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DEPARTMENT OF REAL ESTATE

BY: _____

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of JOSEPH CHARLES HENRICHSEN, Respondent.	No. H-34626 LA

ORDER SUSPENDING REAL ESTATE LICENSE

TO: JOSEPH CHARLES HENRICHSEN
1041 S. Mountcrest Court
Anaheim Hills, California 92808-2127

Effective September 5, 2008, you entered into a Stipulation and Agreement with the Department. Certain conditions of the Agreement included the following:

1. 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 audit to determine if Respondent is in compliance with the Real Estate Law.

2. The cost of the audit which led to this disciplinary action is $3,311.57; and the cost of the follow-up audit, which was conducted and completed on April 10, 2009, is $3,311.57. The total balance due for audit costs is, therefore, $6,623.14.

3. Respondent was to pay such costs 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.

4. If payment is not timely made as provided, or as provided in a subsequent agreement, the Commissioner may suspend Respondent's license.

5. The suspension shall remain in effect until payment is made in full or until Respondent enters into an agreement to provide for payment, or until a decision providing otherwise is adopted following a hearing.

The Commissioner has determined that as of this date, Respondent has failed to satisfy these conditions, and as such, is in violation of the terms and conditions as described above.

NOW, THEREFORE, IT IS ORDERED that the real estate broker license of Respondent JOSEPH CHARLES HENRICHSEN is suspended until such time as Respondent provides proof satisfactory to the Department of compliance with the conditions 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 the 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: You have the right to a hearing to contest the Commissioner's determination that you are in violation of the Stipulation and Agreement. 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 320 W. Fourth St., Room 350, Los Angeles, CA. 90013, within 20 days after the date that this Order was mailed to or served on you, the Department will not be required to furnish you a hearing.

This Order shall be effective immediately.

DATED: 10/29, 2010.

JEFF DAVI
Real Estate Commissioner

By WAYNE S. BELL
Chief Counsel

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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)

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DEPARTMENT OF REAL ESTATE
BY: Agnes Ug

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of HOMEOWNERS FRIEND MORTGAGE COMPANY INC., doing business as H F M C, Homeowners Friend.com, Homeowners Friend Mortgage, www.homeownersfriend.com; and JOSEPH CHARLES HENRICHSEN, individually and as designated officer of Homeowners Friend Mortgage Company Inc., Respondents.	No. H-34626 LA STIPULATION AND AGREEMENT

It is hereby stipulated by and between Respondents HOMEOWNERS FRIEND MORTGAGE COMPANY INC., H F M C, Homeowners Friend.com, Homeowners Friend Mortgage, www.homeownersfriend.com; and JOSEPH C. HENRICHSEN, individually and as designated officer of Homeowners Friend Mortgage Company Inc. (sometimes collectively referred to as "Respondents"), represented by Daniel A. Nassie, 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 ("Accusation") filed on December 28, 2007, 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 timely 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 the right to cross-examine witnesses.

4. This Stipulation is based on the factual 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 factual 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 factual allegations.

5. This Stipulation and Respondents' 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 Accusations against Respondents herein.

8. Respondent JOSEPH C. HENRICHSEN understands that by agreeing to this Stipulation, Respondent agrees to pay, pursuant to Business and Professions Code Section 10148, the cost of audit which led to this disciplinary action. The amount of said cost for the audit is $3,311.57.

9. Respondent JOSEPH C. HENRICHSEN 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 $3,311.57.

DETERMINATION OF ISSUES

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

I.

The conduct of HOMEOWNERS FRIEND MORTGAGE COMPANY INC., as described in Paragraph 4, above, is in violation of Section 10145 and 10240 of the Business and Professions Code ("Code") and Section 2831 of Title 10, Chapter 6 of the California Code of Regulations ("Regulations") and is a basis for discipline of Respondent's license and license rights as a violation of the Real Estate Law pursuant to Code Section 10177(g).

II.

The conduct of JOSEPH C. HENRICHSEN, as described in Paragraph 4, constitutes a failure to keep HOMEOWNERS FRIEND MORTGAGE COMPANY INC. in compliance with the Real Estate Law during the time that he was the officer designated by a corporate broker licensee, in violation of Code Sections 10159.2. This conduct is a basis for discipline of Respondent's license pursuant to Code Sections 10177(d) and 10177(h).

