged, negotiated, processed, and consummated such loans.

IX

At all times herein mentioned, Respondents VISION QUEST 21 and BIC PHO, engaged in the business of, acted in the capacity of, advertised, or assumed to act as real estate brokers within the State of California within the meaning of Sections 10131(a) of the Code, including the operation and conduct of real estate sales brokerage businesses with the public wherein, on behalf of others, for compensation or in expectation of compensation, Respondents sold and offered to sell, bought and offered to buy,

solicited prospective sellers and purchases of, solicited and obtained listings of, and negotiated the purchase and sale of real property.

X

At all times herein mentioned, Respondent DWELLE was and now is licensed by the Department as a real estate salesperson in the employ of Respondent VISION QUEST 21.

XI

Beginning on or about February 7, 2006, and continuing thereafter, Respondents BIC PHO, MARIPOSA MORTGAGE, VISION QUEST 21, and DWELLE, in association with Michelle Barries (hereinafter "Barries") entered into and participated in a plan or scheme to deceive and make misrepresentations to the purchasers of the properties and mortgage lenders with the intent to substantially benefit themselves and without disclosing their true intentions to the purchasers and mortgage lenders.

XII

The plan and scheme described in Paragraph XI contemplated in essence that:

(a) Respondent DWELLE would negotiate and arrange for Barries to purchase several pre-selected properties.

(b) Respondent DWELLE, acting under the direction of Respondent BIC PHO prepared purchase contracts for the purchase of the identified properties. Respondent DWELLE would have Barries sign the purchase contracts and acted as the buyer's agent during the purchase of the subject property.

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(c) Respondent MARIPOSA MORTGAGE, ostensibly acting as the agent of Barries, would solicit and obtain a loan from an institutional mortgage lender to finance the purchase by representing, contrary to fact, among other things that the property would be the primary residence of Barries.

XIII

Beginning on or about February 1, 2006, and continuing thereafter to and until on or about March 31, 2006, Respondents VISION QUEST 21, MARIPOSA MORTGAGE, and DWELLE, acting under the supervision and control of Respondent BIC PHO, committed the following acts in furtherance of the fraudulent plan or scheme by Respondents described in Paragraphs XI and XII, above:

(a) Respondent DWELLE prepared a purchase contract for the property located at 904 Cold Brook Way, Galt, California, and had Barries sign the contract.

(b) Respondent DWELLE prepared a purchase contract for the property located at 993 Manton Court, Galt, California, and had Barries sign the contract.

(c) Respondent DWELLE prepared a purchase contract for the property located at 10414 Point Reyes Circle, Stockton, California, and had Barries sign the contract.

(d) Respondent DWELLE prepared a purchase contract for the property located at 983 Colmore Way, Galt, California, and had Barries sign the contract.

(e) Respondent MARIPOSA MORTGAGE, acting in association with Respondents BIC PHO, VISION QUEST 21, and DWELLE solicited and obtained first and second mortgage loans

for $360,000 and $120,000 from Ownit Mortgage Solutions, Inc., to finance Barries' purchase of real property at 904 Cold Brook Way, Galt, California, by representing, contrary to fact, that the property would be the primary residence of Barries.

(f) Respondent MARIPOSA MORTGAGE, acting in association with Respondents BIC PHO, VISION QUEST 21, and DWELLE, solicited and obtained first and second mortgage loans for $402,400 and $100,600 from New Century Mortgage Corporation to finance Barries' purchase of real property at 993 Manton Court, Galt, California, by representing, contrary to fact, that the property would be the primary residence of Barries.

(g) Respondent MARIPOSA MORTGAGE, acting in association with Respondents BIC PHO, VISION QUEST 21, and DWELLE, solicited and obtained first and second mortgage loans for $404,000 and $101,000 from Opteum Financial Services, LLC, to finance Barries' purchase of real property at 10414 Point Reyes Circle, Stockton, California, by representing, contrary to fact, that the property would be the primary residence of Barries.

(h) Respondent MARIPOSA MORTGAGE, acting in association with Respondents BIC PHO, VISION QUEST 21, and DWELLE solicited and obtained first and second mortgage loans for $424,000 and $106,000 from Long Beach Mortgage Company to finance Barries' purchase of real property at 983 Colmore Way, Galt, California, by representing, contrary to fact, that the property would be the primary residence of Barries.

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XIV

In truth and fact, Respondents knew Barries was not buying the subject properties as primary residences.

XV

The acts and omissions of Respondents in Paragraphs XI through XIV constitute the substantial misrepresentation of a material fact, a continued and flagrant course of misrepresentation through agents, and/or fraud and/or dishonest dealing.

XVI

Beginning on or about February 7, 2006 and continuing to and until June 1, 2007, in connection with the transaction of said properties in Paragraphs IX through XIV, Respondent VISION QUEST 21:

(a) Failed to retain for three years copies of all listings, deposit receipts, canceled checks, trust records, and other documents executed or obtained by Respondent in connection with transactions for which a real estate broker license is required; and/or,

(b) Failed after notice to make such canceled checks and other trust records available for examination, inspection, and copying by the designated representative of the Real Estate Commissioner.

XVII

Beginning on or about February 7, 2006 and continuing to and until June 1, 2007, in the course of the activities and events described above, Respondent BIC PHO failed to exercise

reasonable supervision over the activities of DWELLE, a real estate salesperson then licensed under Respondent VISION QUEST 21, in that Respondent BIC PHO failed to provide reasonable review, oversight, inspection, and management of:

(a) Transactions requiring a real estate license conducted by said real estate salesperson; and,

(b) Documents which may have a material effect upon the rights or obligations of a party to such transactions and in particular failed to comply with the requirements of Section 2725(a) of the Regulations in that Respondent failed to review, initial and date instruments, having a material effect upon the rights or obligations of a party to a transaction, which were prepared or signed in connection with transactions for which a license is required by said real estate salesperson.

XVIII

The acts and omissions of Respondent BIC PHO, described above, constitute failure on the part of Respondent BIC PHO, as designated broker-officer of Respondents MARIPOSA MORTGAGE and VISION QUEST 21, to exercise reasonable supervision and control over the licensed activities of Respondents MARIPOSA MORTGAGE and VISION QUEST 21, as required by Section 10159.2 of the Code.

XIX

The acts and omissions of Respondents BIC PHO, MARIPOSA MORTGAGE, VISION QUEST 21, and DWELLE described in Paragraphs IX through XIV, above, constitute cause for the suspension or revocation of the licenses and license rights of

Respondents BIC PHO, MARIPOSA MORTGAGE, VISION QUEST 21, and DWELLE under Sections 10176(a), 10176(c), 10176(i), and/or 10177(g) of the Code.

XX

The acts and omissions of Respondent VISION QUEST 21 described above in Paragraph XVI, above, constitute cause for the suspension or revocation of the licenses and license rights of Respondent VISION QUEST 21 under Section 10148 of the Code in conjunction with Section 10177(d) of the Code.

XXI

The facts alleged in Paragraphs XVII and XVIII, above, constitute cause for the suspension or revocation of the licenses and license rights of Respondent BIC PHO under Section 10177(g) and/or Section 10177(h) of the Code and Section 10159.2 of the Code in conjunction with Section 10177(d) of the Code.

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 licenses and license rights of Respondents under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) and for such other and further relief as may be proper under other applicable provisions of law.

Charles W. Koenig

CHARLES W. KOENIG
Deputy Real Estate Commissioner

Dated at Sacramento, California
this 20th day of July, 2007.