FILED
JAN 10 2008
DEPARTMENT OF REAL ESTATE
By

BEFORE THE

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of SUBASHBHAI JETHABHAI PATEL, Respondent.	NO. H-30879 LA

ORDER SUSPENDING REAL ESTATE LICENSE

TO: SUBASHBHAI JETHABHAI PATEL:

On March 25, 2005, your real estate salesperson license was suspended on the terms, conditions, and restrictions set forth in the Real Estate Commissioner's Order, in Case No. H-30879 LA. Said suspension was stayed on certain terms and conditions. Among those terms, conditions and restrictions, you were required to take and pass the Professional Responsibility Examination within six months from the effective date of the

Decision. The Commissioner has determined that as of September 25, 2005, you have failed to satisfy this condition.

NOW, THEREFORE, IT IS ORDERED under authority of the Order issued in this matter that the real estate salesperson license heretofore issued to Respondent and the exercise of any privileges thereunder is hereby suspended until such time as you provide proof satisfactory to the Department of compliance with the "condition" referred to above, or pending final determination made after hearing (see "Hearing Rights" set forth below).

IT IS FURTHER ORDERED that all license certificates and identification cards issued by Department which are in the possession of Respondent be immediately surrendered by personal delivery or by mailing in the enclosed, self-addressed envelope to:

DEPARTMENT OF REAL ESTATE
ATTN: FLAG SECTION
P. O. Box 187000
Sacramento, CA 95818-7000

HEARING RIGHTS: Pursuant to the provisions of Section 10156.7 of the Business and Professions Code, you have the right to a hearing to contest the Commissioner's determination that you are in violation of the Order issued in this matter. If you desire a hearing, you must submit a written request. The request may be in any form, as long as it is in writing and indicates that you want a hearing. Unless a written request for a hearing, signed by or on behalf of you, is delivered or mailed to the Department at 2201 Broadway, P. O. Box 187000, Sacramento,

California 95818-7000, within 20 days after the date that this Order was mailed to or served on you, the Department will not be obligated or required to provide you with a hearing.

This Order shall be effective immediately.

DATED: 1-4, 2006.

JEFF DAVI
Real Estate Commissioner

Department of Real Estate
320 West Fourth Street, Suite 350
Los Angeles, California 90013-1105

Telephone: (213) 576-6982
-or- (213) 576-6910 (Direct)

FILED
FEB 23 2005
DEPARTMENT OF REAL ESTATE
By

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of HOME EQUITY BANCORP, a corporation; DONALD BEYNON NICOLSON, individually and as designated officer of Home Equity Bancorp; and SUBASHBHAI JETHABHAI PATEL, Respondents.	DRE No. H-30879 LA OAH No. L-2004080114 STIPULATION AND AGREEMENT

It is hereby stipulated by and between SUBASHBHAI JETHABHAI PATEL (hereinafter "Respondent"), represented by Jozef G. Magyar, Esq., and the Complainant, acting by and through Chris Leong, Counsel for the Department of Real Estate, as follows for the purpose of settling and disposing of the Accusation filed on May 4, 2004. The matter as to HOME EQUITY BANCORP, a corporation and DONALD BEYNON NICOLSON will be handled separately.

1. All issues which were to be contested and all evidence which was to be presented by Complainant and Respondent at a formal hearing on the Accusation, which hearing was to be

held in accordance with the provisions of the Administrative Procedure Act, shall instead and in place thereof be submitted solely on the basis of the provisions of this Stipulation and Agreement ("Stipulation").

2. Respondent has received, read and understands the Statement to Respondent, the Discovery Provisions of the Administrative Procedure Act and the Accusation, filed by the Department of Real Estate in this proceeding.

3. Respondent 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. Respondent hereby freely and voluntarily withdraws said Notice of Defense. Respondent acknowledges that he understands that by withdrawing said Notice of Defense he will thereby waive his right to require the Commissioner to prove the allegations in the Accusation at a contested hearing held in accordance with the provisions of the Administrative Procedure Act and that Respondent will waive other rights afforded to him in connection with the hearing, such as the right to present evidence in defense of the allegations in the Accusation and the right to cross-examine witnesses.

4. This Stipulation is based on the factual allegations contained in the Accusation filed in this proceeding. In the interest of expedience and economy, Respondent chooses not to contest these factual allegations, but to remain silent and understands that, as a result thereof, these factual statements,

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 such allegations.

