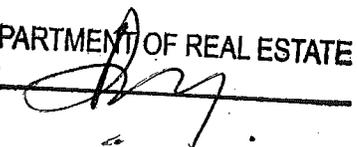


FILED

JUL 26 2012

DEPARTMENT OF REAL ESTATE

BY: 

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of

No. H-35133 LA

SYNERGY FINANCIAL MANAGEMENT CORPORATION, doing business as Directlender.com and Synergy Financial Corporation; LOUIS LEON PACIFIC, individually and as designated officer; YI FAN WU, individually and as former designated officer; and RONALD DEAN CUHA, individually and as former designated officer of Synergy Financial Management Corporation,
Respondents,

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 July 11, 2012, and the findings of fact set forth herein are based on one or more of the following: (1) Respondents SYNERGY FINANCIAL MANAGEMENT CORPORATION; LOUIS LEON PACIFIC, YI FAN WU, and RONALD DEAN CUHA, individually and as former designated officers of Synergy Financial Management Corporation; express admissions; (2) affidavits; and (3) Department Audit Report LA 070056 (Synergy

Financial Management Corporation (4) Department Audit Report LA 080050 (Synergy Financial Management Corporation) (5) Complainant files and (6) other evidence.

FACTUAL FINDINGS

1.

On June 30, 2008 and on June 19, 2009, Robin Trujillo made the Accusation and the First Supplemental Accusation respectively in her official capacity as a Deputy Real Estate Commissioner of the State of California. The Accusation filed July 22, 2009 and the First Supplemental Accusation (Accusation) filed June 22, 2009, Statement to Respondent, and Notice of Defense were mailed by certified mail, to Respondents' last known mailing addresses on file with the Department on July 22, 2008 and June 22, 2009, respectively by regular mail and by certified mail.

2.

On August 5, 2008, Notice of Defenses having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondents SYNERGY FINANCIAL MANAGEMENT CORPORATION; LOUIS LEON PACIFIC, individually and as former designated officer of Synergy Financial Management Corporation; YI FAN WU (August 8, 2012) failed to appear at the noticed hearing. The aforesaid Respondents' herein default was entered herein. On March 22, 2009, the Accusation against Respondent and YI FAN WU, decedent, was dismissed. On January 13, 2012, the Accusation against Respondent and RONALD DEAN CUHA, decedent, was dismissed.

3.

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.

4.

A. At all times mentioned, SYNERGY FINANCIAL MANAGEMENT CORPORATION ("SYNERGY") and LOUIS LEON PACIFIC ("PACIFIC"), YI FAN WU ("WU") and RONALD DEAN CUHA ("CHUA"), were licensed or had license rights issued by the Department of Real Estate ("Department") as real estate brokers.

B. At all times material herein, SYNERGY was licensed by the Department of Real Estate of the State of California (hereinafter "Department") as a corporate real estate broker by and through PACIFIC, WU and CUHA, as the designated officers 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 SYNERGY or by SYNERGY's officers, agents and employees, including

PACIFIC, WU AND CUHA. SYNERGY was originally licensed as a corporate real estate broker on April 18, 2001. PACIFIC, WU AND CUHA are former designated officers.

BROKERAGE

5.

At all times mentioned, in the City of Fountain Valley, County of Los Angeles, SYNERGY acted as a real estate broker conducting licensed activities within the meaning of:

A. Code Section 10131(d) by operating a mortgage and loan brokerage dba Directlender.com and Synergy Financial Corporation. In particular, Respondents engaged in activities with the public wherein lenders and borrowers were solicited for loans secured directly or collaterally by liens on real property, wherein such loans were arranged, negotiated, processed and consummated on behalf of others for compensation or in expectation of compensation and for fees often collected in advance; and

B. Code Sections 10131(d) and 10131.2. SYNERGY engaged in the business of a loan modification service and an advance fee brokerage dba Directlender.com and Synergy Financial Corporation. SYNERGY contacted lenders on behalf of distressed homeowners seeking modification of the terms of their home loans including forbearance agreements, principal and interest reduction, foreclosure abatement, loan refinance, and/or short sale services.

(Mortgage Loan Audit)

6.

