FILED

AUG - 7 2013

DEPARTMENT OF REAL ESTATE
BY:

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of PW CAPITAL CORP., doing business as Pacific West Real Estate Associates, and Pacific West Real Estate and Associates and ADRIAN HERNANDEZ, individually and as designated officer of PW Capital Corp., Respondents.	No. H-37689 LA
In the Matter of the Accusation of LDT INVESTMENTS INC., doing business as LDT Escrow Division a Non-Independent Escrow Division; and ADRIAN HERNANDEZ, individually and as designated officer of LDT Investments Inc., Respondents.	No. H-37473 LA

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSE

On November 21, 2011, an Accusation was filed against PW CAPITAL CORP. and ADRIAN HERNANDEZ. On August 24, 2011, an Accusation was filed against LDT INVESTMENTS INC. and ADRIAN HERNANDEZ

On March 19, 2013, Respondent ADRIAN HERNANDEZ petitioned the Commissioner to voluntarily surrender his real estate broker license rights pursuant to Section 10100.2 of the Business and Professions Code.

IT IS HEREBY ORDERED that Respondent ADRIAN HERNANDEZ' petition for voluntary surrender of his real estate broker license and license rights is accepted as of the effective date of this Order as set forth below, based upon the understanding and agreement expressed in Respondent's Declaration dated March 19, 2013, (attached as Exhibit "A" hereto). Respondent's license certificate, pocket card and any branch office license certificate shall be sent to the below listed address so that they reach the Department on or before the effective date of this Order:

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

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

August 27, 2013

DATED: July 17, 2013

Real Estate Commissioner

By: JEFFREY MASON
Chief Deputy Commissioner

EXHIBIT "A'

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of PW CAPITAL CORP., doing business as Pacific West Real Estate Associates, and and ADRIAN HERNANDEZ, individually and as designated officer of PW Capital Corp., and doing business as Pacific West Real Estate and Associates, Respondents,	No. H-37689 LA
In the Matter of the Accusation of LDT INVESTMENTS INC., doing business as LDT Escrow Division a Non-Independent Escrow Division; and ADRIAN HERNANDEZ individually and as designated officer of LDT Investments Inc., Respondents.	No. H-37473 LA

DECLARATION

My name is ADRIAN HERNANDEZ and I am currently licensed and have licensed rights as an individual real estate broker and as the designated officer of PW Capital Corp. and former designated officer LDT Investments Inc.

In lieu of proceeding in this matter in accordance with the provisions of the Administrative Procedure Act (Government Code sections 11400 et seq.), I wish to voluntarily surrender my real estate license and license rights issued by the Department of Real Estate ("Department"), pursuant to Business and Professions Code section 10100.2.

I understand that by voluntarily surrendering my license, I can only be relicensed as a broker or salesperson and have my license reinstated in accordance with the provisions of section 11522 of the Government Code. I agree to the following:

1. The filing of this Declaration shall be deemed a petition for voluntary surrender.

2. I waive all rights I may have to require the Commissioner to prove the allegations contained in the Accusations filed in the Department's Case Nos. H-37473 LA and H-37689 LA at a hearing held in accordance with the provisions of the Administrative Procedure Act. I also waive other rights afforded to me in connection with the hearing such as the right to discovery, the right to present evidence in defense of the allegations in the Accusations and the right to cross-examine witnesses.

3. I stipulate that the Commissioner may file and serve on me, and that I agree to be subject to, an Order of Debarment pursuant to Business & Professions Code section 10087, barring me, for a period of 36 months, from any position of employment, management, or control in any business activity involving real estate that is subject to regulation under Division 4 of the Business & Professions Code (beginning with section 10000); from participating in any business activity of a real estate salesperson or a real estate broker; from engaging in any real estate-related business activity on the premises where a real estate salesperson or real estate broker is conducting business; and from participating in any real estate-related business activity of a finance lender, residential mortgage lender, bank, credit union, escrow company, title company, or underwritten title company.

4. I stipulate that all affidavits and all relevant evidence obtained by the Department in this matter prior to the Commissioner's acceptance of this petition for voluntary surrender, and all allegations contained in the Accusations filed in the Department's Case Nos. H-37473 LA and

H-37689 LA may be considered by the Department when deciding whether or not to grant reinstatement of my real estate license pursuant to Government Code Section 11522.