5. This Stipulation and Respondent's decision not to contest the Accusation are made for the purpose of reaching an agreed disposition of this proceeding and are expressly limited to this proceeding and any other proceeding or case in which the Department of Real Estate, or another licensing agency of this state, another state or if the federal government is involved, and otherwise shall not be admissible in any other criminal or civil proceedings.

6. It is understood by the parties that the Real Estate Commissioner may adopt the Stipulation as his decision in this matter thereby imposing the penalty and sanctions on Respondent's real estate license and license rights as set forth in the below "Order". In the event that the Commissioner in his discretion does not adopt the Stipulation, the Stipulation shall be void and of no effect, and Respondent shall retain the right to a hearing on the Accusation under all 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 conduct which was not specifically

alleged to be causes for accusation in this proceeding.

DETERMINATION OF ISSUES

By reason of the foregoing stipulations, admissions and waivers and solely for the purpose of settlement of the pending Accusation without a hearing, it is stipulated and agreed that the following Determination of Issues shall be made:

The acts and omissions of Respondent, described in the Accusation, is cause for the suspension or revocation of all real estate licenses and license rights of Respondent pursuant to Business and Professions Code Section 10177(g).

ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

1. All licenses and licensing rights of Respondent SUBASHBHAI JETHABHAI PATEL, under the Real Estate Law shall be suspended for a period of one hundred and twenty (120) days from the effective date of this Decision; provided, however, that the final sixty (60) days of the one hundred and twenty (120) day suspension shall be stayed for two (2) years upon the following terms and conditions:

(a) Respondent shall obey all laws, rules and regulations governing the rights, duties and responsibilities of a real estate licensee in the State of California; and

(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 a determination be made, the Commissioner may, in his 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.

2. If Respondent petitions, the initial sixty (60) days of said suspension or a portion thereof shall be stayed upon condition that:

(a) Pursuant to Code Section 10175.2, Respondent pays a monetary penalty at the rate of Fifty Dollars ($50.00) per day for a total monetary penalty of Three Thousand Dollars ($3,000.00).

(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 Respondent occurs within two (2) years from the effective date of the Decision in this matter.

(d) If Respondent fails 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 the Respondent 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 Respondent pays the monetary penalty and if no further cause for disciplinary action against the real estate

license of Respondent occurs within two (2) years from the effective date of this Decision, the stay hereby granted shall become permanent.

3. Respondent shall, within six (6) months from the effective date of this Decision, take and pass the Professional Responsibility Examination administered by the Department including the payment of the appropriate examination fee. If Respondent fails to satisfy this condition, the Commissioner may order suspension of Respondent's license until Respondent passes the examination.

4. Respondent shall, before the effective date of this Decision, provide proof satisfactory to the Commissioner that the $10,500 was repaid to Purnima Patel. If Respondent fails to satisfy this condition, the Commissioner may order suspension of Respondent's license until Respondent provides such proof.

5. Respondent's license shall be indefinitely suspended unless or until Respondent submits proof satisfactory to the Commissioner of having taken and successfully completed the continuing education course on trust fund accounting and handling specified in subdivision (a) of Section 10170.5 of the Business and Professions Code. Proof of satisfaction of this requirement includes evidence that Respondent has successfully completed the trust fund account and handling continuing education course within 120 days prior to the effective date of the Decision in this matter.

///

DATED: 1/21/05

Chris Leong

CHRIS LEONG, ESQ.
Counsel for Complainant

* * *

I have read the Stipulation and Agreement have discussed it with my counsel and its terms are understood by me and are agreeable and acceptable to me. I understand that I am waiving rights given to me by the California Administrative Procedure Act (including but not limited to Sections 11506, 11508, 11509 and 11513 of the Government Code), and I 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 I would have the right to cross-examine witnesses against me and to present evidence in defense and mitigation of the charges.

Respondent can signify acceptance and approval of the terms and conditions of this Stipulation and Agreement by faxing a copy of the signature page, as actually signed by Respondent, to the Department at fax number (213) 576-6917. Respondent agrees, acknowledges and understands that by electronically sending to the Department a fax copy of his actual signature as it appears on the Stipulation and Agreement, that receipt of the faxed copy by the Department shall be as binding on Respondent as if the Department had received the original signed Stipulation and Agreement.

///

DATED: 1/4/05

SURASHBHAI JETHABHAI PATEL
Respondent

DATED: 1/4/05

JOSEPH G. MUGYAR, ESQ.
Counsel for Respondent
(Approved as to content)

* * *

The foregoing Stipulation and Agreement is hereby adopted as my Decision in this matter and shall become effective at 12 o'clock noon on _____.