On March 28, 2008, the Department completed an audit examination of the books and records of SYNERGY pertaining to the mortgage and loan activities described in Finding 5, which require a real estate license. The audit examination covered a period of time beginning on January 1, 2005 to November 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 070056 and the exhibits and work papers attached to said audit report.

TRUST ACCOUNT

7.

During the audit period SYNERGY 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 deposits and reimbursements for credit reports and appraisal fees.

VIOLATIONS OF THE REAL ESTATE LAW

8.

In the course of activities described in Findings 5 and 7, above, and during the examination period described in Finding 6, Respondents SYNERGY and PACIFIC acted in violation of the Code and the Regulations in that Respondents:

(a) 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 Regulation 2831. Credit report and appraisal fee reimbursement checks were not logged in a columnar control record.

(b) 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.

(c) Mixed and commingled trust funds and personal funds by depositing credit report fees received from escrow into SYNERGY's general operating account and issuing checks from said account to credit companies after the escrow checks were deposited therein, in violation of Code Sections 10145 and 10176(e) and Regulation 2832(d).

(d) Failed to notify the Department of the employment of salesperson Michael Timoschuk, as required by Code Section 10161.8 and Regulation 2752. (PACIFIC only).

(e) Failed to retain the salesperson license certificate for ten salespersons, in violation of Code Section 10160 and Regulation 2753. (PACIFIC only).

(f) Failed to exercise adequate supervision over the mortgage and loan activities to ensure compliance the Real Estate Laws and Regulations and had no system in place for regularly monitoring his compliance with the Real Estate Law especially in regard to establishing policies to review trust fund handling and salesperson employment and termination, in violation of Code Sections 10159.2, 10177(h) and Regulation 2725 (PACIFIC only).

(Loan Modification Audit)

9.

On January 27, 2008, the Department completed an audit examination of the books and records of SYNERGY pertaining to the loan modification activities described in Finding 5, which require a real estate license. The audit examination covered a period of time beginning on December 1, 2007 to August 11, 2008. 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 080050 and the exhibits and work papers attached to said audit report.

TRUST ACCOUNT

10.

During the audit period SYNERGY did not maintain a trust account for its loan modification brokerage.

VIOLATIONS OF THE REAL ESTATE LAW (Loan Modification Audit)

11.

In the course of activities described in Finding 5 and during the examination period described in Finding 9, Respondents SYNERGY and PACIFIC acted in violation of the Code and the Regulations in which Respondents:

(a) SYNERGY used the fictitious name of "DirectLender", to conduct licensed activities including a loan modification and advanced fee brokerage, without first obtaining from the Department a license bearing said fictitious business name, in violation of Code Section 10159.5 and Regulation 2731.

(b) SYNERGY dba DirectLender conducted loan modification services by unlicensed persons for the following distressed homeowners in violation of Code Sections 10176(i) and 10177(g):

Homeowner	Property Address	Date of Agreement	Amount of Payment	Unlicensed Agent
Erick Alvarado	2949 Wellington Rd. Los Angeles,	January 14, 2007	\$3,995	Rey Reyes
Simeon Callender	17057 La Vesu Rd. Fontana	February 1, 2008	\$4,995	Mike Hill
Harold Pound	1825 Wilbur Dr. Modesto	March 18, 2008	\$2,700	Robert Martinez
Alfredo Andres	1245 Santa Ynez Chula Vista	December 24, 2007	\$450	Michael J. Hill
Pilar Mora	Not Stated	10/2/08	\$1,050	Tony Perry/ Daniel Reyes

(c) SYNERGY failed to submit an advance fee agreement to the Department prior to its use in its loan modification activity including an allocation and disbursement of the amount collected as the advance fee, in violation of Code Sections 10085 and 10146 and Regulations 2970 and 2972.

(d) After notice and subpoena on January 5, 2009, SYNERGY failed to show proof of retention of all records of SYNERGY's loan modification activity during the audit period requiring a real estate broker license, in violation of Code Section 10148.