5. I understand that there are no audit costs chargeable to Respondent ADRIAN HERNANDEZ for the Departmental audits in Case Nos. H-37473 LA and H-37689 LA.

6. This Declaration is made for the purpose of reaching a resolution of allegations contained in Departmental Case Nos. H-37473 LA and H-37689, and is expressly limited to this proceeding and any other proceeding or case in which the Department of Real Estate is a party and shall not otherwise be admissible or relied upon by any third parties for any purpose.

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

ADRIAN HERNANDEZ

3/19/13
DATE

ELLIOTT MACLENNAN, 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

AUG 24 2011

DEPARTMENT OF REAL ESTATE
BY: _____

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of LDT INVESTMENTS INC., doing business as LDT Escrow Division a Non-Independent Escrow Division; and ADRIAN HERNANDEZ, individually and as designated officer of LDT Investments Inc., Respondents.	No. H- 37473 LA ACCUSATION

The Complainant, Robin Trujillo, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against LDT INVESTMENTS INC., and ADRIAN HERNANDEZ aka Adrian Jesus HERNANDEZ, alleges as follows:

1. The Complainant, Robin Trujillo, acting in her official capacity as a Deputy Real Estate Commissioner of the State of California, makes this Accusation.

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 unless otherwise set forth.

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License Status

3. LDT INVESTMENTS INC. (LDT). At all times mentioned, LDT was licensed or had license rights issued by the Department of Real Estate (Department) as a real estate broker. On June 13, 2009, LDT was originally licensed as a corporate real estate broker. LDT was authorized to act by and through ADRIAN HERNANDEZ, as LDT's designated broker pursuant to Code Sections 10159.2 and 10211 responsible for ensuring compliance with the Real Estate Law. On March 11, 2011, LDT's corporate status was suspended by the California Secretary of State pursuant to Revenue and Taxation Code Section 23302, although LDT continued to conduct operations.

4. ADRIAN HERNANDEZ (HERNANDEZ). At all times mentioned, HERNANDEZ was licensed or had license rights issued by the Department as a real estate broker. On November 13, 2007, HERNANDEZ was originally licensed as a real estate broker. On June 13, 2009, HERNANDEZ became the designated officer of LDT. HERNANDEZ was responsible for supervising LDT's broker-controlled in-house escrow, to wit, LDT Escrow Division a Non Independent Broker Escrow. On February 25, 2011, HERNANDEZ was cancelled as designated officer of LDT.

5. Diana Lopez (Lopez) is an unlicensed person and LDT's owner and president.

6. At all times mentioned, in the City of Granada Hills, County of Los Angeles, LDT and HERNANDEZ acted as real estate brokers conducting licensed activities within the meaning of:

A. Code Section 10131(a). Respondents engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers including the operation and conduct of a residential resale brokerage and a short sale brokerage with the public wherein, for or in expectation of compensation, for another or others, including the solicitation for listings of and the negotiation of the sale of real property as the agent of others.

B. Code Section 10131(d). 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 including but not limited to short sales, short sale-repurchase and flash funder financing.

C. In addition, Respondents conducted broker-controlled in-house escrows through LDT's escrow division, to wit, LDT Escrow Division A Non-Independent Broker Escrow, (escrow division) 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.

FIRST CAUSE OF ACCUSATION
(Conversion of Escrow Funds, Fraud, and Dishonest Dealing)

7. On July 1, 2011, the Department completed an investigation of LDT pertaining to the (1) residential resale and purchase, mortgage loan brokerage, short sales and broker-controlled activities described in Paragraph 6, which require a real estate license; and, completed an investigation into LDT's (2) principal transactions, whereby LDT acting for itself, buying real properties then resells them to cash buyers for profit. The investigation examination covered a period of time beginning on January 1, 2011 and ending on July 1, 2011.

8. At all times mentioned, in connection with the activities described in Paragraph 7, LDT, acting in its principal capacity, accepted or received funds including (hereinafter "escrowed funds") in the form of (1) earnest money deposits from buyers for the purchase LDT's inventory of properties; (2) net proceeds to sellers from their sales of properties to LDT; and (3) fees charged to defaulting homeowners to effect a short sale purchase, rental and subsequent resale. All these transactions were escrowed by LDT's escrow division as tabled below in Paragraph 15. From time to time herein mentioned during the investigative period, said

escrowed funds were deposited and/or maintained by LDT in the bank accounts as follows:

"LDT Investments Inc./and/or Diane J. Lopez (sic) Account
No. xxxxxx3605
Citibank (G/A #1)

"LDT Investments Inc./and/or Diane J. Lopez (sic) Account
No. xxxxxx8920
Citibank (G/A #2)

9. Acting in its principal capacity, LDT bought and inventoried properties for itself and then sold them, as directed by its owner and president, LOPEZ, using its in-house escrow supervised by HERNANDEZ to facilitate the closing of these transactions.