IT IS SO ORDERED _____.

JEFF DAVI
Real Estate Commissioner

_____

DATED: _____

SUBASHBHAI JETHABHAI PATEL
Respondent

DATED: _____

JOZEF G. MAGYAR, ESQ.
Counsel for Respondent
(Approved as to content)

* * *

The foregoing Stipulation and Agreement is hereby adopted as my Decision in this matter and shall become effective at 12 o'clock noon on March 25, 2005.

IT IS SO ORDERED 2-15-05.

JEFF DAVI
Real Estate Commissioner

FILED
FEB 23 2005
DEPARTMENT OF REAL ESTATE

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of HOME EQUITY BANCORP, a corporation; DONALD BEYNON NICOLSON, individually and as designated officer of Home Equity Bancorp; and SUBASHBHAI JETHABHAI PATEL, Respondents.	No. H-30879 LA L-2004080114

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSE

On May 4, 2004, an Accusation was filed in this matter against Respondent HOME EQUITY BANCORP.

On January 4, 2005, Respondent petitioned the Commissioner to voluntarily surrender its real estate corporation license pursuant to Section 10100.2 of the Business and Professions Code.

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IT IS HEREBY ORDERED that Respondent HOME EQUITY BANCORP's petition for voluntary surrender of its real estate corporation license is accepted as of the effective date of this Order as set forth below, based upon the understanding and agreement expressed in Respondent's Declaration dated January 4, 2005 (attached as Exhibit "A" hereto). Respondent's license certificate(s), pocket card(s) and any branch office license certificate(s) shall be sent to the below listed address so that they reach the Department on or before the effective date of this Order:

Department of Real Estate
Attn: Licensing Flag Section
P.O. Box 187000
Sacramento, CA 95818-7000

This Order shall become effective at 12 o'clock noon on March 15, 2005.

DATED: 2/15/05.

JEFF DAVI
Real Estate Commissioner

Exhibit "A"

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of HOME EQUITY BANCORP, a corporation; DONALD BEYNON NICOLSON, individually and as designated officer of Home Equity Bancorp; and SUBASHBHAI JETHABHAI PATEL, Respondents.	No. H-30879 LA L-2004080114

DECLARATION

My name is Subashbhai Jethabhai Patel and that I am currently an officer of HOME EQUITY BANCORP, which is licensed as a corporate real estate broker and/or has license rights with respect to said license. I am authorized and empowered to sign this declaration on behalf of HOME EQUITY BANCORP. HOME EQUITY BANCORP is represented in this matter by Jozef G. Magyar, Attorney at Law.

In lieu of proceeding in this matter in accordance with the provisions of the Administrative Procedure Act (Sections 11400 et seq., of the Government Code) HOME EQUITY BANCORP

wishes to voluntarily surrender its real estate license issued by the Department of Real Estate ("Department"), pursuant to Business and Professions Code Section 10100.2.

I understand that HOME EQUITY BANCORP, by so voluntarily surrendering its license, can only have it reinstated in accordance with the provisions of Section 11522 of the Government Code. I also understand that by so voluntarily surrendering its license, HOME EQUITY BANCORP agrees to the following:

The filing of this Declaration shall be deemed as its petition for voluntary surrender. It shall also be deemed to be an understanding and agreement by HOME EQUITY BANCORP that, it waives all rights it has to require the Commissioner to prove the allegations contained in the Accusation filed in this matter at a hearing held in accordance with the provisions of the Administrative Procedure Act (Government Code Sections 11400 et seq.), and that it also waives other rights afforded to it in connection with the hearing such as the right to discovery, the right to present evidence in defense of the allegations in the Accusation and the right to cross-examine witnesses. I further agree on behalf of HOME EQUITY BANCORP that upon acceptance by the Commissioner, as evidenced by an appropriate order, all affidavits and all relevant evidence obtained by the Department in this matter prior to the Commissioner's acceptance, and all allegations contained in the Accusation filed in the Department Case No. H-30879 LA, may be considered by the Department to be true and correct for the purpose of deciding whether or not to

grant reinstatement of HOME EQUITY BANCORP's license pursuant to Government Code Section 11522.

