FILED

JUN 26 2010

DEPARTMENT OF REAL ESTATE

By

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of TATIHANA QUINTEROS, Respondent.	No. H-33244 LA

ORDER DENYING REINSTATEMENT OF LICENSE

On July 9, 2007, a Decision was rendered revoking the real estate broker license of Respondent.

On February 25, 2009, Respondent petitioned for reinstatement of said real estate broker license, and the Attorney General of the State of California has been given notice of the filing of said petition.

I have considered the petition of Respondent and the evidence submitted in support thereof. Respondent has failed to demonstrate to my satisfaction that Respondent has undergone sufficient rehabilitation to warrant the reinstatement of Respondent's real estate broker license at this time.

The burden of proving rehabilitation rests with the petitioner (*Feinstein v. State Bar* (1952) 39 Cal. 2d 541). A petitioner is required to show greater proof of honesty and

integrity than an applicant for first time licensure. The proof must be sufficient to overcome the prior adverse judgment on the applicant's character (*Tardiff v. State Bar* (1980) 27 Cal. 3d 395).

The Department has developed criteria in Section 2911 of Title 10, California Code of Regulations (Regulations) to assist in evaluating the rehabilitation of an applicant for reinstatement of a license. Among the criteria relevant in this proceeding are:

Regulation 2911(i)—completion of, or sustained enrollment in formal educational or vocational training courses

Respondent has not submit proof of qualifying courses.

Regulation 2911(j)—discharge of, or bona fide efforts toward discharging debts.

Respondent has not provided proof that Respondent has paid three (3) State tax liens, one (1) County tax lien, a 1997 small claims court judgment and a 2008 civil judgment.

Regulation 2911(k)—correction of business practices

Respondent has not provided proof that Respondent has corrected previous business practices resulting in injury to others, or with the potential to cause such injury.

Regulation 2911(l) Significant or conscientious involvement in community, church or privately-sponsored programs designed to provide social benefits or to ameliorate social problems.

Respondent has not provided evidence of qualifying community service activities.

Regulation 2911(n) Change in attitude from that which existed at the time of the conduct in question as evidenced by any or all of the following:

(1) Testimony of applicant.

Respondent failed to provide requested information and Respondent did not appear for personal interview.

(2) Evidence from family members, friends or other persons familiar with applicant's previous conduct and with Respondent's subsequent attitudes and behavioral patterns.

Respondent did not provide letters of recommendation.

Given the violations found and the fact that Respondent has not established that Respondent has complied with Regulations 2911 (i), (j), (k), (l) and (n), I am not satisfied that Respondent is sufficiently rehabilitated to receive a real estate broker license.

NOW, THEREFORE, IT IS ORDERED that Respondent's petition for reinstatement of Respondent's real estate broker license is denied.

This Order shall become effective at 12 o'clock noon on JUL 16 2010.

IT IS SO ORDERED 5-12-2010

JEFF DAVI
Real Estate Commissioner

Department of Real Estate
320 West 4th Street, Ste. 350
Los Angeles, California 90013-1105

Telephone: (213) 576-6911 (direct)
-or- (213) 576-6982 (office)

FILED

MAY 12 2008

DEPARTMENT OF REAL ESTATE
BY: [signature]

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of RAFAEL HERNANDEZ doing business as County Realty & Finance; COUNTY REALTY & FINANCE INC., a California corporate real estate broker; and TATIHANA QUINTEROS, individually and as designated officer of County Realty & Finance Inc., Respondents.	No. H-33244 LA STIPULATION AND AGREEMENT

It is hereby stipulated by and between RAFAEL HERNANDEZ dba County Realty & Finance (sometimes referred to as ("Respondent"), represented by Timothy Nilan, 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 September 18, 2006, in this matter:

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 ("APA"), 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 APA 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 thereby waives 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 APA and that he will waive other rights afforded to him in connection with the hearing such as the right to present evidence in his defense of the allegations in the Accusation and the right to cross-examine witnesses.

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4. This Stipulation is based on the allegations contained in the Accusation. In the interest of expedience and economy, Respondent chooses not to contest these allegations, but to remain silent and understands 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 and Respondent's decision not to contest the Accusation is made for the purpose of reaching an agreed disposition of this proceeding and is expressly limited to this proceeding and any other proceeding or case in which the Department of Real Estate ("Department"), the state or federal government, or any agency of this state, another state or 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 this Stipulation as his 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 his 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. Respondent understands that by agreeing to this Stipulation, Respondent agrees to pay, pursuant to Business and Professions Code Section 10148, the cost of the audit (LA 050252/LA050260/LA050261) which led to this disciplinary action. The amount of said cost is $5,975.75.

9. Respondent has received, read, and understands the "Notice Concerning Costs of Subsequent Audit". Respondent further understands that by agreeing to this Stipulation, the findings set forth below in the Determination of Issues become final, and the Commissioner may charge Respondent for the cost of any subsequent audit 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 $5,975.75.