10. Typically, LDT bought properties directly from sellers, including but not limited to distressed sellers facing foreclosure due to default on their home loans to institutional lenders. LDT bought these properties through the instrumentality of a short term lender, known as a "flash funder", who financed LDT's acquisitions. As such, LDT took title to a property in exchange for an obligation to pay off the outstanding lien owed by the seller to the lien holder. LDT, using its in-house escrow then subsequently paid over to the seller the remaining net sale proceeds.

11. Once acquired into its inventory, LDT "flipped" or quickly resold its properties to buyers. LDT profited on the difference between the discount price paid by LDT to pay off the institutional lender's lien on the short sale and the resale price to a new buyer paying cash for the "flipped" property. LDT was then obligated to pay off the lien placed on the property by the flash funder.

12. LDT neither fulfilled the promise to resell the homes back to the defaulting homeowners, nor recorded a deed of trust securing the flash funders security interest in the short term loan to LDT used to acquire the distressed property, nor, after reselling the property to a new cash buyer, deed over the property to the buyer free and clear of liens.

13. The table below reflects the purchases from two sellers and the sales to five buyers and recites the purchase dates, addresses and resale prices and their losses to the five buyers.

14. Lopez directed LDT to systematically convert buyer deposits and seller net proceeds channeled into LDT's broker-controlled escrow. $1,749,537.68 was embezzled and converted by this scheme for LDT's and Lopez' personal purposes that were unrelated to any legitimate escrow concern.

15. TABLE: ESCROW FRAUD VICTIMS

Victim	Party	Date	Price	Paid	Status
Mercado					
1 Pierce St.	Buyer	1/27/11	$200,000	$200,000	Converted; Title conveyed on 2/11/11, but existing $150,000 lien not paid off
2 Van Ness	Buyer	1/28/11; 1/28/11	$250,000	$150,00; $100,000	Converted
Sub-Total				$450,000	
Mukesh					
1 Van Ness	Buyer	1/27/11	$225,000	$47,250	Converted
Lin					
1 Rinaldi/Saticoy	Buyer	12/2/10; 1/31/11	$215,000	$100,000; $115,000	Converted
2 Friar/Cohasset	Buyer	1/12/11; 1/21/11; 1/25/11	$235,000	$100,000; $50,000; $85,000	Converted; LDT never held title to Cohasset property
3 Tampa	Buyer	3/25/11	$215,000	$100,000	Converted
4 Bleeker	Buyer	11/5/10; 11/19/10; 12/2/10; 12/2/10; 12/7/10; 12/20/10	$260,000	$50,000; $55,000; $22,000; $38,000; $50,000; $45,000	Converted; Title conveyed on 2/11/11, but existing $252,000 lien not paid off
Sub-Total				$550,000	
Ulrich					
1 Canby/Quartz	Buyer	2/17/11	$171,000; $306,000	$120,000	Converted
2 Snow/Cantara	Buyer	2/24/11	$306,000; $283,000	$150,000	Converted; LDT never held title to Snow property
3 Canyon Ridge	Buyer	3/4/11	$414,000	$100,000	Converted
4 Weidner St.	Seller	3/16/11	$207,000	<$54.250>	Converted; Title conveyed to LDT

					on 3/24/11 and Seller's existing loan paid off, but proceeds from sale not received
Sub-Total				$424,250	
Li					
1 Van Ness	Buyer	4/25/11 4/29/11	$270,000	$67,500; $205,537.68	Converted
Sub-Total				$273,037.68	
Gomez					
1 Pierce St.	Seller	7/10	$135,000	No proceeds	Short Sale; LDT purchased and acquired title to Pierce St
2 Pierce St	Buyer	7/10	$265,000	$5,000	LDT failed to resell property back to Gomez; rented property back instead
Sub-Total				$5,000	
Total				$1,749,537.68	

Violations of the Real Estate Law

16. The conduct of Respondents LDT, as alleged and described in Paragraphs 9 through 15, above, violated the Code and the Regulations hereunder, under the provisions as set forth below:

A. 10177(j) for conversion of escrowed funds from LDT's broker-controlled in-house escrow for engaging in a fraudulent and deceptive scheme employing dishonest dealing that resulted in the embezzlement and conversion of $1,749,537.68 in escrowed funds.

