FILED

DEPARTMENT OF REAL ESTATE
P. O. Box 187007
Sacramento, CA 95818-7007

Telephone: (916) 227-0789

December 12, 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, 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.	DRE NO. H-11208 SF BAR ORDER (B&P Code § 10087)

TO: BIC D. PHO (hereinafter "Respondent PHO"), MARIPOSA MORTGAGE, INC., (hereinafter "Respondent MMI") and VISION QUEST 21, INC., (hereinafter Respondent VQ 21"), (hereinafter collectively "Respondents").

Pursuant to Section 10087(b) of the California Business and Professions Code (hereinafter "the Code"), you, Respondents failed to request a hearing in writing within fifteen (15) days of service of the *Notice of Preliminary Bar Order and Intention to Issue Final Bar*

Order filed and served upon Respondents on August 30, 2011. Pursuant to the authority granted the Commissioner under Section 10087 of the Code. After review and consideration of the relevant facts herein the Commissioner of the Department of Real Estate (hereinafter "Commissioner") makes the following Findings of Facts and Conclusions of Law and issues the following Final Bar Order against Respondents.

FINDINGS OF FACT

1. Respondents were the subject of numerous investigations, including Investigative Case No. 406-0428-005, and the filing of an Accusation under Department of Real Estate Case No. H-10082 SF on July 20, 2007. A First Amended Accusation was filed and served upon Respondents on June 2, 2008.

2. The First Amended Accusation alleged that Respondents MMI, and VQ 21, had engaged in a repeated pattern of fraudulent mortgage brokering practices, including misrepresentations made to lenders to induce the funding of loans secured by real property. Respondents MMI, and VQ 21, submitted loan applications to lenders that: falsely alleged that the real property securing such loans would serve as the borrower's primary residence; falsely inflated borrowers' incomes; falsified borrowers' occupations or employment; failed to disclose that the purported borrowers were simultaneously purchasing other real properties; and, that failed to disclose that the purported borrowers were incurring additional mortgage debt to finance the other simultaneous purchases of real property. Respondent VQ 21, failed to retain for three years copies of all listings, deposit receipts, canceled checks, trust fund records and other documents executed or obtained by it in connection for which a real estate broker license is required and failed to make such records available to the designated representative of the Commissioner after notice. Respondent MMI, failed to maintain a record of trust funds received and disbursed; failed to maintain a separate record for each beneficiary for trust funds received and disbursed; failed to reconcile once each month the separate beneficiary records with the record of all trust funds held by Respondent; and, failed to place trust funds into the hands of its principal, into a neutral escrow depository, or into a trust account held in the name

of the broker as trustee. Respondent MMI, failed to provide to borrowers mortgage loan disclosure statements containing all of the information required under Sections 10236.4, 10240 and 10241 of the Code.

3. The First Amended Accusation alleged that Respondent PHO, while acting as the designated broker/officer for Respondents MMI, and VQ 21, failed to exercise reasonable supervision over the activities of Respondents MMI, and VQ 21, such that the fraudulent activities, failure to maintain records, trust fund handling violations, and mortgage loan disclosure violations set forth above were allowed to occur.

4. On May 26, 2011, a hearing was held before the Office of Administrative Hearings in Oakland, California, under OAH Case No. 2011010737, wherein the testimony of witnesses and documentary evidence of fraudulent lending practices, failures to retain records, trust fund handling violations, and of Respondent PHO's failure to supervise was presented and introduced into the evidentiary record.

5. On or about August 1, 2011, after the hearing before the Office of Administrative Hearings, the Commissioner signed the Order adopting the Decision of the Administrative Law Judge revoking the real estate licenses and licensing rights of Respondents BIC D. PHO, MARIPOSA MORTGAGE, INC., and VISION QUEST 21, INC. The Order revoking the real estate licenses and licensing rights of Respondents became effective on August 22, 2011.