DETERMINATION OF ISSUES

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

The conduct of RAFAEL HERNANDEZ, as described in Paragraph 4, above, constitutes a violation of Business and Professions Code ("Code") Sections 10137, 10145, 10147.5, 10159.5, 10236.4, 10240 and 10241 and violations of Title 10, Chapter 6, California Code of Regulations Sections 2731, 2831, 2831.1, 2831.2, 2832, 2834, 2950(b), 2950(d), 2950(e), 2950(h) and 2951. This conduct is a basis for the suspension or revocation of Respondent's license pursuant to Sections 10137 and 10177(g) of the Business and Professions Code.

ORDER

WHEREFORE THE FOLLOWING ORDER IS HEREBY MADE:

I. The real estate broker license of Respondent RAFAEL HERNANDEZ, under the Real Estate Law is revoked; provided, however, a restricted real estate broker license shall be issued to said Respondent, pursuant to Section 10156.5 of the Business and Professions Code if Respondent:

(A) Makes application thereof and pays to the Department of Real Estate the appropriate fee for the restricted license within ninety (90) days from the effective date of this Decision.

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(B) Respondent RAFAEL HERNANDEZ shall, prior to and as a condition of the issuance of the restricted license, submit proof satisfactory to the Commissioner of having taken and successfully completed the continuing education course on trust fund accounting and handling specified in paragraph (3) of 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.

The restricted license issued to Respondent shall be subject to all of the provisions of Section 10156.7 of the Business and Professions Code and to the followings limitations, conditions and restrictions imposed under authority of Section 10156.6 of that Code:

1. The restricted license issued to Respondent may be suspended prior to hearing by Order of the Real Estate Commissioner in the event of a Respondent's conviction or plea of nolo contendere to a crime which is substantially related to a Respondent's fitness or capacity as a real estate licensee.

2. The restricted license issued to Respondent may be suspended prior to hearing by Order of the Real Estate Commissioner on evidence satisfactory to the Commissioner that Respondent has violated provisions of the California Real Estate

Law, the Subdivided Lands Law, Regulations of the Real Estate Commissioner or conditions attaching to the restricted license.

3. Respondent shall not be eligible to apply for the issuance of an unrestricted real estate license nor for the removal of any of the conditions, limitations or restrictions of a restricted license until two (2) years have elapsed from the effective date of this Decision.

II. All licenses and licensing rights of Respondent RAFAEL HERNANDEZ under the Real Estate Law suspended for a period of one-hundred twenty (120) days from the issuance of the restricted license; provided, however, that if Respondent petitions, all one-hundred twenty (120) days of said suspension (or a portion thereof) shall be stayed for two (2) years upon condition that:

1. Respondent pays a monetary penalty pursuant to Section 10175.2 of the Business and Professions Code at the rate of $83.33 per day for each day of the suspension for a total monetary penalty of $10,000.

2. 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.

3. 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.

4. If Respondent fails to pay the monetary penalty in accordance with the terms 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.

5. 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 the Decision, the stay hereby granted shall become permanent.

6. Respondent shall obey all laws, rules and regulations governing the rights, duties and responsibilities of real estate licensees in the State of California.

III. Pursuant to Section 10148 of the Business and Professions Code, Respondent shall pay the Commissioner's reasonable cost for (a) the audit which led to this disciplinary action and (b) a subsequent audits to determine if Respondent is now in compliance with the Real Estate Law. The cost of the audit which led to this disciplinary action is $5,975.75. 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 audits shall not exceed $11,951.50.

Respondent 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 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 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.

IV. Respondent shall within six (6) months from the effective date of the Decision herein, 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.

V. Respondent shall, within nine (9) months from the effective date of this Decision, present evidence satisfactory to the Real Estate Commissioner that Respondent has, since the most recent issuance of an original or renewal real estate license, taken and successfully completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a real estate license. If Respondent fails to satisfy this condition, the Commissioner may order the suspension of the restricted license until Respondent presents such evidence. The Commissioner shall afford Respondent the opportunity for a hearing pursuant to the Administrative Procedure Act to present such evidence.

VI. During the restricted period set forth above, Respondent shall not serve as the designated officer for any corporate real estate broker unless and until Respondent is the owner of record of the controlling shares of the corporation.

VII. During the two year period set forth above, Respondent shall not employ salespersons or broker-associates without prior Department approval.