B. 10177(g) for negligence.

These violations in Paragraph 16, constitute cause for the suspension or revocation of the real estate license and license rights of LDT under the provisions of Code Sections 10177(g) and 10177(j).

SECOND CAUSE OF ACCUSATION
(Corporate License Suspension)

17. After LDT's corporate status was suspended by the California Franchise Tax Board on March 11, 2011, LDT continued to conduct operations while not registered with the California Secretary of State, in violation of Code Section 10177(f) and Regulation 2742(c). This conduct is cause for the suspension or revocation of the real estate license and license rights of LDT pursuant to the provisions of Code Section 10177(f).

THIRD CAUSE OF ACCUSATION
(Negligence)

18. The overall conduct of Respondent LDT and HERNANDEZ constitutes negligence and is 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).

FOURTH CAUSE OF ACCUSATION
(Breach of Fiduciary Duty)

19. The overall conduct of Respondents LDT and HERNANDEZ constitutes a breach of fiduciary duty with respect to the said Respondents' real estate clientele and is 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).

FIFTH CAUSE OF ACCUSATION
(Supervision and Compliance)

20. The overall conduct of Respondent HERNANDEZ constitutes a failure on said Respondent's part, as former officer designated by a corporate broker licensee, to exercise reasonable supervision and control over the activities conducted by the corporation by its officers and employees of LDT, including but not limited to Lopez, as required by Code Section 10159.2, and to keep LDT in compliance with the Real Estate Law, and is cause for discipline of the real estate license and license rights of Respondent HERNANDEZ pursuant to the provisions of Code Sections 10177(d), 10177(g) and 10177(h).

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 LDT INVESTMENTS INC. and ADRIAN HERNANDEZ, under the Real Estate Law (Part 1 of vision 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 23 day of august 2011.

Deputy Real Estate Commissioner

cc: LDT Investments Inc.
c/o Diana J. Lopez
Adrian Hernandez, former D.O.
Robin Trujillo
Sacto
Enforcement - Summer Bakotich
Audits - Manijeh Khazrai
David Katz, Esq.
Mary E. Work, Esq.

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

(213) 576-6982

FILED

SEP 13 2011

DEPARTMENT OF REAL ESTATE
BY: [signature]

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of LDT INVESTMENTS INC., doing business as LDT Escrow Division a Non-Independent Escrow Division; and ADRIAN HERNANDEZ, individually and as designated officer of LDT Investments Inc., Respondents,	No. H-37473 LA

DEFAULT ORDER

Respondent LDT INVESTMENTS INC., having failed to file a Notice of Defense within the time required by Section 11506 of the Government Code, is now in default. It is, therefore, ordered that a default be entered on the record in this matter.

IT IS SO ORDERED September 13, 2011

BARBARA J. BIGBY
Acting Real Estate Commissioner

[signature]
By: DOLORES WEEKS
Regional Manager

FILED

SEP 16 2011

DEPARTMENT OF REAL ESTATE
BY:

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of LDT INVESTMENTS INC., doing business as LDT Escrow Division a Non-Independent Escrow Division; and ADRIAN HERNANDEZ, individually and as designated officer of LDT Investments Inc., Respondents,	No. H-37473 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 September 13, 2011, and the findings of fact set forth herein are based on one or more of the following: (1) Respondent LDT INVESTMENTS INC. express admissions; (2) affidavits; and (3) other evidence.

FACTUAL FINDINGS

1.

On August 23, 2011, Robin Trujillo 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, to Respondent's last known mailing addresses on file with the Department on August 24, 2011. 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.

2.

On September 13, 2011, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondent LDT INVESTMENTS INC's default was entered herein.

3.