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ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

I.

All licenses and licensing rights of Respondents HOMEOWNERS FRIEND MORTGAGE COMPANY INC. and JOSEPH C. HENRICHSEN, under the Real Estate Law are suspended for a period of thirty (30) days from the effective date of this Decision; provided, however, that all thirty days of said suspension shall be stayed for two (2) years upon the following terms and conditions:

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

2. That no final subsequent determination be made after hearing or upon stipulation, which cause for disciplinary action occurred within two years from 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.

II.

Pursuant to Section 10148 of the Business and Professions Code, Respondents HOMEOWNERS FRIEND MORTGAGE COMPANY INC. and JOSEPH C. HENRICHSEN, shall pay the Commissioner's reasonable cost for (a) the audit which led to this disciplinary

action (b) a subsequent audit to determine if Respondents are now in compliance with the Real Estate Law. The cost of the audit which led to this disciplinary action is $3,311.57. 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 $6,623.14

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 Respondents 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 Respondents and the Commissioner. The suspension shall remain in effect until payment is made in full or until Respondents enter 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.

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III.

All licenses and licensing rights of Respondent JOSEPH C. HENRICHSEN are indefinitely suspended unless or until Respondent provides 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.

DATED: 5-1-08

ELLIOTT MAC LENNAN, Counsel for the Department of Real Estate

* * *

EXECUTION OF THE STIPULATION

We have read the Stipulation and 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 this Stipulation by faxing a copy of its signature page, as actually signed by Respondents, to the Department at the following telephone/fax number: Elliott Mac Lennan at (213) 576-6917. Respondents agree, acknowledge and understand that by electronically sending to the Department a fax copy of Respondents' actual signature as they appear on the Stipulation, 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: 5/15/08

HOMEOWNERS FRIEND MORTGAGE COMPANY INC., a corporate real estate broker,
BY: JOSEPH C. HENRICHSEN, D.O., Respondent

DATED: 5/15/08

JOSEPH C. HENRICHSEN individually and as designated officer of Homeowners Friend Mortgage Company Inc., Respondent

DATED: 5/19/08

DANIEL A. NASSIE, ESQ.
Attorney for Respondents

* * *

The foregoing Stipulation and Agreement is hereby adopted as my Decision as to Respondents HOMEOWNERS FRIEND MORTGAGE COMPANY INC. and JOSEPH C. HENRICHSEN, individually and as designated officer Of HOMEOWNERS FRIEND MORTGAGE COMPANY INC. and shall become effective at 12 o'clock noon on September 5, 2008.

IT IS SO ORDERED 7-28-08, 2008.

JEFF DAVI
Real Estate Commissioner

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

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DEPARTMENT OF REAL ESTATE
BY: Agnes

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of HOMEOWNERS FRIEND MORTGAGE COMPANY INC., doing business as H F M C, Homeowners Friend.com, Homeowners Friend Mortgage, www.homeownersfriend.com; and JOSEPH CHARLES HENRICHSEN, individually and as designated officer of Homeowners Friend Mortgage Company Inc., Respondents.	No.H-34626 LA A C C U S A T I O N

The Complainant, Robin Trujillo, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against HOMEOWNERS FRIEND MORTGAGE COMPANY INC., doing business as H F M C, Homeowners Friend.com, Homeowners Friend Mortgage, www.homeownersfriend.com; and JOSEPH CHARLES HENRICHSEN, individually and as designated officer of Homeowners Friend Mortgage Company Inc., alleges as follows:

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1.

The Complainant, Robin Trujillo, acting in her official capacity as a Deputy Real Estate Commissioner of the State of California, makes this Accusation against HOMEOWNERS FRIEND MORTGAGE COMPANY INC. and JOSEPH CHARLES HENRICHSEN.

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, HOMEOWNERS FRIEND MORTGAGE COMPANY INC. ("HFMCI") and JOSEPH CHARLES HENRICHSEN ("HENRICHSEN") were licensed or had license rights issued by the Department of Real Estate ("Department") as real estate brokers.

B. At all times material herein, HFMCI was licensed by the Department of Real Estate of the State of California (hereinafter "Department") as a corporate real estate broker by and through HENRICHSEN, 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 HFMCI of by HFMCI' officers, agents and employees, including HENRICHSEN. HFMCI was originally licensed as a corporate real estate broker on July 8, 2003. HENRICHSEN was initially licensed as a real estate broker on June

26, 2003. Since HFMCI's inception, HENRICHSEN has been the designated officer.