DATED: 3-11-08

ELLIOTT MAC LENNAN, Counsel for the Department of Real Estate

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I have read the Stipulation and Agreement and discussed it with my attorney. 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 (1) shall mail to Elliott Mac Lennan: Attention: Legal Section, Department of Real Estate, 320 W. Fourth St., Suite 350, Los Angeles, California 90013-1105 the original signed signature page of the stipulation herein. Additionally, Respondent shall also (2) facsimile a copy of stipulation signature page, as actually signed by Respondent, to the Department at the following telephone/fax number: (213) 576-6917, Attention: Elliott Mac Lennan. A facsimile constitutes acceptance and approval of the terms and conditions of this stipulation. Respondent agrees, acknowledges and understands that by electronically sending to the Department a facsimile copy of Respondent's actual signature as it appears on the stipulation, which receipt of the facsimile copy by the

Department shall be as binding on Respondent as if the Department had received the original signed stipulation.

3-11-08

DATED: 3/11/08

RAFAEL HERNANDEZ, Respondent

atty, Jim Nilan

DATED: 3/11/08

TIMOTHY NILAN, ESQ.
Attorney for Respondent
Approved as to form

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The foregoing Stipulation and Agreement is hereby adopted as my Decision and shall become effective at 12 o'clock noon on June 11, 2008.

IT IS SO ORDERED 5-6-08.

JEFF DAVI
Real Estate Commissioner

FILED
JUL 17 2007
DEPARTMENT OF REAL ESTATE

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of RAFAEL HERNANDEZ, doing business as County Realty & Finance; COUNTY REALTY & FINANCE INC., a California Corporate Real Estate broker; and TATIHANA QUINTEROS, individually and as designated officer of County Realty & Finance Inc., Respondents.	NO. H-33244 LA

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 May 2, 2007, and the findings of fact set forth herein are based on one or more of the following: (1) Respondent COUNTY REALTY & FINANCE INC.'s, and TATIHANA QUINTEROS's express admissions; (2) affidavits; (3) Department Audit Reports LA 050227, LA 050262 and LA 050263, dated June 14, 2006; (4) Audit Reports LA 050252, LA 050260 and LA 050261, dated June 13, 2006 and (5) other evidence.

FACTUAL FINDINGS

1.

On September 18, 2006, Neal Shigemitsu made the Accusation in her official capacity as a Deputy Real Estate Commissioner of the State of California. The Accusation,

Statement to Respondents COUNTY REALTY & FINANCE INC., a California Corporate Real Estate broker; and TATIHANA QUINTEROS, individually and as designated officer of County Realty & Finance Inc., and a Notice of Defense was mailed by certified mail on September 20, 2005.

2.

On August 24, 2006, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondent's default was entered herein.

LICENSE HISTORY

3.

A. At all times mentioned, COUNTY REALTY & FINANCE ("CRFI"), the incorporated successor-in-interest to County Realty & Finance, was licensed or had license rights issued by the Department of Real Estate of the State of California ("Department") as a real estate broker. On May 25, 2005, CRFI was originally licensed as a real estate broker through TATIHANA QUINTEROS ("QUINTEROS") as the designated officer. On January 30, 2006, QUINTEROS submitted a Departmental Corporate Change Application canceling her status as designated officer.

B. At all times mentioned, QUINTEROS was licensed or had license rights issued by the Department of Real Estate (Department) as a real estate broker. On April 7, 1998, QUINTEROS was originally licensed as a real estate salesperson. From December 13, 2000 to March 18, 2005, QUINTEROS was employed by CRFI. On March 19, 2005, QUINTEROS was originally licensed as a real estate broker. On May 25, 2005, QUINTEROS was licensed as the designated officer of CRFI.

C. At all times material herein, CRFI was licensed by the Department as a corporate real estate broker by and through QUINTEROS, as the designated officer and broker responsible, pursuant to Code Section 10159.2 of the Business and Professions Code for supervising the activities requiring a real estate license conducted on behalf CRFI of by CRFI's officers, agents and employees, including QUINTEROS.

COUNTY REALTY & FINANCE INC.
BROKERAGE

4.

At all times mentioned, in the City of Tustin, County of Orange, CRFI acted as a real estate broker and conducted licensed activities within the meaning of:

A. Code Section 10131(a). CRFI operated a residential resale brokerage dba County Realty & Finance. CRFI was the incorporated successor-in-interest to the unincorporated brokerage of HERNANDEZ as set forth below.

B. Code Section 10131(d). CRFI operated a mortgage and loan brokerage; and

C. In addition, CRFI conducted broker-controlled escrows through its escrow division, A + Escrow, the successor-in-interest to HERNANDEZ's escrow operation, 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.

COUNTY REALTY & FINANCE INC. AUDIT

5.

On June 14, 2006, the Department completed an audit examination of the books and records of CRFI pertaining to the residential resale, mortgage loan and broker escrow activities described in Finding 4, that require a real estate license. The audit examination covered a period of time beginning on May 25, 2005 to January 31, 2006. The audit examination revealed violations of the Code and the Regulations as set forth in the following findings, and more fully discussed in Audit Report LA 050227, LA 050262 and LA 050263 and the exhibits and workpapers attached to said audit report.

