ELLIOTT MAC LENNAN, SBN 66674
Department of Real Estate
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FILED
AUG - 4 2003
DEPARTMENT OF REAL ESTATE
By K. Wiedenhoft

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of VONROPE MORTGAGE CORPORATION, doing business as VMC Realty, and, HUMBERTO JOSE PEREZ, individually and as designated officer of Vonrope Mortgage Corporation, Respondents.	No. H-30025 LA STIPULATION AND AGREEMENT

It is hereby stipulated by and between VONROPE MORTGAGE CORPORATION dba VMC Realty and HUMBERTO JOSE PEREZ, individually and as designated officer of Vonrope Mortgage Corporation (sometimes collectively referred to as "Respondents"), represented by John D. Jaffe, Esq., and the Complainant, acting by and through Elliott Mac Lennan, Counsel for the Department of Real Estate, as follows for the purpose of settling and disposing of the Accusation filed on March 20, 2003, in this matter:

1. All issues which were to be contested and all evidence which was to be presented by Complainant and Respondents

at a formal hearing on the Accusation, which hearing was to be held in accordance with the provisions of the Administrative Procedure Act ("APA"), shall instead and in place thereof be submitted solely on the basis of the provisions of this Stipulation and Agreement (Stipulation).

2. Respondents have received, read and understand the Statement to Respondent, the Discovery Provisions of the APA and the Accusation filed by the Department of Real Estate in this proceeding.

3. Respondents filed a Notice of Defense pursuant to Section 11506 of the Government Code for the purpose of requesting a hearing on the allegations in the Accusation. Respondents hereby freely and voluntarily withdraw said Notice of Defense. Respondents acknowledge that they understand that by withdrawing said Notice of Defense they thereby waive their right to require the Commissioner to prove the allegations in the Accusation at a contested hearing held in accordance with the provisions of the APA and that they will waive other rights afforded to them in connection with the hearing such as the right to present evidence in their defense of the allegations in the Accusation and the right to cross-examine witnesses.

4. This Stipulation is based on the allegations contained in the Accusation. In the interest of expedience and economy, Respondents choose not to contest these allegations, but to remain silent and understand that, as a result thereof, these allegations, without being admitted or denied, will serve as a prima facie basis for the disciplinary action stipulated to

herein. The Real Estate Commissioner shall not be required to provide further evidence to prove said allegations.

5. This Stipulation is based on Respondents decision not to contest the allegations set forth in the Accusation as a result of the agreement negotiated between the parties. This Stipulation is expressly limited to this proceeding and any further proceeding initiated by or brought before the Department of Real Estate based upon the facts and circumstances alleged in the Accusation, and is made for the sole purpose of reaching an agreed disposition of this proceeding without a hearing. The decision of Respondents not to contest the allegations is made solely for the purpose of effectuating this Stipulation. It is the intent and understanding of the parties that this Stipulation shall not be binding or admissible against Respondents in any actions against Respondents by third parties.

6. It is understood by the parties that the Real Estate Commissioner may adopt this Stipulation as her Decision in this matter thereby imposing the penalty and sanctions on Respondents real estate licenses and license rights as set forth in the "Order" herein below. In the event that the Commissioner, in her discretion, does not adopt the Stipulation, it shall be void and of no effect and Respondents shall retain the right to a hearing and proceeding on the Accusation under the provisions of the APA and shall not be bound by any stipulation or waiver made herein.

7. The Order or any subsequent Order of the Real Estate Commissioner made pursuant to this Stipulation shall not constitute an estoppel, merger or bar to any further administrative or civil proceedings by the Department of Real Estate with respect to any matters which were not specifically alleged to be causes for Accusation in this proceeding but do constitute a bar, estoppel and merger as to any allegations actually contained in the Accusation against Respondents herein.

8. This Stipulation and the order made pursuant to this Stipulation shall have no collateral estoppel or res judicata effect in any proceeding(s) in which VONROPE MORTGAGE CORPORATION and/or HUMBERTO JOSE PEREZ and the Department are not parties. This Stipulation is made and accepted with the express understanding and agreement that it is for the purpose of settling these proceedings only, and is not intended as, nor shall be it be deemed, used, argued, or accepted as an acknowledgement or admission of fact in any other judicial, administrative, or other proceeding in which the Department is not a party.

9. Respondents understand that by agreeing to this Stipulation, Respondents agree to pay, pursuant to Business and Professions Code Section 10148, the cost of the audit (LA 000453 and LA 010004) which led to this disciplinary action. The amount of said cost is $10,475.17.