6. On or about August 30, 2011, the Commissioner issued and served upon Respondent PHO by certified mail, return receipt request, a *Notice of Preliminary Bar Order and Intention to Issue Final Bar Order* which immediately prohibited Respondent PHO from engaging in any business activity involving real estate that is subject to regulations under the real estate law. Respondent PHO was directed to submit a written request for a hearing on the bar order within fifteen (15) days after the mailing or service of the Preliminary Bar Order. The Preliminary Bar Order further informed Respondent that should he or his corporate entities, Respondents MMI, and VQ 21, fail to request a hearing in writing within the 15-day period he

and they waived his and their right to a hearing and the Commissioner would issue a final bar order.

7. Respondent PHO failed to file, on behalf of himself or on behalf of his corporations, a written notice, or any notice at all, requesting a hearing on the bar orders within the 15-day period required under the statute.

CONCLUSIONS OF LAW

Based on the findings set forth above, the Commissioner has determined that:

1. Respondents failed to request a hearing within fifteen (15) days of service of the *Notice of Preliminary Bar Order and Intention to Issue Final Bar Order*.

2. Thus, the Commissioner is required to issue a final bar order against Respondents;

3. Effective August 22, 2011, the real estate licenses and licensing rights of BIC D. PHO, MARIPOSA MORTGAGE, INC., and VISION QUEST 21, INC., were revoked.

4. A Bar Order is in the public interest;

5. Respondents knowingly committed violations of the Real Estate Law; and

6. Respondents' violations of the Real Estate Law have caused material damage to the public.

FINAL BAR ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to the authority of Section 10087 of the Code, that BIC D. PHO, MARIPOSA MORTGAGE, INC., and VISION QUEST 21, INC., are hereby barred and prohibited from engaging in any of the following activities in the State of California for a period of thirty-six (36) months from the effective date of this Bar Order:

(A) Holding any position of employment, management, or control in a real estate business;

(B) Participating in any business activity of a real estate salesperson or a real estate broker;

(C) Engaging in any real estate related business activity on the premises where a real estate salesperson or real estate broker is conducting business; and participating in any real estate related business activity of a finance lender; residential mortgage lender, bank, credit union, escrow company, title company, or underwritten title company; and

(D) Engaging in any business activity involving real estate that is subject to regulation under the Real Estate Law [Business and Professions Code §§ 10000 et seq. and §§ 11000 et seq.].

THIS BAR ORDER IS EFFECTIVE IMMEDIATELY.

IT IS SO ORDERED 12/7/11.

BARBARA J. BIGBY
Acting Real Estate Commissioner

NOTICE

Pursuant to Section 10185 of the Business and Professions Code:

Any person, including officers, directors, agents or employees of corporations, who willfully violates or knowingly participates in the violation of this (Bar Order) shall be guilty of a misdemeanor punishable by a fine not exceeding ten thousand dollars ($10,000), or by imprisonment in the county jail not exceeding six months, or by a fine and imprisonment.[1]

[1] Business and Professions Code Section 10087: (a) In addition to acting pursuant to the authority provided under Sections 10086, 10176, and 10177, the commissioner may, after appropriate notice and opportunity for a hearing, by order, suspend, or bar from any position of employment, management, or control, for a period not exceeding 36 months, a real estate salesperson or real estate broker, or an unlicensed person issued an order under Section 10086, if the commissioner finds either of the following:
(1) That the suspension or bar is in the public interest and that the person has committed or caused a violation of this division or rule or order of the commissioner, which violation was either known or should have been known by the person committing or causing it or has caused material damage to the public.
(2) That the person has been convicted of or pleaded nolo contendere to any crime, or has been held liable in any civil action by final judgment, or any administrative judgment by any public agency, if that crime or civil or administrative judgment involved any offense involving dishonesty, fraud, or deceit, or any other offense reasonably related to the qualifications, functions, or duties of a person engaged in the real estate business in accordance with the provisions of this division.

FILED

DEPARTMENT OF REAL ESTATE
P. O. Box 187007
Sacramento, CA 95818-7007

Telephone: (916) 227-0789

August 30, 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, 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-11208 SF PRELIMINARY BAR ORDER AND NOTICE OF INTENTION TO ISSUE FINAL BAR ORDER (B&P Code § 10087)

TO: BIC D. PHO, MARIPOSA MORTGAGE, INC., and VISION QUEST 21, INC.