COUNTY REALTY & FINANCE INC.
TRUST ACCOUNT

6.

At all times mentioned, in connection with the activities described in Finding 4, above, CRFI accepted or received funds including funds in trust (hereinafter "trust funds") from or on behalf of actual or prospective parties to transactions handled by CRFI including buyers, sellers, borrowers, lenders and escrowholders and thereafter made deposits and or disbursements of such funds. From time to time herein mentioned during the audit period, said trust funds were deposited and/or maintained by CRFI in the bank account as follows:

"A + Escrow
0330048905"
Union Bank of California
Los Angeles, California ("escrow trust account")

COUNTY REALTY & FINANCE INC.
VIOLATIONS OF THE REAL ESTATE LAW

7.

In the course of activities described in Findings 4 and 6, above, and during the examination period described in Finding 5, Respondents CRFI and QUINTEROS, acted in violation of the Code and the Regulations in that they:

(a) Failed to maintain a control record in the form of a columnar record in chronological order of all trust funds received, deposited and disbursed by the escrow trust account, as required by Code Section 10145 and Regulations 2831, 2950(d) and 2951.

(b) Failed to maintain a separate record for each beneficiary or transaction, thereby failing to account for all trust funds received, deposited and disbursed by the escrow trust account, as required by Code Section 10145 and Regulations 2831.1, 2950(d) and 2951.

(c) 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, deposited and disbursed

by the escrow trust account, as required by Code Section 10145 and Regulations 2831.2, 2950(d) and 2951.

(d) Failed to place funds, including escrow receipts, into a trust fund account in the name of the broker as trustee at a bank or other financial, as required by Code Section 10145 and Regulations 2832, 2950(d) and 2951.

(e) Permitted Dennis Helguero, an unlicensed and unbonded person and owner of CRFI, to be authorized signatory on the escrow trust account, in violation of Code Section 10145 and Regulation 2834.

(f) Failed to advise all parties to its escrow operation, "A + Escrow", of its ownership of and financial interest in said escrow company, as required by Code Section 10145 and Regulation 2950(h).

(g) Used the fictitious names "A + Escrow" and "County Realty & Finance" to conduct licensed activities, without holding a license bearing the fictitious business names, in violation of Code Section 10159.5 and Regulation 2731.

(h) Misrepresentated to sellers that CRFI held earnest money deposits for buyers Castaneda, Valdez, Nguyen and Olivo, in violation of Sections 10176(a) and 10177(g).

(i) Failed to disclose yield spread premiums from lenders on the approved Mortgage Loan Disclosure Statement for the borrower Olivo, in violation of Code Sections 10240, 10241 and Regulation 2840.

(j) After notice and subpoena on February 24, 2006, failed to produce or retain all records of CRFI's broker escrow activity during the audit period requiring a real estate broker license, as required by Code Section 10148 and Regulations 2950(d), 2950(e) and 2951.

8.

The overall conduct of CRFI and QUINTEROS constitutes negligence or incompetence. This conduct and violation are cause for the suspension or revocation of the real estate license and license rights of said Respondents pursuant to Code Section 10177(g).

9.

The overall conduct of Respondent QUINTEROS constitutes a failure on her part, as officer designated by a corporate broker licensee, to exercise the reasonable supervision and control over the licensed activities of CRFI as required by Code Section 10159.2 and Regulation 2725, and to keep CRFI in compliance with the Real Estate Law, and is cause for the suspension or revocation of the real estate license and license rights of QUINTEROS pursuant to the provisions of Code Sections 10177(d), 10177(g) and 10177(h).

DETERMINATION OF ISSUES

1.

The conduct of Respondents COUNTY REALTY & FINANCE and QUINTEROS as described in Findings 7, 8, and 9 herein above, is in violation of Business and Professions Code ("Code") Sections 10145, 10148, 10159.5, 10177(g), 10240 and 10241, and Sections 2731, 2831, 2831.1, 2831.2, 2832, 2834, 2840, 2950(d), 2950(e), 2950(h), and 2951 of Title 10, Chapter 6, of the California Code of Regulations.

2.

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

3.

Cause for disciplinary action exists under the provisions of Code Sections 10176(a), 10177(d), 10177(g) and 10177(h).

ORDER

The real estate broker license and license rights of COUNTY REALTY & FINANCE and the real estate broker license and license rights of TATIHANA QUINTEROS 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 - 6, 2007.

DATED: 7-9, 2007

JEFF DAVI
Real Estate Commissioner

Department of Real Estate
320 West 4th Street, Ste. 350
Los Angeles, California 90013-1105

Telephone: (213) 576-6911 (direct)
-or- (213) 576-6982 (office)

FILED
MAY - 2 2007
DEPARTMENT OF REAL ESTATE

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the matter of the Accusation of RAFAEL HERNANDEZ, doing business as County Realty & Finance; COUNTY REALTY & FINANCE INC., a California Corporate Real Estate broker; and TATIHANA QUINTEROS, individually and as designated officer of County Realty & Finance Inc., Respondents	No. H-33244 LA

DEFAULT ORDER

Respondents COUNTY REALTY & FINANCE INC., a California Corporate Real Estate broker; and TATIHANA QUINTEROS, individually and as designated officer of County Realty & Finance Inc., having failed to file a Notice 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.