Respondent can signify acceptance and approval of the terms and conditions of this Declaration by faxing a copy of its signature page, as actually signed by Respondent, to the Department at fax number (213) 576-6917. Respondent agrees, acknowledges and understands that by electronically sending to the Department a fax copy of its actual signature as it appears on the Declaration, that receipt of the faxed copy by the Department shall be as binding on Respondent as if the Department had received the original signed Declaration.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct and that I am acting freely and voluntarily on behalf of HOME EQUITY BANCORP to surrender its license and all license rights attached thereto.

ON BEHALF OF HOME EQUITY BANCORP, SUBASHBHAI JETHABHAI PATEL

1/4/05
Date and Place

HOME EQUITY BANCORP
By Subashbhai Jethabhai Patel

grant reinstatement of HOME EQUITY BANCORP's license pursuant to Government Code Section 11522.

Respondent can signify acceptance and approval of the terms and conditions of this Declaration by faxing a copy of its signature page, as actually signed by Respondent, to the Department at fax number (213) 576-6917. Respondent agrees, acknowledges and understands that by electronically sending to the Department a fax copy of its actual signature as it appears on the Declaration, that receipt of the faxed copy by the Department shall be as binding on Respondent as if the Department had received the original signed Declaration.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct and that I am acting freely and voluntarily on behalf of HOME EQUITY BANCORP to surrender its license and all license rights attached thereto.

Date and Place	HOME EQUITY BANCORP By Subashbhai Jethabhai Patel

FILED
NOV 10 2004
DEPARTMENT OF REAL ESTATE

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of HOME EQUITY BANCORP, a corporation; DONALD BEYNON NICOLSON, individually and as designated officer of Home Equity Bancorp; and SUBASHBHAI JETHABHAI PATEL, Respondents.	No. H-30879 LA L-2004080114

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSE

On May 4, 2004, an Accusation was filed in this matter against Respondent DONALD BEYNON NICOLSON.

On October 12, 2004, Respondent petitioned the Commissioner to voluntarily surrender his real estate broker license pursuant to Section 10100.2 of the Business and Professions Code.

IT IS HEREBY ORDERED that Respondent DONALD BEYNON NICOLSON's petition for voluntary surrender of his real estate broker license is accepted as of the effective date of this Order as set forth below, based upon the understanding and agreement

expressed in Respondent's Declaration dated October 12, 2004 (attached as Exhibit "A" hereto). Respondent's license certificate(s), pocket card(s) and any branch office license certificate(s) shall be sent to the below listed address so that they reach the Department on or before the effective date of this Order:

Department of Real Estate
Atten: Licensing Flag Section
P.O. Box 187000
Sacramento, CA 95818-7000

This Order shall become effective at 12 o'clock noon on November 30, 2004.

DATED: November 3, 2004.

JEFF DAVI
Real Estate Commissioner

Exhibit "A"

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of HOME EQUITY BANCORP, a corporation; DONALD BEYNON NICOLSON, individually and as designated officer of Home Equity Bancorp; and SUBASHBHAI JETHABHAI PATEL, Respondents.	No. H-30879 LA L-2004070573

DECLARATION

My name is DONALD BEYNON NICOLSON and I am currently licensed as a real estate broker and/or have license rights with respect to said license. I am representing myself in this matter.

In lieu of proceeding in this matter in accordance with the provisions of the Administrative Procedure Act (Sections 11400 et seq., of the Government Code) I wish to voluntarily surrender my real estate license issued by the Department of

Real Estate ("Department"), pursuant to Business and Professions Code Section 10100.2.

I understand that by so voluntarily surrendering my license, that it can only be reinstated in accordance with the provisions of Section 11522 of the Government Code. I also understand that by so voluntarily surrendering my license, I agree to the following:

The filing of this Declaration shall be deemed as my petition for voluntary surrender. It shall also be deemed to be an understanding and agreement by me that, I waive all rights I have to require the Commissioner to prove the allegations contained in the Accusation filed in this matter at a hearing held in accordance with the provisions of the Administrative Procedure Act (Government Code Sections 11400 et seq.), and that I also waive other rights afforded to me in connection with the hearing such as the right to discovery, the right to present evidence in defense of the allegations in the Accusation and the right to cross-examine witnesses. I further agree that upon acceptance by the Commissioner, as evidenced by an appropriate order, all affidavits and all relevant evidence obtained by the Department in this matter prior to the Commissioner's acceptance, and all allegations contained in the Accusation filed in the Department Case No. H-30879 LA, may be considered by the Department to be true and correct for the purpose of deciding whether or not to grant reinstatement of my license pursuant to Government Code Section 11522.

