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FILED

SEP 30 2011

DEPARTMENT OF REAL ESTATE

BY: *Deborah A. Valencia*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation of)
) No. H-37130 LA
MONTEREY FUNDING INC and BILL,)
JOSEPH NORTHEY, individually,)
and formerly as designated)
officer of Monterey Funding Inc.)
) 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 August 18, 2011, and the findings of fact set forth herein are based on one or more of the following: (1) Respondent's express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

1.

On March 9, 2011, Maria Suarez made the Accusation in her official capacity as a Deputy Real Estate Commissioner of the State of California. The Accusation, Statement to Respondent, and Notice of Defense were mailed by certified mail, return receipt requested, to Respondent's last known mailing address on file with the Department on March 11, 2011. The certified mailing was returned to sender by the postal service, with no forwarding address.

On August 18, 2011, 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.

2.

MONTEREY FUNDING INC. ("MONTEREY"), presently has license rights, under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code, as a real estate corporation. Respondent was first licensed as a corporation on June 29, 2006. On June 28, 2010, Respondent's license expired. Pursuant to the Code Section 10103 the Department of Real Estate retains jurisdiction.

3.

BILL JOSEPH NORTHEY ("NORTHEY") presently has license rights under the Real Estate Law as a real estate broker. Respondent was first licensed as a broker on July 6, 2005. NORTHEY was the designated officer of MONTEREY from June 29, 2006 to June 28, 2010.

4.

On or about April 4, 2008, Jose Luis Garcia Verduzco paid a \$3,000 advance fee to MONTEREY based upon NORTHEY's representation that MONTEREY would assist Verduzco in a short sale of Verduzco's home.

5.

In or about June 2008, Vincent Mora Prieto paid a \$3,000 advance fee to MONTEREY based upon NORTHEY's representation that MONTEREY would assist Prieto in a modification of Prieto's home loan.

DETERMINATION OF ISSUES

1.

Respondents' conduct, acts, and/or omissions are in violation of Business and Professions Code Section 10085 and Section 2970, Title 10, Chapter 6, California Code of Regulations. Cause for disciplinary action against Respondents exists pursuant to Business and Professions Code Sections 10085, 10177(d) and 10177(g).

2.

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

ORDER

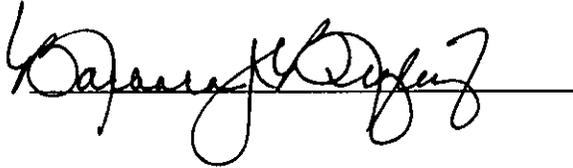
The license and license rights of Respondents
MONTEREY FUNDING INC and BILL JOSEPH NORTHEY under the
provisions of Part I of Division 4 of the Business and
Professions Code are revoked.

This Decision shall become effective at 12 o'clock
noon on OCT 20 2011

DATED: _____

9/26/11

BARBARA J. BIGBY
Acting Real Estate Commissioner



FILED

1 Department of Real Estate
320 West Fourth Street, Suite 350
2 Los Angeles, CA 90013

AUG 18 2011

3 (213) 576-6982

DEPARTMENT OF REAL ESTATE

BY: Amie B. Khan

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BEFORE THE DEPARTMENT OF REAL ESTATE

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STATE OF CALIFORNIA

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* * * *

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In the Matter of the Accusation of) NO. H-37130 LA

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MONTEREY FUNDING INC and BILL,) DEFAULT ORDER

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JOSEPH NORTHEY, individually, and)
formerly as designated officer of)

14

Monterey Funding Inc.,)

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Respondents.)

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Respondents MONTEREY FUNDING and BILL JOSEPH

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NORTHEY, having failed to file a Notice of Defense within

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the time required by Section 11506 of the Government Code,

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is now in default. It is, therefore, ordered that a default

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be entered on the record in this matter.

21

IT IS SO ORDERED August 18, 2011

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BARBARA J. BIGBY
Acting Real Estate Commissioner

24

25

By: Dolores Weeks

26

Dolores Weeks
Regional Manager

27

FILED

MAR 11 2011

DEPARTMENT OF REAL ESTATE
BY: James A. Demus

1 JAMES DEMUS, Counsel (SBN 225005)
2 Department of Real Estate
3 320 West Fourth St., #350
4 Los Angeles, CA 90013
5 (213) 576-6982
6 (213) 576-6910 (direct)

9 BEFORE THE DEPARTMENT OF REAL ESTATE

10 STATE OF CALIFORNIA

11 * * *

12 In the Matter of the Accusation of)
13)
14 MONTEREY FUNDING INC and BILL)
15 JOSEPH NORTHEY, individually, and)
16 formerly as designated officer of)
17 Monterey Funding Inc,)
18 Respondents.)