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DATE: April 30, 2007

JEFF DAVI
Real Estate Commissioner

M. Dolores Weeks

By: M. DOLORES WEEKS
Regional Manager

Auto Glass

ELLIOTT MAC LENNAN, SBN 66674
Department of Real Estate
320 West 4th Street, Ste. 350
Los Angeles, California 90013-1105

Telephone: (213) 576-6911 (direct)
-or- (213) 576-6982 (office)

FILED
SEP 18 2006
DEPARTMENT OF REAL ESTATE
By K Mitchell

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of RAFAEL HERNANDEZ, doing business as County Realty & Finance; COUNTY REALTY & FINANCE INC., a California Corporate Real Estate broker; and TATIHANA QUINTEROS, individually and as designated officer of County Realty & Finance Inc., Respondents.	No. H-33244LA A C C U S A T I O N

The Complainant, Neal Shigemitsu, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against RAFAEL HERNANDEZ dba County Realty & Finance; COUNTY REALTY & FINANCE INC., a California Corporation and TATIHANA QUINTEROS aka Tatihana Chantell Helguero, individually and as designated officer of County Realty & Finance Inc., alleges as follows:

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1.

The Complainant, Neal Shigemitsu, acting in her official capacity as a Deputy Real Estate Commissioner of the State of California, makes this Accusation against RAFAEL HERNANDEZ, COUNTY REALTY & FINANCE INC. and TATIHANA QUINTEROS.

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.

LICENSE HISTORY

3.

A. At all times mentioned, RAFAEL HERNANDEZ ("HERNANDEZ") was licensed or had license rights issued by the Department of Real Estate (Department) as a real estate broker. On August 9, 1989, HERNANDEZ was originally licensed as a real estate broker. From March 8, 2001 to November 6, 2005, HERNANDEZ was doing business as County Realty & Finance. From December 13, 2000 to March 18, 2005, HERNANDEZ employed QUINTEROS.

B. At all times mentioned, COUNTY REALTY & FINANCE ("CRFI"), the incorporated successor-in-interest to County Realty & Finance, was licensed or had license rights issued by the Department of Real Estate ("Department") as a real estate broker. On May 25, 2005, CRFI was originally licensed as a real estate broker through QUINTEROS as the designated officer. On January

30, 2006, QUINTEROS submitted a Departmental Corporate Change Application canceling her status as designated officer.

C. At all times mentioned, TATIHANA QUINTEROS ("QUINTEROS") was licensed or had license rights issued by the Department of Real Estate (Department) as a real estate broker. On April 7, 1998, QUINTEROS was originally licensed as a real estate salesperson. From December 13, 2000 to March 18, 2005, QUINTEROS was employed by Rafael Hernandez. On March 19, 2005, QUINTEROS was originally licensed as a real estate broker. On May 25, 2005, QUINTEROS was licensed as the designated officer of CRFI.

D. At all times material herein, CRFI was licensed by the Department of Real Estate of the State of California (hereinafter "Department") as a corporate real estate broker by and through QUINTEROS, as the designated officer and broker responsible, pursuant to Code Section 10159.2 of the Business and Professions Code for supervising the activities requiring a real estate license conducted on behalf CRFI of by CRFI's officers, agents and employees, including QUINTEROS.

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FIRST CAUSE OF ACTION

COUNTY REALTY & FINANCE INC.

BROKERAGE

4.

At all times mentioned, in the City of Tustin, County of Orange, CRFI acted as a real estate broker and conducted licensed activities within the meaning of:

A. Code Section 10131(a). CRFI operated a residential resale brokerage dba County Realty & Finance. CRFI was the incorporated successor-in-interest to the unincorporated brokerage of HERNANDEZ as set forth below.

B. Code Section 10131(d). CRFI operated a mortgage and loan brokerage; and

C. In addition, CRFI conducted broker-controlled escrows through its escrow division, A + Escrow, the successor-in-interest to HERNANDEZ' escrow operation, 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.

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COUNTY REALTY & FINANCE INC. AUDIT

5.

On June 14, 2006, the Department completed an audit examination of the books and records of CRFI pertaining to the residential resale, mortgage loan and broker escrow activities described in Paragraph 4, that require a real estate license. The audit examination covered a period of time beginning on May 25, 2005 to January 31, 2006. The audit examination revealed violations of the Code and the Regulations as set forth in the following paragraphs, and more fully discussed in Audit Report LA 050227, LA 050262 and LA 050263 and the exhibits and workpapers attached to said audit report.