LDT INVESTMENTS INC. (LDT). At all times mentioned, LDT was licensed or had license rights issued by the Department of Real Estate (Department) as a real estate broker. On June 13, 2009, LDT was originally licensed as a corporate real estate broker. LDT was authorized to act by and through ADRIAN HERNANDEZ, as LDT's designated broker pursuant to Code Sections 10159.2 and 10211 responsible for ensuring compliance with the Real Estate Law. On March 11, 2011, LDT's corporate status was suspended by the California Secretary of State pursuant to Revenue and Taxation Code Section 23302, although LDT continued to conduct operations.

4.

ADRIAN HERNANDEZ (HERNANDEZ). At all times mentioned, HERNANDEZ was licensed or had license rights issued by the Department as a real estate broker. On November 13, 2007, HERNANDEZ was originally licensed as a real estate broker. On June 13, 2009, HERNANDEZ became the designated officer of LDT. HERNANDEZ was responsible for supervising LDT's broker-controlled in-house escrow, to wit, LDT Escrow Division a Non Independent Broker Escrow. On February 25, 2011, HERNANDEZ was cancelled as designated officer of LDT.

5.

Diana Lopez (Lopez) is an unlicensed person and LDT's owner and president.

6.

At all times mentioned, in the City of Granada Hills, County of Los Angeles, LDT and HERNANDEZ acted as real estate brokers conducting licensed activities within the meaning of:

A. Code Section 10131(a). Respondents engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers including the operation and conduct of a residential resale brokerage and a short sale brokerage with the public wherein, for or in expectation of compensation, for another or others, including the solicitation for listings of and the negotiation of the sale of real property as the agent of others.

B. Code Section 10131(d). 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 including but not limited to short sales, short sale-repurchase and flash funder financing.

C. In addition, Respondents conducted broker-controlled in-house escrows through LDT's escrow division, to wit, LDT Escrow Division A Non-Independent Broker Escrow, (escrow division) 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.

FIRST CAUSE OF ACCUSATION
(Conversion of Escrow Funds, Fraud, and Dishonest Dealing)

7.

On July 1, 2011, the Department completed an investigation of LDT pertaining to the (1) residential resale and purchase, mortgage loan brokerage, short sales and broker-controlled activities described in Finding 6, which require a real estate license; and, completed an investigation into LDT's (2) principal transactions, whereby LDT acting for itself, buying real properties then resells them to cash buyers for profit. The investigation examination covered a period of time beginning on January 1, 2011 and ending on July 1, 2011.

8.

At all times mentioned, in connection with the activities described in Finding 7, LDT, acting in its principal capacity, accepted or received funds including (hereinafter "escrowed funds") in the form of (1) earnest money deposits from buyers for the purchase of LDT's inventory of properties; (2) net proceeds to sellers from their sales of properties to LDT; and (3) fees charged to defaulting homeowners to effect a short sale purchase, rental and subsequent resale. All these transactions were escrowed by LDT's escrow division as tabled below in Finding 15. From time to time herein mentioned during the investigative period, said escrowed funds were deposited and/or maintained by LDT in the bank accounts as follows:

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(G/A #1)

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(G/A #2)

9.

Acting in its principal capacity, LDT bought and inventoried properties for itself and then sold them, as directed by its owner and president, LOPEZ, using its in-house escrow supervised by HERNANDEZ to facilitate the closing of these transactions.

10.

Typically, LDT bought properties directly from sellers, including but not limited to distressed sellers facing foreclosure due to default on their home loans to institutional lenders. LDT bought these properties through the instrumentality of a short term lender, known as a "flash funder", who financed LDT's acquisitions. As such, LDT took title to a property in exchange for an obligation to pay off the outstanding lien owed by the seller to the lien holder. LDT, using its in-house escrow then subsequently paid over to the seller the remaining net sale proceeds.

11.

Once acquired into its inventory, LDT "flipped" or quickly resold its properties to buyers. LDT profited on the difference between the discount price paid by LDT to pay off the institutional lender's lien on the short sale and the resale price to a new buyer paying cash for the "flipped" property. LDT was then obligated to pay off the lien placed on the property by the flash funder.

12.

LDT neither fulfilled the promise to resell the homes back to the defaulting homeowners, nor recorded a deed of trust securing the flash funders security interest in the short term loan to LDT used to acquire the distressed property, nor, after reselling the property to a new cash buyer, deed over the property to the buyer free and clear of liens.

13.

The table below reflects the purchases from two sellers and the sales to five buyers and recites the purchase dates, addresses and resale prices and their losses to the five buyers.