No. H-37130 LA
A C C U S A T I O N

18 The Complainant, Maria Suarez, a Deputy Real Estate
19 Commissioner of the State of California, for cause of
20 Accusation against MONTEREY FUNDING INC and BILL JOSEPH
21 NORTHEY, individually, and formerly as designated officer of
22 Monterey Funding Inc, is informed and alleges as follows:

23 1.

24 The Complainant, Maria Suarez, a Deputy Real Estate
25 Commissioner of the State of California, makes this Accusation
26 in her official capacity.

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2.

MONTEREY FUNDING INC, (hereinafter "MONTEREY") presently has license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code, hereinafter "Code"), as a corporate real estate broker. On June 28, 2010, MONTEREY's license expired. Pursuant to Business and Professions Code Section 10201, MONTEREY retains renewal rights for two years. The Department of Real Estate holds jurisdiction over the lapsed license, pursuant to Business and Professions Code Section 10103.

3.

BILL JOSEPH NORTHEY (hereinafter "NORTHEY") is presently licensed and/or has license rights under the Real Estate Law, as a real estate broker. He was also designated officer of MONTEREY between July 6, 2005 and June 28, 2010.

4.

At all times material herein, Respondents MONTEREY and NORTHEY were engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers in the State of California, within the meaning of Code Sections 10131(a), 10131(d) and 10131.2, including selling or offering to sell, or negotiating the sale of real property, negotiating loans or performing services for borrowers and collecting or contracting for the collection of an advance fee, within the meaning of Code Section 10026.

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5.

Verduzco Transaction

On or about April 4, 2008, Jose Luis Garcia Verduzco ("Verduzco") paid a \$3,000 advance fee to MONTEREY based upon NORTHEY's representation that MONTEREY would assist Verduzco in a short sale of Verduzco's home.

6.

Prieto Transactions

In or about June 2008, Vincent Mora Prieto ("Prieto") paid a \$3,000 advance fee to MONTEREY based upon NORTHEY's representation that MONTEREY would assist Prieto in a modification of Prieto's home loan.

7.

In or about September 2008, Prieto deposited \$14,000 into MONTEREY's trust account, based upon NORTHEY's representation that MONTEREY would complete the sale of Prieto's property and return Prieto's \$14,000 within 15 days. Prieto did not receive a return of his \$14,000 within 15 days from either MONTEREY or NORTHEY.

8.

The agreements made by MONTEREY and NORTHEY, as described in Paragraphs 5 and 6 above, constitute advance fee agreements within the meaning of Code Section 10026. MONTEREY and NORTHEY failed to submit the advance fee agreements, described in paragraphs 5 and 6 above, to the Commissioner ten days before using them, in violation of Code Sections 10085 and 10085.5, as well as Section 2970 of Title 10, California Code

1 of Regulations ("Regulations"). This provides cause for the
2 suspension or revocation of the licenses and license rights of
3 Respondents MONTEREY and NORTHEY pursuant to Code Sections
4 10085, 10177(d) and/or 10177(g).

5 9.

6 The conduct, acts and/or omissions of Respondents
7 MONTEREY and NORTHEY, as set forth in paragraph 7 above,
8 constitutes substantial misrepresentation and false promises of
9 a character likely to induce, thus providing cause for the
10 suspension or revocation of the licenses and license rights of
11 Respondents MONTEREY and NORTHEY pursuant to Code Sections
12 10176(a), 10176(b) and 10176(i).

13 WHEREFORE, Complainant prays that a hearing be
14 conducted on the allegations of this Accusation and that upon
15 proof thereof, a decision be rendered imposing disciplinary
16 action against all the licenses and license rights of
17 Respondents MONTEREY FUNDING INC and BILL JOSEPH NORTHEY under
18 the Real Estate Law, and for such other and further relief as
19 may be proper under other applicable provisions of law.

20 Dated at Los Angeles, California
21 this 9th day of March, 2011

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24 
25 Maria Suarez
Deputy Real Estate Commissioner

26 cc: MONTEREY FUNDING INC
27 BILL JOSEPH NORTHEY
Maria Suarez
Sacto.