COUNTY REALTY & FINANCE INC.

TRUST ACCOUNT

6.

At all times mentioned, in connection with the activities described in Paragraph 4, above, CRFI accepted or received funds including funds in trust (hereinafter "trust funds") from or on behalf of actual or prospective parties to transactions handled by CRFI including buyers, sellers, borrowers, lenders and escrowholders and thereafter made deposits and or disbursements of such funds. From time to time herein mentioned during the audit period, said trust funds were deposited and/or maintained by CRFI in the bank account as follows:

"A + Escrow.
0330048905"
Union Bank of California
Los Angeles, California ("escrow trust account")

COUNTY REALTY & FINANCE INC.

VIOLATIONS OF THE REAL ESTATE LAW

7.

In the course of activities described in Paragraphs 4 and 6, above, and during the examination period described in Paragraph 5, Respondents CRFI and QUINTEROS, acted in violation of the Code and the Regulations in that they:

(a) Failed to maintain a control record in the form of a columnar record in chronological order of all trust funds received, deposited and disbursed by the escrow trust account, as required by Code Section 10145 and Regulations 2831, 2950(d) and 2951.

(b) Failed to maintain a separate record for each beneficiary or transaction, thereby failing to account for all trust funds received, deposited and disbursed by the escrow trust account, as required by Code Section 10145 and Regulations 2831.1, 2950(d) and 2951.

(c) 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, deposited and disbursed by the escrow trust

account, as required by Code Section 10145 and Regulations 2831.2, 2950(d) and 2951.

(d) Failed to place funds, including escrow receipts, into a trust fund account in the name of the broker as trustee at a bank or other financial, as required by Code Section 10145 and Regulations 2832, 2950(d) and 2951.

(e) Permitted Dennis Helguero, an unlicensed and unbonded person and owner of CRFI, to be authorized signatory on the escrow trust account, in violation of Code Section 10145 and Regulation 2834.

(f) Failed to advise all parties to its escrow operation, "A + Escrow", of its ownership of and financial interest in said escrow company, as required by Code Section 10145 and Regulation 2950(h).

(g) Used the fictitious names "A + Escrow" and "County Realty & Finance" to conduct licensed activities, without holding a license bearing the fictitious business names, in violation of Code Section 10159.5 and Regulation 2731.

(h) Misrepresentated to sellers that CRFI held earnest money deposits for buyers Castaneda, Valdez, Nguyen and Olivo, in violation of Sections 10176(a) and 10177(g).

(i) Failed to disclose yield spread premiums from lenders on the approved Mortgage Loan Disclosure Statement for the borrower Olivo, in violation of Code Sections 10240, 10241 and Regulation 2840.

(j) After notice and subpoena on February 24, 2006, failed to produce or retain all records of CRFI's broker escrow activity during the audit period requiring a real estate broker license, as required by Code Section 10148 and Regulations 2950(d), 2950(e) and 2951.

COUNTY REALTY & FINANCE INC.

VIOLATION CITATIONS

8.

The conduct of Respondents CRFI and QUINTEROS, described in Paragraph 7, above, violated the Code and the Regulations as set forth below:

PARAGRAPH	PROVISIONS VIOLATED
7(a)	Code Section 10145 and Regulations 2831, 2950(d) and 2951
7(b)	Code Section 10145 and Regulations 2831.1, 2950(d) and 2951
7(c)	Code Section 10145 and Regulations 2831.2, 2950(d) and 2951
7(d)	Code Section 10145 and Regulations 2832, 2950(d) and 2951

7(e)	Code Section 10145 and Regulation 2834
7(f)	Code Section 10145 and Regulation 2950(h)
7(g)	Code Section 10159.5 and Regulation 2731
7(h)	Code Sections 10176(a) and/or 10177(g)
7(i)	Code Sections 10240, 10241 and Regulation 2840
7(j)	Code Section 10148 and Regulations 2950(d), 2950(e) and 2951

The foregoing violations constitute cause for the suspension or revocation of the real estate license and license rights of CRFI and QUINTEROS, under the provisions of Code Sections 10176(a), 10177(d) and/or 10177(g).

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SECOND CAUSE OF ACTION

RAFAEL HERNANDEZ

dba COUNTY REALTY & FINANCE

BROKERAGE

9.

At all times mentioned, in the City of Placentia, County of Los Angeles, HERNANDEZ acted as a real estate broker and conducted licensed activities within the meaning of:

A. Code Section 10131(a). HERNANDEZ operated a residential resale brokerage dba County Realty & Finance. This brokerage subsequently was incorporated by QUINTEROS as CRFI.

B. Code Section 10131(d). HERNANDEZ operated a mortgage and loan brokerage; and

C. In addition, HERNANDEZ conducted broker-controlled escrows through its escrow division, A + Escrow, 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.