///

Respondent can signify acceptance and approval of the terms and conditions of this Declaration by faxing a copy of its signature page, as actually signed by Respondent, to the Department at fax number (213) 576-6917. Respondent agrees, acknowledges and understands that by electronically sending to the Department a fax copy of his actual signature as it appears on the Declaration, that receipt of the faxed copy by the Department shall be as binding on Respondent as if the Department had received the original signed Declaration.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct and that I freely and voluntarily surrender my license and all license rights attached thereto.

10/12/04 Fullerton, CA

Date and Place

DONALD BEYNON NICOLSON

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

In the Matter of the Accusation of	Case No. **H-30879 LA**
HOME EQUITY BANCORP, a corporation; DONALD BEYNON NICOLSON, individually and as designated officer of Home Equity Bancorp; and SUBASHBHAI JETHABHAI PATEL,	OAH No. L-2004080114
Respondent(s)	

FILED
SEP - 9 2004
DEPARTMENT OF REAL ESTATE

NOTICE OF HEARING ON ACCUSATION

To the above-named Respondent(s):

You are hereby notified that a hearing will be held before the Department of Real Estate at the Office of Administrative Hearings, 320 West Fourth Street, Suite 630, Los Angeles, CA 90013-1105 on **JANUARY 5, 6 and 7, 2005,** 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: September 9, 2004 By Chris Leong
CHRIS LEONG, Counsel

cc: Home Equity Bancorp
Subashbhai Jethabhai Patel
Jozef G. Magyar, Esq.
Eric N. Goff, L.A. Audits
Sacto.
OAH

CHRIS LEONG, Counsel (SBN 141079)
Department of Real Estate
320 West Fourth Street, Suite 350
Los Angeles, CA 90013-1105

Telephone: (213) 576-6982
-or- (213) 576-6910 (Direct)

FILED
MAY - 4 2004
DEPARTMENT OF REAL ESTATE
By C

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of HOME EQUITY BANCORP, a corporation; DONALD BEYNON NICOLSON, individually and as designated officer of Home Equity Bancorp; and SUBASHBHAI JETHABHAI PATEL, Respondents.	No. H-30879 LA A C C U S A T I O N

The Complainant, Maria Suarez, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against HOME EQUITY BANCORP, a corporation (hereafter "HOME EQUITY"); DONALD BEYNON NICOLSON, individually and as designated officer of HOME EQUITY (hereafter "NICOLSON"); and SUBASHBHAI JETHABHAI PATEL (hereafter "PATEL") (hereafter sometimes collectively referred to as "Respondents"), is informed and alleges in her official capacity as follows:

1.

Respondents 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 "Code").

2.

At all times material herein, Respondent HOME EQUITY was and still is licensed by the Department of Real Estate of the State of California (hereafter "Department") as a corporate real estate broker.

3.

At all times material herein, NICOLSON was and still is licensed by the Department as a real estate broker, individually and as designated officer of HOME EQUITY.

4.

At all times material herein, PATEL was and still is licensed by the Department as a real estate salesperson. At all times mentioned herein, PATEL was employed by HOME EQUITY.

5.

At all times material herein, Respondents engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers for others in the State of California, within the meaning of Code Section 10131(a) and (d), including the operation and conduct of a real estate sales, loan and loan servicing business with the public wherein Respondents sold and purchased real property on behalf of owners of real property and/or solicited borrowers for loans secured by interest in real property and/or serviced loans secured by interest in real property in expectation of compensation.

6.

All further references to "Respondents", unless

otherwise specified, include the parties identified in Paragraphs 2 through 4, above, and also include the employees, agents and real estate licensees employed by or associated with said parties, who at all times herein mentioned were engaged in the furtherance of the business or operations of said parties and who were acting within the course and scope of their authority and employment.

FIRST CAUSE OF ACCUSATION

(Audit Findings)

7.

On January 24, 2003, the Department concluded its examination of Respondents HOME EQUITY and NICOLSON's books and records pertaining to Respondents' activities as real estate brokers in Audit No. LA 020125, including escrow activities covering a period from approximately January 1, 2000 to December 31, 2002. The examination revealed violations of the Code and of Title 10, Chapter 6, California Code of Regulations (hereafter "Regulations"), as set forth below, and as more specifically set forth in Audit No. LA 020125 and the Exhibits attached to said Audit.

8.