10. Respondents have received, read, and understand the "Notice Concerning Costs of Subsequent Audit". Respondents

further understand that by agreeing to this Stipulation, the findings set forth below in the Determination of Issues become final, and the Commissioner may charge Respondents for the cost of any subsequent audits conducted pursuant to Business and Professions Code Section 10148 to determine if the violations have been corrected. The maximum cost of the subsequent audit will not exceed $10,475.17.

DETERMINATION OF ISSUES

By reason of the foregoing stipulations, it is stipulated and agreed that the following determination of issues shall be made:

1.

The conduct, acts or omissions of VONROPE MORTGAGE CORPORATION as described in Paragraph 4 above, is in violation of Section 10145 of the Business and Professions Code ("Code") and Sections 2831, 2831.2, 2832.1 and 2950(d), 2950(g) and 2950(h), of Title 10, Chapter 6 of the California Code of Regulations and is a basis for the suspension or revocation of Respondent's license pursuant to Sections 10177(d) and 10177(g) of the Code.

2.

The conduct, acts or omissions of HUMBERTO JOSE PEREZ, as described in Paragraph 4, constitutes a failure to exercise reasonable supervision over the activities of Vonrope Mortgage Corporation, for which a real estate license is required, in violation of Code Section 10159.2 and is conduct is a basis for

the suspension or revocation of Respondent's broker license pursuant to Sections 10177(g) and 10177(h) of the Code.

ORDER

WHEREFORE THE FOLLOWING ORDER IS MADE PURSUANT TO THE WRITTEN STIPULATION OF THE PARTIES:

I. All licenses and licensing rights of Respondents VONROPE MORTGAGE CORPORATION and HUMBERTO JOSE PEREZ under the Real Estate Law are suspended for a period of sixty (60) days from the effective date of this Decision; provided, however, that thirty (30) days of said suspension shall be stayed for two (2) years upon the following terms and conditions:

A. Respondents shall obey all laws, rules and regulations governing the rights, duties and responsibilities of a real estate licensee in the State of California.

B. That no final subsequent determination be made, after hearing or upon stipulation, that cause for disciplinary action occurred within two (2) years of the effective date of this Decision. Should such determination be made, the Commissioner may, in her discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed suspension. Should no such determination be made, the stay imposed herein shall become permanent.

II. Prior to the effective date of this Decision Respondents provide evidence satisfactory to the Commissioner that the trust fund deficit set forth in Audit Report LA 000453

and LA 010004, in the amount of $2,508.21, as of June 30, 2001, has been cured, including the identity of the source of funds used to cure it; and

III. All licenses and licensing rights of Respondent HUMBERTO JOSE PEREZ are indefinitely suspended unless or until he provides proof satisfactory to the Commissioner, of having taken, within one hundred twenty (120) days prior to this Order or any time after said date, the trust fund accounting and handling course specified in paragraph (3) of subdivision (a) of Business and Professions Code Section 10170.5.

IV. The initial thirty (30) day portion of said sixty (60) day suspension shall commence on the effective date of this Decision; provided, however, that if Respondents petition, said suspension shall be stayed upon condition that:

(a) Pursuant to Section 10175.2 of the Business and Professions Code, Respondent VONROPE MORTGAGE CORPORATION and Respondent HUMBERTO JOSE PEREZ each pay a monetary penalty of thirty-three dollars and thirty-three cents ($33.33) per day totaling one thousand ($1,000) dollars each, or two thousand dollars ($2,000) in total for both Respondents.

(b) Said payment shall be in the form of a cashier's check or certified check made payable to the Recovery Account of the Real Estate Fund. Said check must be received by the Department prior to the effective date of the Decision in this matter.

(c) No further cause for disciplinary action against the real estate license of Respondents occur within two (2) years from the effective date of the Decision in this matter.

(d) If Respondents fail to pay the monetary penalty in accordance with the terms and conditions of the Decision, the Commissioner may, without a hearing, order the immediate execution of all or any part of the stayed suspension in which event Respondents shall not be entitled to any repayment nor credit, prorated or otherwise, for money paid to the Department under the terms of this Decision.

(e) If Respondents pay the monetary penalty and if no further cause for disciplinary action against the real estate licenses of Respondents occur within two (2) years from the effective date of the Decision, the stay hereby granted shall become permanent.

IV.