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RAFAEL HERNANDEZ

COUNTY REALTY & FINANCE AUDIT

10.

On June 13, 2006, the Department completed an audit examination of the books and records of HERNANDEZ dba Country Realty & Finance pertaining to the residential resale, mortgage loan and broker escrow activities described in Paragraph 9, that require a real estate license. The audit examination covered a period of time beginning on January 1, 2003 to May 31, 2005. The audit examination revealed violations of the Code and the Regulations as set forth in the following paragraphs, and more fully discussed in Audit Report LA 050252, LA 050260 and LA 050261 and the exhibits and workpapers attached to said audit report.

RAFAEL HERNANDEZ

COUNTY REALTY & FINANCE AUDIT

11.

At all times mentioned, in connection with the activities described in Paragraph 9, above, HERNANDEZ accepted or received funds including funds in trust (hereinafter "trust funds") from or on behalf of actual or prospective parties to transactions handled by HERNANDEZ including buyers, sellers, borrowers, lenders and escrowholders and thereafter made deposits and or disbursements of such funds. From time to time herein mentioned during the audit period, said trust funds were

deposited and/or maintained by HERNANDEZ in the same bank account set forth in Paragraph 6, above, as follows:

"A + Escrow.
0330048905"
Union Bank of California
Los Angeles, California ("escrow trust account")

RAFAEL HERNANDEZ

COUNTY REALTY & FINANCE

VIOLATIONS OF THE REAL ESTATE LAW

12.

In the course of activities described in Paragraphs 4 and 11, above, and during the examination period described in Paragraph 10, Respondent HERNANDEZ and QUINTEROS where alleged, acted in violation of the Code and the Regulations in that they:

(a)(1) Employed and/or compensated Dennis Max Helguero ("Helguero"), as a real estate agent who was not licensed by the Department as a real estate broker or as a real estate salesperson employed by a real estate broker, for performing acts for which a real estate license is required. Helguero acted as the selling agent for Lorna/Michelle Loera and negotiated on their behalf with the seller, Michael/Monica Medina, for the purchase of the Medina residence located at 14802 Newport Ave., #13C, Tustin, California, in violation of Code Sections 10137, 10176(a), 10176(i) and 10177(g).

(a)(2) QUINTEROS misrepresented, deceived and defrauded borrower Raul/Florentina Mora in connection with the refinance of their residence located at 1365 Magnolia Avenue, Anaheim, California, by selling the Mora property instead of refinancing it as the Mora's sought, including inserting straw buyer Juan Carlos Saavedra into the purchase transaction unbeknownst to the Moras, in violation of Code Sections 10176(a), 10176(i) and 10177(g).

(b) Failed to maintain a control record in the form of a columnar record in chronological order of all trust funds received, deposited and disbursed by the escrow trust account, as required by Code Section 10145 and Regulations 2831, 2950(d) and 2951.

(c) Failed to maintain a separate record for each beneficiary or transaction, thereby failing to account for all trust funds received, deposited and disbursed by the escrow trust account, as required by Code Section 10145 and Regulations 2831.1, 2950(d) and 2951.

(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, deposited and disbursed by the escrow trust account, as required by Code Section 10145 and Regulations 2831.2, 2950(d) and 2951.

(e) Failed to place funds, including escrow receipts, into a trust fund account in the name of the broker as trustee at a bank or other financial, as required by Code Section 10145 and Regulations 2832, 2950(d) and 2951.

(f) Permitted Dennis Helguero, an unlicensed and unbonded person, to be authorized signatory on the escrow trust account, in violation of Code Section 10145 and Regulation 2834, 2950(d) and 2951. HERNANDEZ was not a signatory on the escrow trust account.

(g) Failed to advise all parties to his escrow operation, "A + Escrow", of his ownership of and financial interest in said escrow company, as required by Code Section 10145 and Regulation 2950(h).

(h) Failed to obtain the principal's signature or initials on the escrow instructions for beneficiaries Reyes, Lopez/Torres and Anaig, as required by Code Section 10145 and Regulation 2950(b).

(i) Used the fictitious name "A + Escrow" to conduct licensed activities, without holding a license bearing the fictitious business name, in violation of Code Section 10159.5 and Regulation 2731.

(j) Misrepresentated to sellers that HERNANDEZ held earnest money deposits for buyers Allvarenga, Melendez, Franceschi, Ocampo and Saavedra (re Raul/Florentina Mora), in violation of Code Sections 10176(a) and 10177(g).

(k) Failed to retain the Listing Agreements when HERNANDEZ acted as the listing agent for Vargas and Zuniga in their respective transactions, in violation of Code Sections 10027, 10176(f) and 10147.5.

(l) Failed to disclose yield spread premiums from lenders on the approved Mortgage Loan Disclosure Statement for the borrowers Lopez and Merida, in violation of Code Sections 10240, 10241 and Regulation 2840.