(e) PACIFIC failed to exercise adequate supervision over the mortgage and loan activities to ensure compliance the Real Estate Laws and Regulations and had no system in place for regularly monitoring his compliance with the Real Estate Law especially in regard to establishing policies to review trust fund handling, in violation of Code Sections 10159.2 and 10177(h).

(Deceit by Misrepresentation)

12.

Respondents SYNERGY and PACIFIC intentionally engaged in the conduct above set forth in Finding 11 Alternatively, Respondents SYNERGY and PACIFIC engaged in negligent misrepresentation to homeowners, in violation of Code Sections 10176(a), 10176(i) and/or 10177(g).

13.

The overall conduct of Respondents SYNERGY and PACIFIC 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).

14.

The overall conduct of Respondent PACIFIC constitutes a failure on Respondent's part, as former officer designated by a corporate broker licensee, to exercise reasonable supervision and control over the licensed activities of SYNERGY, as required by Code Sections 10211 and 10159.2, and to keep SYNERGY in compliance with the Real Estate Law, and is cause for the suspension or revocation of the real estate license and license rights of PACIFIC pursuant to the provisions of Code Sections 10177(d), 10177(g) and 10177(h) and Regulation 2725.

DETERMINATION OF ISSUES

1.

The conduct of Respondents SYNERGY FINANCIAL MANAGEMENT CORPORATION and LOUIS LEON PACIFIC, described in Finding 8, above, violated the Code and the Regulations as set forth below:

<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
7(a)	Code Section <u>10145</u> and Regulation <u>2831</u>
7(b)	Code Section 10145 and Regulation <u>2831.1</u>
7(c)	Code Sections 10145 and <u>10176(e)</u> and Regulation <u>2832(d)</u> .
7(d)	Code Section <u>10161.8</u> and Regulation <u>2752</u> (PACIFIC only)

- 7(e) Code Section 10160 and Regulation 2753
(PACIFIC only)
- 7(f) Code Sections 10159.2 and 10177(h) and
Regulation 2725 (PACIFIC only)

The foregoing violations constitute cause for the suspension or revocation of the real estate license and license rights of SYNERGY and PACIFIC, under the provisions of Code Sections 10176(e), 10177(d), 10177(g) and 10177(h) (PACIFIC).

2.

The conduct of Respondents SYNERGY FINANCIAL MANAGEMENT CORPORATION and LOUIS LEON PACIFIC, described in Finding 11, above, violated the Code and the Regulations as set forth below:

<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
10(a)	Code Section <u>10159.5</u> and Regulation <u>2731</u> .
10(b)	Code Sections <u>10176(i)</u> and 10177(g)
10(c)	Code Section <u>10085</u> and Regulation <u>2970</u> , and Code Section <u>10146</u> and Regulation <u>2972</u> .
10(d)	Code Section <u>10148</u> .
10(e)	Code Sections <u>10159.2</u> and 10177(h) (PACIFIC only)

The foregoing violations constitute cause for the suspension or revocation of the real estate license and license rights of SYNERGY and PACIFIC under the provisions of Code Sections 10176(i), 10177(d), 10177(g) and 10177(h) (PACIFIC only).

3.

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

ORDER

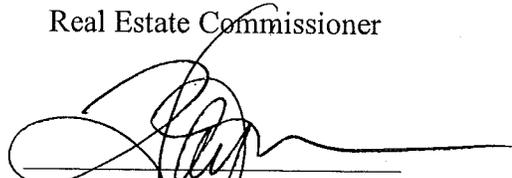
The real estate license and license rights of Respondents SYNERGY FINANCIAL MANAGEMENT CORPORATION and LOUIS LEON PACIFIC, individually and as former designated officer of Synergy Financial Management Corporation, under the provisions of Part I of Division 4 of the Business and Professions Code are revoked.