Pursuant to Section 10148 of the Business and Professions Code, Respondents VONROPE MORTGAGE CORPORATION and HUMBERTO JOSE PEREZ shall pay the Commissioner's reasonable cost for: (a) the audit (LA 000453 and LA 010004) which led to this disciplinary action and (b) a subsequent audit to determine if Respondent VONROPE MORTGAGE CORPORATION is now in compliance with the Real Estate Law. The cost of the audit which led to this disciplinary action is $10,475.17. In calculating the amount of the Commissioner's reasonable cost, the Commissioner may use the

estimated average hourly salary for all persons performing audits of real estate brokers, and shall include an allocation for travel time to and from the auditor's place of work. Said amount for the prior and subsequent audit shall not exceed $20,950.34.

Respondents shall pay such cost within 60 days of receiving an invoice from the Commissioner detailing the activities performed during the audit and the amount of time spent performing those activities.

The Commissioner may suspend the license of a Respondent pending a hearing held in accordance with Section 11500, et seq., of the Government Code, if payment is not timely made as provided for herein, or as provided for in a subsequent agreement between the Respondent and the Commissioner. The suspension shall remain in effect until payment is made in full or until a Respondent enters into an agreement satisfactory to the Commissioner to provide for payment, or until a decision providing otherwise is adopted following a hearing held pursuant to this condition.

DATED: 5-28-03

ELLIOTT MAC LENNAN, Counsel for the Department of Real Estate

* * *

We have read the Stipulation and have discussed it with our counsel. Its terms are understood by us and are agreeable and acceptable to us. We understand that we are waiving rights given to us by the California Administrative Procedure Act

(including but not limited to Sections 11506, 11508, 11509 and 11513 of the Government Code), and we willingly, intelligently and voluntarily waive those rights, including the right of requiring the Commissioner to prove the allegations in the Accusation at a hearing at which we would have the right to cross-examine witnesses against us and to present evidence in defense and mitigation of the charges.

Respondents can signify acceptance and approval of the terms and conditions of the Stipulation by faxing a copy of its signature page, as actually signed by Respondents, to the Department at the following telephone/fax number: (213) 576-6917, Attention: Elliott Mac Lennan. Respondents agree, acknowledge and understand that by electronically sending to the Department a fax copy of Respondents' actual signatures as they appear on the Stipulation and Agreement, that receipt of the faxed copy by the Department shall be as binding on Respondents as if the Department had received the original signed Stipulation.

DATED: _____

_____
VONROPE MORTGAGE CORPORATION
BY: HUMBERTO JOSE PEREZ,
Respondent

DATED: _____

_____
HUMBERTO JOSE PEREZ, individually
and as designated officer of
Vonrope Mortgage Corporation
Respondent

DATED: _____

_____
JOHN D. JAFFE, Attorney for
Respondents. Approved as to form.

(including but not limited to Sections 11506, 11508, 11509 and 11513 of the Government Code), and we willingly, intelligently and voluntarily waive those rights, including the right of requiring the Commissioner to prove the allegations in the Accusation at a hearing at which we would have the right to cross-examine witnesses against us and to present evidence in defense and mitigation of the charges.

Respondents can signify acceptance and approval of the terms and conditions of the Stipulation by faxing a copy of its signature page, as actually signed by Respondents, to the Department at the following telephone/fax number: (213) 576-6917 Attention: Elliott Mac Lennan. Respondents agree, acknowledge and understand that by electronically sending to the Department fax copy of Respondents' actual signatures as they appear on the Stipulation and Agreement, that receipt of the faxed copy by the Department shall be as binding on Respondents as if the Department had received the original signed Stipulation.

DATED: 7/1/03

VONROPE MORTGAGE CORPORATION
BY: HUMBERTO JOSE PEREZ,
Respondent

DATED: 7/1/03

HUMBERTO JOSE PEREZ, individually and as designated officer of Vonrope Mortgage Corporation
Respondent

DATED: 7/7/03

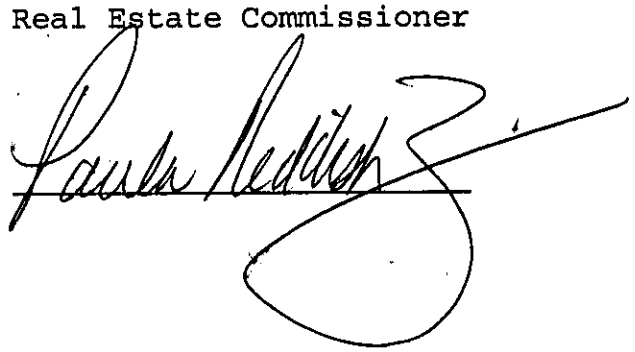
JOHN D. JAFFE, Attorney for Respondents. Approved as to form.