At all times herein, in connection with the broker escrow, real estate sales, loan and loan servicing activity described in Paragraph 5, above, Respondents HOME EQUITY and NICOLSON accepted or received funds, including funds in trust (hereafter "trust funds") from or on behalf of actual and prospective parties to transactions handled by Respondents HOME

EQUITY and NICOLSON. These funds were maintained at California Federal Bank, 18214 Gail Ave., City of Industry, CA 91748, in the name of Home Equity Bancorp, Account No. 154-4033960 (hereafter "B/A").

9.

Respondents acted in violation of the Code and the Regulations in that Respondents HOME EQUITY and NICOLSON:

(a) commingled funds received and held from borrowers and buyers, in violation of Code Section 10176(e).

(b) failed to designate B/A as a trust account and failed to deposit trust funds within three business days, in violation of Code Section 10145 and Regulation 2832.

(c) PATEL failed to deliver $4,800.00 in trust funds to his broker, in violation of Code Section 10145(c).

(d) failed to designate the designated officer as a signatory on B/A and PATEL was a signatory on B/A without fidelity bond coverage, in violation of Code Section 10145 and Regulation 2834.

(e) failed to maintain records of all receipts and disbursements for B/A and record of earnest money deposits received and forwarded, in violation of Code Section 10145 and Regulation 2831.

(f) failed to maintain separate records for each beneficiary or transaction for B/A, in violation of Code Section 10145 and Regulation 2831.1.

(g) failed to reconcile B/A with separate records and record of trust funds received, in violation of Code Section

10145 and Regulation 2831.2.

(h) charged borrowers credit report fees in excess of the amount billed by the credit reporting agency and failed to return the difference to the borrower, in violation of Code Section 10176(g).

(i) failed to notify the Department of HOME EQUITY's main place of business, in violation of Code Section 10162.

(j) Respondent NICOLSON failed to exercise adequate supervision over handling of trust funds and of PATEL, in violation of Code Section 10159.2 and Regulation 2725.

10.

The conduct, acts and omissions of Respondents HOME EQUITY and NICOLSON, as described in Paragraph 9, violated the Code and the Regulations as set forth above and constitutes cause for the suspension or revocation of all real estate licenses and license rights of Respondents under the provisions of Code Sections 10165, 10176(e), 10177(d) and/or 10177(g) and/or 10177(h).

SECOND CAUSE OF ACCUSATION

(Stallion Circle Transaction)

11.

On December 20, 2001, PATEL prepared a Residential Purchase Agreement on behalf of Purnima Patel (hereafter "Purnima") regarding the property at 19642 Stallion Circle, Walnut, California. Purnima gave PATEL a personal check in the amount of $3,300.00, representing her earnest money deposit. Two or three days later, Purnima talked to PATEL about her offer and

PATEL advised that the seller was asking the deposit be increased to $10,500.00. On December 26, 2001, Purnima gave PATEL two cashier's checks, one for $5,500.00 and one for $5,000.00, both payable to Home Equity Trust Account, and PATEL returned Purnima's original check in the amount of $3,300.00 to her. Purnima kept calling PATEL about the status of her offer. After approximately fifteen (15) days, PATEL told her that the listing agent still had not replied to the offer. Purnima advised PATEL that she wanted to withdraw her offer and requested her deposit back.

12.

On January 10, 2002, PATEL gave Purnima a check for $10,500.00, which was inadvertently dated 01/10/01, from the Trust Account of HOME EQUITY. The check contained the notation "deposit back on purchase of house". The same day, Purnima took the check to the bank it was drawn on, California Federal, who advised there were not sufficient funds in the account to pay the check. Purnima called PATEL numerous times to request the return of her money, and he paid some of the money back. However, to date, PATEL still owes Purnima approximately $3,000.00 to $3,500.00.

13.

The conduct, acts and omissions of Respondent PATEL, as described in Paragraphs 11 and 12, constitutes fraud or dishonest dealing, negligence or incompetence and is cause for the suspension or revocation of all real estate licenses and license rights of Respondent under the provisions of Code

Sections 10176(i), 10177(g) and/or 10177(j).

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/or license rights of Respondents HOME EQUITY BANCORP, a corporation; DONALD BEYNON NICOLSON, individually and as designated officer of HOME EQUITY; and SUBASHBHAI JETHABHAI PATEL 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 3rd day of May, 2004.

Deputy Real Estate Commissioner

cc: Home Equity Bancorp
Donald Beynon Nicolson
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LA Audit/Goff
RJ