This Decision shall become effective at 12 o'clock noon on

August 15, 2012

DATED: July 20, 2012

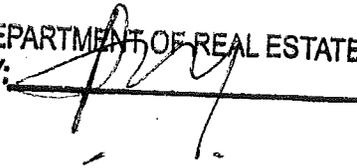
Real Estate Commissioner



By WAYNE S. BELL
Chief Counsel

FILED

JUL 11 2012

DEPARTMENT OF REAL ESTATE
BY: 

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of

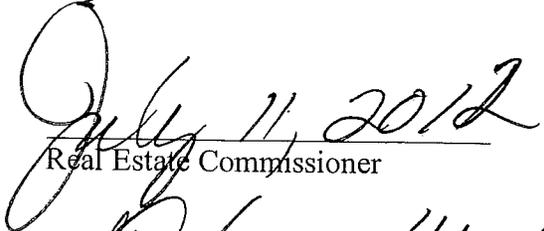
No. H-35133 LA

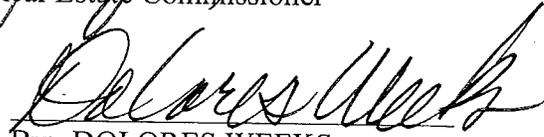
SYNERGY FINANCIAL MANAGEMENT CORPORATION, doing business as Directlender.com and Synergy Financial Corporation; LOUIS LEON PACIFIC, individually and as designated officer; YI FAN WU, individually and as former designated officer; and RONALD DEAN CUHA, individually and as former designated officer of Synergy Financial Management Corporation,
Respondents,

DEFAULT ORDER

Respondents SYNERGY FINANCIAL MANAGEMENT CORPORATION and LOUIS LEON PACIFIC, failed to appear at a duly scheduled Hearing on July 11, 2012, after notice, are now in default. It is, therefore, ordered that a default be entered on the record in this matter.

IT IS SO ORDERED


Real Estate Commissioner


By: DOLORES WEEKS
Regional Manager

Sawth

FILED

JAN 27 2012

DEPARTMENT OF REAL ESTATE
BY: *[Signature]*

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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)
SYNERGY FINANCIAL MANAGEMENT,)
CORPORATION, doing business as)
Directlender.com and Synergy)
Financial Corporation; LOUIS LEON)
PACIFIC, individually and as)
designated officer; YI FAN WU,)
individually and as former)
designated officer; and RONALD DEAN)
CUHA, individually and as former)
designated officer of Synergy)
Financial Management Corporation,)
Respondents.)

NO. H-35133 LA
L-20080890635

DISMISSAL

The Accusation and First Supplemental Accusation
filed against Respondent, RONALD DEAN CUHA, are DISMISSED, due
to the death of Respondent RONALD DEAN CUHA.

IT IS SO ORDERED this 13th day of January,
2012.

BARBARA J. BIGBY
Acting Real Estate Commissioner

[Signature]

Suits

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

JUN 22 2009

DEPARTMENT OF REAL ESTATE

BY: *Apoly*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of

No. H-35133 LA
L-2008080635

SYNERGY FINANCIAL MANAGEMENT CORPORATION, doing business as Directlender.com and Synergy Financial Corporation; LOUIS LEON PACIFIC, individually and as designated officer; YI FAN WU, individually and as former designated officer; and RONALD DEAN CUHA, individually and as former designated officer of Synergy Financial Management Corporation,

FIRST SUPPLEMENTAL

ACCUSATION

Respondents,

The Complainant, Robin Trujillo, acting in her official capacity as a Deputy Real Estate Commissioner of the State of California, incorporates herein the allegations of the Accusation filed on July 22, 2008.

Complainant hereby supplements and amends the Accusation filed in this matter on July 22, 2008, as follows:

///

LICENSE HISTORY
(updated)

11.

A. PACIFIC was SYNERGY's designated officer until August 11, 2008. YU and CUHA are former designated officers prior to PACIFIC's tenure.

B. At all times herein mentioned, SYNERGY, is and was a California corporation. SYNERGY is owned by Synergy Financial LLC. At all times mentioned herein, the below named licensee has owned or controlled more than 10% of SYNERGY:

Synergy Financial LLC. Member/Owner	% Membership Interest	Real Estate Licensee
Bernadette Carr	70%	Expired Salesperson April 28, 2008

BROKERAGE ACTIVITIES
(updated)

12.