BROKERAGE

4.

At all times mentioned, in the City and County of Orange, HFMCI acted as a real estate broker conducting licensed activities within the meaning of Code Section 10131(d) by operating a mortgage and loan brokerage dba H F M C, Homeowners Friend.com, Homeowners Friend Mortgage and www.homeownersfriend.com.

AUDIT EXAMINATION

5.

On June 15, 2007, the Department completed an audit examination of the books and records of HFMCI pertaining to the mortgage and loan activities described in Paragraph 4, which require a real estate license. The audit examination covered a period of time beginning on August 1, 2005 to April 30, 2007. 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 060256 and the exhibits and work papers attached to said audit report.

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TRUST ACCOUNT

6.

During the audit period HFMCI did not maintain a trust account pertaining to its mortgage loan activity or for the trust funds it collected and received in the form of reimbursement for credit report and appraisal fees.

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 HFMCI and HENRICHSEN, acted in violation of the Code and the Regulations in that they:

(a) Mixed and commingled trust funds and personal funds by depositing credit report fees received from escrow into HFMCI' general operating account and issuing checks from said account to credit companies after the escrow checks were deposited, in violation of Code Sections 10145 and 10176(e).

(b) Failed to maintain a control record in the form of a columnar record in chronological order of all "Trust Funds Received, Not Placed Broker's Trust Account", in violation of Code Section 10145 and Regulations 2831, 2950(d) and 2951. Credit report and appraisal fee reimbursement checks were not logged in a columnar record.

(c) Failed to maintain a separate record for each beneficiary or transaction, thereby failing to account for all

trust funds received, deposited and disbursed for credit report and appraisal fee reimbursements, as required by Code Section 10145 and Regulation 2831.1.

(d) Failed to provide, maintain or retain a true and correct copy of a Department of Real Estate approved Mortgage Loan Disclosure Statement signed by the broker for borrowers Brinkley, Cass, Guenther Jr., Loucks, Price and Realyvasquez, in violation of Code Section 10240 and 10241 and Regulation 2840.

(e) Failed to disclose yield spread premiums from lenders on the approved Mortgage Loan Disclosure Statement for the borrowers Guenther Jr. ($3,150) and Price ($1,820) totaling $4,970 totaling $7,131.50, in violation of Code Section 10240 and Regulation 2840.

(f) Failed to display the Department's license number on the Brinkley, Cass, Guenther Jr., Loucks, Price and Realyvasquez Mortgage Loan Disclosure Statements, as required by Code Section 10236.4.

DISCIPLINE STATUTES AND REGULATIONS

8.

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

PARAGRAPH	PROVISIONS VIOLATED
7(a)	Code Sections 10145 and 10176(e)

7(b)	Code Section 10145 and Regulation 2831
7(c)	Code Section 10145 and Regulation 2831.1
7(d)	Code Sections 10240, 10241 and Regulation 2840
7(e)	Code Section 10240 and Regulation 2840
7(f)	Code Section 10236.4

The foregoing violations constitutes cause for the suspension or revocation of the real estate license and license rights of HFMCI and HENRICHSEN, under the provisions of Code Sections 10176(e) and 10176(g), 10177(d) and/or 10177(g).

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NEGLIGENCE

9.

The overall conduct of Respondents HFMCI and HENRICHSEN 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 the provisions of Code Section 10177(g).

SUPERVISION AND COMPLIANCE

10.

The overall conduct of Respondent HENRICHSEN 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 HFMCI as required by Code Section 10159.2 and Regulation 2725, and to keep HFMCI in compliance with the Real Estate Law, and is cause for the suspension or revocation of the real estate license and license rights of HENRICHSEN pursuant to the provisions of Code Sections 10177(d), 10177(g) and 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 HOMEOWNERS FRIEND MORTGAGE COMPANY INC. and JOSEPH CHARLES HENRICHSEN, 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 11 day of December 2007

Robin Trujillo

Deputy Real Estate Commissioner

cc: Homeowners Friend Mortgage Company Inc.
c/o Joseph Charles Henrichsen D.O.
Robin Trujillo
Sacto
Audits - Lisa Kwong