Pursuant to Section 10087(b) of the California Business and Professions Code[1] (hereinafter "the Code"), you, Respondent, are hereby notified of the intention of the California Real Estate Commissioner (hereinafter "Commissioner") to issue a Bar Order pursuant to Section 10087(a) of the California Business and Professions Code based upon the administrative

judgment effective August 22, 2011, in Department of Real Estate Case No. H-10082 SF and Office of Administrative Hearings Case No. 2011010737 finding Respondents committed offenses reasonably related to the qualifications, functions, or duties of a person engaged in the real estate business in accordance with Division 4 of the California Business and Professions Code that involved dishonesty, fraud and deceit.

Please take notice that the Commissioner seeks to bar and prohibit BIC D. PHO, MARIPOSA MORTGAGE, INC., and VISION QUEST 21, INC. for a period of thirty-six (36) months from the effective date of the Bar Order from engaging in any of the following activities in the State of California:

(A) Holding any position of employment, management, or control in a real estate business;

(B) Participating in any business activity of a real estate salesperson or a real estate broker;

(C) Engaging in any real estate related business activity on the premises where a real estate salesperson or real estate broker is conducting business; and,

(D) Participating in any real estate related business activity of a finance lender, residential mortgage lender, bank, credit union, escrow company, title company, or underwritten title company.

YOU ARE IMMEDIATELY PROHIBITED FROM ENGAGING IN ANY BUSINESS ACTIVITY INVOLVING REAL ESTATE THAT IS SUBJECT TO REGULATIONS UNDER THE REAL ESTATE LAW.

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NOTICE OF RIGHT AND OPPORTUNITY FOR A HEARING

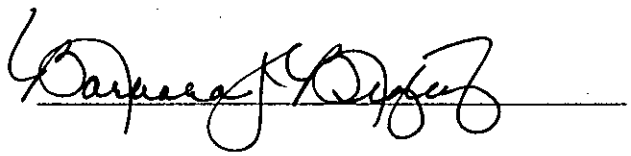
Pursuant to Section 10087 of the California Business and Professions Code, you have the right to request a hearing under the California Administrative Procedure Act (Chapter 4.5 – commencing with Section 11400 of the Government Code). If you desire a hearing, you

must submit a written request within fifteen (15) days after the mailing or service of this "Preliminary Bar Order and Notice of Intention to Issue Final Bar Order." The request may be in any form provided it is in writing; includes your current return address; indicates that you want a hearing; is signed by you or on your behalf; and is mailed to the Department of Real Estate, P. O. Box 187007, Sacramento, California 95818-7007, attention: Legal Section; or, delivered personally to the offices of the Department of Real Estate, 2201 Broadway, Sacramento, California.

If no hearing is requested within said fifteen (15) day time period, your failure to request a hearing shall constitute a waiver of the right to a hearing.

It is so ordered this 29th day of August, 2011.

BARBARA J. BIGBY
Acting Real Estate Commissioner



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[1]Business and Professions Code Section 10087: (a) In addition to acting pursuant to the authority provided under Sections 10086, 10176, and 10177, the commissioner may, after appropriate notice and opportunity for a hearing, by order, suspend, or bar from any position of employment, management, or control, for a period not exceeding 36 months, a real estate salesperson or real estate broker, or an unlicensed person issued an order under Section 10086, if the commissioner finds either of the following:

(1) That the suspension or bar is in the public interest and that the person has committed or caused a violation of this division or rule or order of the commissioner, which violation was either known or should have been known by the person committing or causing it or has caused material damage to the public.

(2) That the person has been convicted of or pleaded nolo contendere to any crime, or has been held liable in any civil action by final judgment, or any administrative judgment by any public agency, if that crime or civil or administrative judgment involved any offense involving dishonesty, fraud, or deceit, or any other offense reasonably related to the qualifications, functions, or duties of a person engaged in the real estate business in accordance with the provisions of this division.