At all times mentioned, in the City of Fountain Valley, County of Los Angeles, SYNERGY acted as a real estate broker engaging in licensed activities within the meaning of Code Sections:

A. Code Section 10131(d) (Mortgage Loan Brokerage). Respondent's engaged in activities with the public wherein lenders and borrowers were solicited for loans secured directly or collaterally by liens on real property, wherein such loans were arranged, negotiated, processed and consummated on behalf of

1 others for compensation or in expectation of compensation and for
2 fees often collected in advance.

3 B. 10131(d) and 10131.2 (Loan Modification).

4 Respondent SYNERGY engaged in the business of a loan modification
5 service and an advance fee brokerage dba Directlender.com aka
6 Directlender and Synergy Financial Management Corporation.

7 Respondent SYNERGY employed unlicensed persons who performed loan
8 modification services on behalf of distressed homeowner-borrowers
9 seeking modification of the terms of their home loans including
10 forbearance agreements, principal/interest reduction, foreclosure
11 abatement, loan refinance, and/or short sale services for or in
12 expectation of compensation and for fees solicited, charged and
13 collected in advance.

14
15 SECOND CAUSE OF ACTION
16 (Loan Modification Brokerage Audit)

17 13.

18 On January 27, 2009, the Department completed an audit
19 examination of the books and records of SYNERGY pertaining to the
20 loan modification activities described in Paragraph 4, which
21 require a real estate license. The audit examination covered a
22 period of time beginning on December 1, 2007 to August 11, 2008.
23 The audit examination revealed violations of the Code and the
24 Regulations as set forth in the following paragraphs and more
25 fully discussed in Audit Report LA 080050 and the exhibits and
26 work papers attached to said audit report.

27

TRUST ACCOUNT

14.

During the audit period SYNERGY did not maintain a trust account for its loan modification brokerage.

VIOLATIONS OF THE REAL ESTATE LAW
(Loan Modification Audit)

15.

In the course of activities described in Paragraph 12 and during the examination period described in Paragraph 13, Respondents SYNERGY and PACIFIC acted in violation of the Code and the Regulations in which Respondents:

(a) SYNERGY used the fictitious name of "DirectLender", to conduct licensed activities including a loan modification and advanced fee brokerage, without first obtaining from the Department a license bearing said fictitious business name, in violation of Code Section 10159.5 and Regulation 2731.

(b) SYNERGY dba DirectLender conducted loan modification services by unlicensed persons for the following distressed homeowners in violation of Code Sections 10176(i) and 10177(g):

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Homeowner	Property Address	Date of Agreement	Amount of Payment	Unlicensed Agent
Erick Alvarado	2949 Wellington Rd. Los Angeles,	January 14, 2007	\$3,995	Rey Reyes
Simeon Callender	17057 La Vesu Rd. Fontana	February 1, 2008	\$4,995	Mike Hill
Harold Pound	1825 Wilbur Dr. Modesto	March 18, 2008	\$2,700	Robert Martinez
Alfredo Andres	1245 Santa Ynez Chula Vista	December 24, 2007	\$450	Michael J. Hill
Pilar Mora	Not Stated	10/2/08	\$1,050	Tony Perry/ Daniel Reyes

(c) SYNERGY failed to submit an advance fee agreement to the Department prior to its use in its loan modification activity including an allocation and disbursement of the amount collected as the advance fee, in violation of Code Sections 10085 and 10146 and Regulations 2970 and 2972.

(d) After notice and subpoena on January 5, 2009, SYNERGY failed to retain all records of SYNERGY's loan modification activity during the audit period requiring a real estate broker license, in violation of Code Section 10148.

(e) PACIFIC failed to exercise adequate supervision over the mortgage and loan activities to ensure compliance the Real Estate Laws and Regulations and had no system in place for regularly monitoring his compliance with the Real Estate Law especially in regard to establishing policies to review trust fund handling and salesperson employment and termination, in violation of Code Sections 10159.2 and 10177(h).

DISCIPLINE STATUTES AND REGULATIONS
(Loan Modification Audit)

16.