* * *

The foregoing Stipulation and Agreement is hereby adopted as my Decision and Order and shall become effective at 12 o'clock noon on August 25, 2003.

IT IS SO ORDERED July 30, 2003.

PAULA REDDISH ZINNEMANN
Real Estate Commissioner



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FILED
MAY 22 2003
DEPARTMENT OF REAL ESTATE
By K Wiederhold

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of

VONROPE MORTGAGE CORP., et al.

Case No. H-30025 LA

OAH No. L-2003040545

Respondent

NOTICE OF HEARING ON ACCUSATION

To the above named respondent:

You are hereby notified that a hearing will be held before the Department of Real Estate at **320 W. Fourth Street, Ste. 630, Los Angeles, CA** on **October 29, 30 and 31 2003**, at the hour of **9:00 a.m.**, or as soon thereafter as the matter can be heard, upon the Accusation served upon you. If you object to the place of hearing, you must notify the presiding administrative law judge of the Office of Administrative Hearings within ten (10) days after this notice is served on you. Failure to notify the presiding administrative law judge within ten days will deprive you of a change in the place of the hearing.

You may be present at the hearing. You have the right to be represented by an attorney at your own expense. You are not entitled to the appointment of an attorney to represent you at public expense. You are entitled to represent yourself without legal counsel. If you are not present in person nor represented by counsel at the hearing, the Department may take disciplinary action against you based upon any express admission or other evidence including affidavits, without any notice to you.

You may present any relevant evidence and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpenas to compel the attendance of witnesses and the production of books, documents or other things by applying to the Department of Real Estate.

The hearing shall be conducted in the English language. If you want to offer the testimony of any witness who does not proficiently speak the English language, you must provide your own interpreter and pay his or her costs. The interpreter must be certified in accordance with Sections 11435.30 and 11435.55 of the Government Code.

DEPARTMENT OF REAL ESTATE

Dated: MAY 22 2003

By [signature]
ELLIOTT MAC LENNAN, Counsel

cc: Vonrope Mortgage Corp./Humberto Jose Perez
Edward P. Sangster, Esq./Dylan B. Carp, Esq.
/Sacto/OAH/AS

RE 501 (Rev. 8/97)

Sacto
JVS

ELLIOTT MAC LENNAN, Counsel
State Bar No. 66674
Department of Real Estate
320 West Fourth Street, Suite 350
Los Angeles, California 90013-1105

(213) 576-6911

FILED
MAR 20 2003
DEPARTMENT OF REAL ESTATE
By K Niederholz

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of VONROPE MORTGAGE CORPORATION doing business as VMC Realty, and HUMBERTO JOSE PEREZ, individually and as designated officer of Vonrope Mortgage Corporation, Respondents.	NO. H-30025 LA A C C U S A T I O N

The Complainant, Janice Waddell, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against VONROPE MORTGAGE CORPORATION dba VMC Realty and HUMBERTO JOSE PEREZ, individually and as designated officer of Vonrope Mortgage Corporation, alleges as follows:

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1.

The Complainant, Janice Waddell, acting in her official capacity as a Deputy Real Estate Commissioner of the State of California, makes this Accusation against VONROPE MORTGAGE CORPORATION ("VMC") and HUMBERTO JOSE PEREZ, individually as designated officer of Vonrope Mortgage Corporation ("PEREZ").

2.

All references to the "Code" are to the California Business and Professions Code and all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

3.

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

4.

At all time herein mentioned, PEREZ was licensed by the Department as the designated officer of VMC to qualify VMC and to act for VMC as a real estate broker and, as provided by Code Section 10159.2, was responsible for the supervision and control of the activities conducted on behalf of VMC by VMC's officers, managers and employees as necessary to secure full compliance with the provisions of the Real Estate Law including

the supervision of the salespersons licensed to the corporation in the performance of acts for which a real estate license is required. VMC'S corporate real estate broker license was originally issued on December 15, 1998. PEREZ was originally licensed as a real estate broker on February 11, 2000. PEREZ became the designated officer of VMC on February 25, 2000. During the audit period set forth below in Paragraph 7, from January 1, 2000 to February 24, 2000, Richard Uriel Centeno was the designated officer of VMC however he is not part of this Accusation.

5.

Whenever reference is made in an allegation in the Accusation to an act or omission of VMC, such allegation shall be deemed to mean that the officers, directors, managers, employees, agents and real estate licensees employed by or associated with VMC, including PEREZ, committed such act or omission while engaged in the furtherance of VMC's business or operation and while acting within the course and scope of VMC's corporate authority, agency and employment.