14.

Lopez directed LDT to systematically convert buyer deposits and seller net proceeds channeled into LDT's broker-controlled escrow. $1,749,537.68 was embezzled and converted by this scheme for LDT's and Lopez' personal purposes that were unrelated to any legitimate escrow concern.

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Sub-Total				$450,000	
Mukesh					
1 Van Ness	Buyer	1/27/11	$225,000	$47,250	Converted
Lin					
1 Rinaldi/Saticoy	Buyer	12/2/10; 1/31/11	$215,000	$100,000; $115,000	Converted
2 Friar/Cohasset	Buyer	1/12/11; 1/21/11; 1/25/11	$235,000	$100,000; $50,000; $85,000	Converted; LDT never held title to Cohasset property
3 Tampa	Buyer	3/25/11	$215,000	$100,000	Converted
4 Bleeker	Buyer	11/5/10; 11/19/10; 12/2/10; 12/2/10;	$260,000	$50,000; $55,000; $22,000; $38,000;	Converted; Title conveyed on 2/11/11, but

		12/7/10; 12/20/10		$50,000; $45,000	existing $252,000 lien not paid off
Sub-Total				$550,000	
Ulrich					
1 Canby/Quartz	Buyer	2/17/11	$171,000; $306,000	$120,000	Converted
2 Snow/Cantara	Buyer	2/24/11	$306,000; $283,000	$150,000	Converted; LDT never held title to Snow property
3 Canyon Ridge	Buyer	3/4/11	$414,000	$100,000	Converted
4 Weidner St.	Seller	3/16/11	$207,000	<$54.250>	Converted; Title conveyed to LDT on 3/24/11 and Seller's existing loan paid off, but proceeds from sale not received
Sub-Total				$424,250	
Li					
1 Van Ness	Buyer	4/25/11 4/29/11	$270,000	$67,500; $205,537.68	Converted
Sub-Total				$273,037.68	
Gomez					
1 Pierce St.	Seller	7/10	$135,000	No proceeds	Short Sale; LDT purchased and acquired title to Pierce St
2 Pierce St	Buyer	7/10	$265,000	$5,000	LDT failed to resell property back to Gomez;

					rented property back instead
Sub-Total				$5,000	
Total				$1,749,537.68	

SECOND CAUSE OF ACCUSATION
(Corporate License Suspension)

16.

After LDT's corporate status was suspended by the California Franchise Tax Board on March 11, 2011, LDT continued to conduct operations while not registered with the California Secretary of State, in violation of Code Section 10177(f) and Regulation 2742(c). This conduct is cause for the suspension or revocation of the real estate license and license rights of LDT pursuant to the provisions of Code Section 10177(f).

THIRD CAUSE OF ACCUSATION
(Negligence)

17.

The overall conduct of Respondent LDT constitutes negligence and is 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).

FOURTH CAUSE OF ACCUSATION
(Breach of Fiduciary Duty)

18.

The overall conduct of Respondent LDT constitutes a breach of fiduciary duty with respect to the said Respondents' real estate clientele and is 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).

DETERMINATION OF ISSUES

1.

The conduct, acts and/or omissions of Respondent LDT INVESTMENTS INC., as described in Findings 7 through 15, herein above, is in violation of Code Sections10177(g) and 10177(j) and is cause for disciplinary action pursuant to Code Sections 10177(g) and 10177(j).

2.

The conduct, acts and/or omissions of Respondents LDT INVESTMENTS INC., as described in Finding 16, herein above, is in violation of Code Section 10177(f) and Regulation 2742(c) and is cause for disciplinary action pursuant to Code Section 10177(f).

3.

The conduct, acts and/or omissions of Respondents LDT INVESTMENTS INC., as described in Findings 17 and 18, herein above, is in violation of Code Section 10177(g) and is cause for disciplinary action pursuant to Code Section 10177(g).

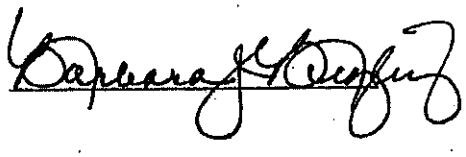
4.

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

ORDER

The real estate broker license and license rights of Respondent LDT INVESTMENTS INC., 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 October 6, 2011

DATED: 9/16, 2011

BARBARA J. BIGBY
Acting Real Estate Commissioner