The conduct of Respondents SYNERGY and PACIFIC described in Paragraph 15, above, violated the Code and the Regulations as set forth below:

<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
15(a)	Code Section 10145 and Regulation 2831.1
15(b)	Code Sections 10176(i) and/or 10177(g)
15(c)	Code Sections 10085 and 10146 and Regulations 2970 and 2972
15(d)	Code Section 10148
15(e)	Code Sections 10159.2 and 10177(h) (PACIFIC only)

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

///

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1 THIRD CAUSE OF ACCUSATION
2 (Deceit by Misrepresentation)

3 17.

4 Respondents SYNERGY and PACIFIC intentionally engaged
5 in the conduct above set forth in Paragraphs 13 through 16.
6 Alternatively, Respondents SYNERGY and PACIFIC engaged in
7 negligent misrepresentation to homeowners, in violation of Code
8 Sections 10176(a), 10176(i) and/or 10177(g).

9 18.

10 The overall conduct of Respondents SYNERGY and PACIFIC,
11 constitutes negligence. This conduct and violation are cause for
12 the suspension or revocation of the real estate license and
13 license rights of said Respondents pursuant to Code Section
14 10177(g).

15 19.

16 The overall conduct of Respondent PACIFIC constitutes a
17 failure on Respondent's part, as officer designated by a
18 corporate broker licensee, to exercise the reasonable supervision
19 and control over the licensed activities of SYNERGY, as required
20 by Code Sections 10211 and 10159.2, and to keep SYNERGY in
21 compliance with the Real Estate Law, and is cause for the
22 suspension or revocation of the real estate license and license
23 rights of PACIFIC pursuant to the provisions of Code Sections
24 10177(d), 10177(g) and 10177(h).

25 ///

26 ///

1 WHEREFORE, Complainant prays that a hearing be
2 conducted on the allegations of this Supplemental Accusation and
3 that upon proof thereof, a decision be rendered imposing
4 disciplinary action against the license and license rights of
5 Respondents SYNERGY FINANCIAL MANAGEMENT CORPORATION AND
6 LOUIS LEON PACIFIC, under the Real Estate Law (Part 1 of Division
7 4 of the Business and Professions Code) and for such other and
8 further relief as may be proper under other applicable provisions
9 of law.

10 Dated at Los Angeles, California

11 this 19 day of June 2009.

12 
13 Deputy Real Estate Commissioner

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23 cc: Synergy Financial Management Corporation
24 c/o Louis Leon Pacific D.O.
25 Robin Trujillo
26 Sacto
27 Audits - Dorcas Cheng & Gina King

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FILED

APR - 2 2009

DEPARTMENT OF REAL ESTATE
BY: *[Signature]*

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of

No. H-35133 LA

SYNERGY FINANCIAL MANAGEMENT CORPORATION, doing business as Directlender.com and Synergy Financial Corporation; LOUIS LEON PACIFIC, individually and as designated officer; YI FAN WU, individually and as former designated officer; and RONALD DEAN CUHA, individually and as former designated officer of Synergy Financial Management Corporation,

Respondents.

DISMISSAL

The Accusation filed against YI FAN WU on July 22, 2008, is dismissed.

IT IS SO ORDERED this 27 day of March, 2009.

JEFF DAVI
Real Estate Commissioner

[Signature]

1 ELLIOTT MAC LENNAN, SBN 66674
2 Department of Real Estate
3 320 West 4th Street, Ste. 350
4 Los Angeles, California 90013-1105

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

FILED

JUL 22 2008

DEPARTMENT OF REAL ESTATE
BY: Aspy

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)

No. H- 35133 LA

12 SYNERGY FINANCIAL MANAGEMENT)
13 CORPORATION, doing business as)
14 Directlender.com and Synergy)
15 Financial Corporation; LOUIS LEON)
16 PACIFIC, individually and as)
17 designated officer; YI FAN WU,)
18 individually and as former)
19 designated officer; and RONALD DEAN)
20 CUHA, individually and as former)
21 designated officer of Synergy)
22 Financial Management Corporation,)
23 Respondents.)

A C C U S A T I O N

20 The Complainant, Robin Trujillo, a Deputy Real Estate
21 Commissioner of the State of California, for cause of Accusation
22 against SYNERGY FINANCIAL MANAGEMENT CORPORATION, dba
23 Directlender.com and Synergy Financial Corporation; LOUIS LEON
24 PACIFIC, YI FAN WU and RONALD DEAN CUHA, individually and as
25 designated officer and respectively former designated officers of
26 Synergy Financial Management Corporation, alleges as follows:
27

1.