6.

At all times herein mentioned in the City of Pomona, California, VMC engaged in the business as a real estate broker within the meaning of:

A. Code Section 10131(d). VMC operated as a mortgage and loan broker dba VMC Realty; and

B. Conducted broker-controlled escrows through VMC's escrow division under the exemption set forth in California Financial Code Section 17006(a)(4) for real estate brokers performing escrows incidental to a real estate transaction where the broker is a party and where the broker is performing acts for which a real estate license is required.

7.

On September 28, 2001, the Department completed an audit examination of the books and records of VMC pertaining to its mortgage and loan brokerage activities, requiring a real estate license as described in Paragraph 6. The audit examination covered a period of time beginning on January 1, 2000 to June 30, 2001. The audit examination revealed violations of the Code and the Regulations as set forth below, and more fully discussed in Audit Report LA 000453 & 010004 and the exhibits and workpapers attached to said audit report.

8.

At all times mentioned, in connection with the activities described in Paragraph 6, above, VMC accepted or received funds in trust (trust funds) from or on behalf of borrowers and lenders, and thereafter made disposition of such funds. Respondent VMC maintained the following trust account during the audit period into which were deposited certain of these funds at:

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"Vonrope Mortgage Corporation Escrow Trust Account ("T/A #1")
Account No. 0468-911201"
Wells Fargo Bank Diamond Bar Office
1180 Diamond Bar Boulevard
Diamond Bar, CA 91765

"Vonrope Mortgage Corporation Escrow Trust Account ("T/A #2")
Account No. 845010751"
People's Bank of California
5470 Beach Boulevard
Buena Park, CA 90621

9.

With respect to the trust funds referred to in Paragraph 8, it is alleged that VMC:

(a) Permitted, allowed or caused the disbursement of trust funds from T/A #2, to an amount which, on June 30, 2001, was $2,508.21, less than the existing aggregate trust fund liability of VMC to every principal who was an owner of said funds, without first obtaining the prior written consent of the owners of said funds, as required by Code Section 10145 and Regulations 2832.1, 2950(d) and 2950(g).

(b) Failed to maintain an accurate or complete control record in the form of a columnar record in chronological order of all trust funds received for T/A #2, as required by Code Section 10145 and Regulations 2831 and 2950(d).

(c) Failed to maintain an accurate or complete separate record for each beneficiary or transaction, thereby failing to account for all trust funds received, deposited into, and disbursed from T/A #2, as required by Code Section 10145 and Regulations 2831.1 and 2950(d).

(d) Failed to perform a monthly reconciliation of the balance of all separate beneficiary or transaction records maintained pursuant to Regulation 2831.1 with the record of all trust funds received and disbursed by T/A #2, as required by Code Section 10145 and Regulations 2831.2 and 2950(d).

(e) Failed to disclose in writing to all parties of VMC's financial interest and ownership of VMC's escrow operation as required by Regulation 2950(h).

10.

The conduct of Respondent VMC, described in Paragraph 9, violated the Code and the Regulations as set forth below:

PARAGRAPH	PROVISIONS VIOLATED
9(a)	Code Section 2832.1, 2950(d) and 2950(g)
9(b)	Code Section 10145 and Regulations 2831 and 2950(d)
9(c)	Code Section 10145 and Regulations 2831.1 and 2950(d)
9(d)	Code Section 10145 and Regulation 2831.2 and 2950(d)
9(e)	Regulation 2950(h)

Each of the foregoing violations separately constitutes cause for the suspension or revocation of the real estate license and license rights of VMC under the provisions of Code Sections 10177(d)and/or 10177(g).

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11.

The overall conduct of Respondent PEREZ constitutes a failure on his part, as officer designated by a corporate broker licensee, to exercise the reasonable supervision and control over the licensed activities of VMC as required by Code Section 10159.2, and to keep VMC in compliance with the Real Estate Law, and is cause for the suspension or revocation of the real estate license and license rights of PEREZ pursuant to the provisions of Code Sections 10159.2, 10177(g) and 10177(h).

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 licensing rights of Respondents VONROPE MORTGAGE CORPORATION and HUMBERTO JOSE PEREZ, individually and as designated officer of Vonrope Mortgage Corporation 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.

Dated at Los Angeles, California
this 12th March 2003

Deputy Real Estate Commissioner

cc: Vonrope Mortgage Corporation dba VMC Realty
c/o Humberto Jose Perez
Janice Wadell
Sacto
AS