(m) Failed to display HERNANDEZ' license number on the Mortgage Loan Disclosure Statements to borrowers Lopez, Franceschi and Guitierrez, in violation of Code Section 10236.4.

(n) After notice and subpoena on November 16, 2005, failed to produce or retain all records of HERNANDEZ' broker escrow activity during the audit period requiring a real estate broker license, as required by Code Section 10148 and Regulations 2950(d), 2950(e) and 2951.

(o) Failed to exercise reasonable supervision over the activities of his employees and salespersons including Helguerro and Quinteros, and had no system in place for regularly monitoring his compliance with the Real Estate Law and regulations especially in regard to establishing policies to review trust fund handling and unlicensed activity, in violation of Code Section 10177(h) and Regulation 2725.

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13.

The conduct of Respondent HERNANDEZ, described in Paragraph 12, above, violated the Code and the Regulations as set forth below:

PARAGRAPH	PROVISIONS VIOLATED
7(a)(1)	Code Sections 10137, 10176(a), 10176(i) and 10177(g)
7(a)(2)	Code Sections 10176(a), 10176(i) and 10177(g) QUINTEROS.
7(b)	Section 10145 and Regulations 2831, 2950(d) and 2951
7(c)	Code Section 10145 and Regulations 2831.1, 2950(d) and 2951
7(d)	Code Section 10145 and Regulations 2831.2, 2950(d) and 2951
7(e)	Code Section 10145 and Regulations 2832, 2950(d) and 2951
7(f)	Code Section 10145 and Regulation 2950(h)

7(g)	Code Section 10145 and Regulation 2950(h)
7(h)	Code Section 10145 and Regulation 2950(b)
7(i)	Code Section 10159.5 and Regulation 2731
7(j)	Code Sections 10176(a) and/or 10177(g)
7(k)	Code Sections 10027, 10176(f) and 10147.5.
7(l)	Code Sections 10240, 10241 and Regulation 2840
7(m)	Code Section 10236.4
7(n)	Code Sections 10148 and Regulations 2950(d), 2950(e) and 2951

7(o) Code Section 10177(h) and Regulation 2725

The foregoing violations constitute cause for the suspension or revocation of the real estate license and license rights of HERNANDEZ and QUINTEROS as alleged, under the provisions of Code Sections 10176(a), 10176(i) 10177(d), 10177(g) and 10177(h).

THIRD CAUSE OF ACTION

THE VARGAS TRANSACTION

14.

Unlicensed Dennis Max Helguero represented Autoro, Gloria and Gania Vargas ("Vargas") as their selling agent with regard to their purchase of the property located at 15551 Harvest St, Granada Hills, California. Helguero showed Vargas the subject property, and negotiated the purchase and sale therefor with the Listing Agent Valerie Basile, providing Valerie Basile with his business card with his name and title as "Realtor", yet QUINTEROS, who did not participate in the transaction, signed the sale documents as the real estate salesperson. QUINTEROS' conduct constitutes misrepresentation, fraud and dishonest dealing and negligence, in violation of Code Sections 10176(a), 10176(i) and 10177(g).

15.

Unlicensed Dennis Max Helguero Helguero represented Lorna and Michelle Loera ("Loera") as the selling agent with regard to their purchase of the Michael and Monica Medina

property located at 14802 Newport Ave., #13C, Tustin, California. Helguero showed Loera the Medina property, and negotiated the purchase and sale therefor, yet QUINTEROS, who did not participate in the transaction, signed the sale documents as the real estate salesperson. QUINTEROS' conduct constitutes misrepresentation, fraud and dishonest dealing in violation of Code Sections 10176(a), 10176(i) and 10177(g).

16.

The overall conduct of CRFI, QUINTEROS and HERNANDEZ constitutes negligence or incompetence. This conduct and violation are cause for the suspension or revocation of the real estate license and license rights of said Respondents pursuant to Code Section 10177(g).

17.

The overall conduct of Respondent QUINTEROS constitutes a failure on her part, as officer designated by a corporate broker licensee, to exercise the reasonable supervision and control over the licensed activities of CRFI as required by Code Section 10159.2 and Regulation 2725, and to keep CRFI in compliance with the Real Estate Law, and is cause for the suspension or revocation of the real estate license and license rights of QUINTEROS pursuant to the provisions of Code Sections 10177(d), 10177(g) and/or 10177(h).

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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 the license and license rights of Respondents RAFAEL HERNANDEZ, COUNTY REALTY & FINANCE INC. and TATIHANA QUINTEROS, 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 18th day of September, 2006

Neal Shigemitsu

Deputy Real Estate Commissioner

cc: County Realty & Finance Inc.
c/o Tatihana Quinteros D.O.
Rafael Hernandez
Neal Shigemitsu
Sacto
Audits - Zaky Wanis