1
2 The Complainant, Robin Trujillo, acting in her official
3 capacity as a Deputy Real Estate Commissioner of the State of
4 California, makes this Accusation against SYNERGY FINANCIAL
5 MANAGEMENT CORPORATION, LOUIS LEON PACIFIC, YI FAN WU and RONALD
6 DEAN CUHA.

7 2.

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

11 LICENSE HISTORY

12 3.

13 A. At all times mentioned, SYNERGY FINANCIAL
14 MANAGEMENT CORPORATION ("SYNERGY") and LOUIS LEON PACIFIC
15 ("PACIFIC"), YI FAN WU ("WU") and RONALD DEAN CUHA ("CHUA"), were
16 licensed or had license rights issued by the Department of Real
17 Estate ("Department") as real estate brokers.

18 B. At all times material herein, SYNERGY was licensed
19 by the Department of Real Estate of the State of California
20 (hereinafter "Department") as a corporate real estate broker by
21 and through PACIFIC, WU and CUHA, as the designated officers and
22 broker responsible, pursuant to Code Section 10159.2 of the
23 Business and Professions Code for supervising the activities
24 requiring a real estate license conducted on behalf SYNERGY of by
25 SYNERGY's officers, agents and employees, including PACIFIC, WU
26
27

1 AND CUHA. SYNERGY was originally licensed as a corporate real
2 estate broker on April 18, 2001. PACIFIC is the current
3 designated officer. WU AND CUHA are former designated officers.

4 BROKERAGE

5 4.

6 At all times mentioned, in the City of Fountain Valley,
7 County of Los Angeles, SYNERGY acted as a real estate broker
8 conducting licensed activities within the meaning of Code Section
9 10131(d) by operating a mortgage and loan brokerage dba
10 Directlender.com and Synergy Financial Corporation. In
11 particular, Respondents engaged in activities with the public
12 wherein lenders and borrowers were solicited for loans secured
13 directly or collaterally by liens on real property, wherein such
14 loans were arranged, negotiated, processed and consummated on
15 behalf of others for compensation or in expectation of
16 compensation and for fees often collected in advance.

17 AUDIT EXAMINATION

18 5.

19 On March 28, 2008, the Department completed an audit
20 examination of the books and records of SYNERGY pertaining to the
21 mortgage and loan activities described in Paragraph 4, which
22 require a real estate license. The audit examination covered a
23 period of time beginning on January 1, 2005 to November 30, 2007.
24 The audit examination revealed violations of the Code and the
25 Regulations as set forth in the following paragraphs, and more
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27

1 fully discussed in Audit Report LA 070056 and the exhibits and
2 work papers attached to said audit report.

3 TRUST ACCOUNT.

4 6.

5 During the audit period SYNERGY did not maintain a
6 trust account pertaining to its mortgage loan activity or for the
7 trust funds it collected and received in the form of deposits and
8 reimbursements for credit reports and appraisal fees.

9 VIOLATIONS OF THE REAL ESTATE LAW

10 7.

11 In the course of activities described in Paragraphs 4
12 and 6, above, and during the examination period described in
13 Paragraph 5, Respondents SYNERGY and PACIFIC, WU AND CUHA, acted
14 in violation of the Code and the Regulations in that they:

15 (a) Failed to maintain a control record in the form of
16 a columnar record in chronological order of all "Trust Funds
17 Received, Not Placed Broker's Trust Account", in violation of
18 Code Section 10145 and Regulation 2831. Credit report and
19 appraisal fee reimbursement checks were not logged in a columnar
20 control record.

21
22 (b) Failed to maintain a separate record for each
23 beneficiary or transaction, thereby failing to account for all
24 trust funds received, deposited and disbursed for credit report
25 and appraisal fee reimbursements, as required by Code Section
26 10145 and Regulation 2831.1.

27

1 (c) Mixed and commingled trust funds and personal funds
2 by depositing credit report fees received from escrow into
3 SYNERGY's general operating account and issuing checks from said
4 account to credit companies after the escrow checks were
5 deposited therein, in violation of Code Sections 10145 and
6 10176(e) and Regulation 2832(d).

7 (d) After notice and subpoena on July 27, 2007, failed
8 to produce or retain all records of SYNERGY's activity during the
9 audit period requiring a real estate broker license, as required
10 by Code Section 10148, specifically with respect to the
11 transactions files for Manic Balijian for the real property
12 located at 816 Legacy Drive, San Marcos, California. (CUHA only)

13 (e) Failed to notify the Department of the employment
14 of salesperson Michael Timoschuk, as required by Code Section
15 10161.8 and Regulation 2752. (PACIFIC only)

16 (f) Failed to retain the salesperson license
17 certificate for ten salespersons, in violation of Code Section
18 10160 and Regulation 2753. (PACIFIC only)

19 (g) Failed to exercise adequate supervision over the
20 mortgage and loan activities to ensure compliance the Real Estate
21 Laws and Regulations and had no system in place for regularly
22 monitoring his compliance with the Real Estate Law especially in
23 regard to establishing policies to review trust fund handling and
24 salesperson employment and termination, in violation of Code
25 Sections 10159.2, 10177(h) and Regulation 2725.
26
27

DISCIPLINE STATUTES AND REGULATIONS

8.

The conduct of Respondents SYNERGY, PACIFIC, WU and CUHA described in Paragraph 7, above, violated the Code and the Regulations as set forth below:

<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
7 (a)	Code Section 10145 and Regulation 2831
7 (b)	Code Section 10145 and Regulation 2831.1
7 (c)	Code Sections 10145 and 10176 (e) and Regulation 2832 (d)
7 (d)	Code Section 10148 (CUHA only)
7 (e)	Code Section 10161.8 and Regulation 2752 (PACIFIC only)
7 (f)	Code Section 10160 and Regulation 2753 (PACIFIC only)

1 7(g)

Code Section 10159.2 and Regulation

2 2725

3 The foregoing violations constitutes cause for the suspension or
4 revocation of the real estate license and license rights of
5 SYNERGY, PACIFIC, WU and CUHA, under the provisions of Code
6 Sections 10176(e), 10177(d) and/or 10177(g).

7
8 NEGLIGENCE

9 9.

10 The overall conduct of Respondents SYNERGY, PACIFIC, WU
11 and CUHA constitute negligence. This conduct and violation are
12 cause for the suspension or revocation of the real estate license
13 and license rights of said Respondents pursuant to the provisions
14 of Code Section 10177(g).

15 SUPERVISION AND COMPLIANCE

16 10.

17 The overall conduct of Respondents PACIFIC, WU and CUHA
18 constitutes a failure on their part, as officers designated by a
19 corporate broker licensee, to exercise the reasonable supervision
20 and control over the licensed activities of SYNERGY, as required
21 by Code Section 10159.2 and Regulation 2725, and to keep SYNERGY
22 in compliance with the Real Estate Law, and is cause for the
23 suspension or revocation of the real estate license and license
24 rights of PACIFIC, WU and CUHA pursuant to the provisions of Code
25 Sections 10177(d), 10177(g) and 10177(h).

26
27 ///

1 WHEREFORE, Complainant prays that a hearing be
2 conducted on the allegations of this Accusation and that upon
3 proof thereof, a decision be rendered imposing disciplinary
4 action against the license and license rights of Respondents
5 SYNERGY FINANCIAL MANAGEMENT CORPORATION, LOUIS LEON PACIFIC, YI
6 FAN WU and RONALD DEAN CUHA, under the Real Estate Law (Part 1 of
7 Division 4 of the Business and Professions Code) and for such
8 other and further relief as may be proper under other applicable
9 provisions of law.

10 Dated at Los Angeles, California

11 this 30 day of June 2008.

12 
13 Deputy Real Estate Commissioner

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21
22
23 cc: Synergy Financial Management Corporation
24 c/o Louis Leon Pacific D.O.
25 Yi Fan Wu
26 Ronald Dean Cuha
27 Robin Trujillo
Sacto
Audits - Dorcas Cheng