

BEFORE THE DEPARTMENT OF REAL ESTATE NOV-4 1982

STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE  
BY Jama B. Orna

\* \* \*

In the Matter of the Accusation of )  
 )  
 ) GERALD FRED ZIGROSSI, )  
 ) individually and as the )  
 ) designated officer of )  
 ) Laguna Viejo Realty, )  
 ) Incorporated, a corporation, )  
 ) and LAGUNA VIEJO REALTY, )  
 ) INCORPORATED, a corporation, )  
 ) Respondents. )

No. H-264 SA  
L-26691

DECISION

The Proposed Decision dated October 15, 1982, is adopted as the Decision of the Real Estate Commissioner in the above-entitled matter with the following exception:

Condition A4 of the Order of the Proposed Decision is not applicable to and is not adopted with respect to the real estate broker license of respondent Laguna Viejo Realty, Incorporated.

This Decision shall become effective at 12 o'clock noon on November 24, 1982.

IT IS SO ORDERED 11/1, 1982.

E. Lee Brazil  
E. LEE BRAZIL  
Real Estate Commissioner

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

In the Matter of the Accusation )  
of: )  
)  
GERALD FRED ZIGROSSI, )  
individually and as the )  
designated officer of ) CASE NO. H-264 SA  
Laguna Viejo Realty, )  
Incorporated, a corporation, ) L-26691  
and LAGUNA VIEJO REALTY, )  
INCORPORATED, a corporation, )  
)  
)  
Respondents. )  
)  
\_\_\_\_\_ )

PROPOSED DECISION

This matter came on regularly for hearing before Milford A. Maron, Administrative Law Judge of the Office of Administrative Hearings, at Los Angeles, California, on October 14, 1982. Marjorie P. Mersel, Staff Counsel, represented the Complainant. Lyle J. Robertson, Esq., represented the respondents Gerald Fred Zigrossi, individually and as the designated officer of Laguna Viejo Realty, Incorporated, a corporation, and Laguna Viejo Realty, Incorporated, a corporation. During the pendency of the hearing the matter was submitted upon an oral stipulation, entered into by and between the parties hereto through their respective counsel. Pursuant to the said oral stipulation, the parties stipulated to the following facts and proposed order.

I

Thomas McCrady, Complainant, is a Deputy Real Estate Commissioner of the State of California and made the Accusation in his official capacity.

II

A. At all times herein mentioned, respondent Gerald Fred Zigrossi was licensed by the Department of Real Estate of the State of California as a real estate broker, individually and as designated officer of respondent Laguna Viejo Realty, Incorporated, a corporation.

B. At all times herein mentioned, respondent Laguna Viejo Realty, Incorporated, a corporation, was licensed by the Department of Real Estate of the State of California as a real estate broker corporation by and through respondent Zigrossi as officer of said corporation.

\* \* \* \* \*

Without specifically admitting specific facts and pursuant to said stipulation, the following determination of issues is made:

I

Based on the foregoing stipulated facts, and with an admission on the part of the respondents that grounds for disciplinary action exists pursuant to the provision of Section 10176(a) of the Business and Professions Code, the parties have entered into the following disposition.

\* \* \* \* \*

WHEREFORE, THE FOLLOWING ORDER is hereby made:

Pursuant to said stipulation, and with the Administrative Law Judge not being fully advised in the premises and making no independent recommendation thereon, it is ordered as follows:

A. The real estate brokers' licenses of respondents Gerald Fred Zigrossi, individually and as the designated officer of Laguna Viejo Realty, Incorporated, a corporation, and Laguna Viejo Realty, Incorporated, a corporation, are each hereby revoked; and in their stead respondents shall be issued real estate broker's restricted licenses pursuant to the provisions of Sections 10156.5, 10156.6, 10156.7 and 10156.8 of the Business and Professions Code, subject to the following terms and conditions:

1. Respondents shall pay to Joseph and Carole Cannava the sum of \$300 within thirty (30) days from and after the effective date hereof, and shall file an affidavit with the Commissioner at his Sacramento office stating that the sum of \$300 has been paid, together with a true copy of a receipt signed by the Cannavas evidencing payment in full settlement of the obligation.

2. Respondents shall obey and comply with all the California Real Estate Laws and the rules and regulations promulgated pursuant thereto as may be applicable to them.

3. The restricted licenses to be issued shall not confer any property right in the privileges to be exercised thereunder.

4. The restricted licenses may be suspended by order of the Real Estate Commissioner pending a final determination after a hearing if the respondents fail to present evidence satisfactory to the Department within six months from the effective date of the Decision of having taken and completed 45 hours of approved continuing education immediately preceding the date on which the respondents present such evidence to the Department.


5. Respondents shall not petition the Commissioner for the removal of any of said conditions, limitations or restrictions of said restricted license prior to the expiration of one (1) year from the date of issuance of each restricted license.

6. The above restrictions and conditions shall apply to any and all licenses of the same class hereinafter issued to respondents.

B. In the event respondents do not comply with the aforesaid terms and conditions for the full period thereof, the Commissioner may, after notice to each respondent, and after providing each with an opportunity to be heard, make such order modifying as shall be deemed proper.

I hereby submit the foregoing Proposed Decision in the above entitled matter based solely upon the stipulation of the parties, to the Department of Real Estate for its action thereon.

DATED: Oct 15, 1982

  
MILFORD A. MARON  
Administrative Law Judge  
Office of Administrative Hearings

MAM:ss

*Not Adopted for  
Laguna Viejo Rlty  
Inc. - only*



SACTO

FILED

JUN 10 1982

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE  
BY *[Signature]*

In the Matter of the Accusation of )  
GERALD FRED ZIGROSSI, et al )  
Respondent )

No. H-264 SA  
L-26691

NOTICE OF HEARING ON ACCUSATION

(Pursuant to Section 11509 of the Government Code)

TO THE RESPONDENT ABOVE NAMED:

YOU ARE HEREBY NOTIFIED that a hearing will be held before the Department of Real Estate at 314 West First Street, Los Angeles, CA 90012 on the 30th day of July, 1982, at the hour of 9:00 a.m. or as soon thereafter as the matter can be heard, upon the charges made in the Accusation served upon you.

As in all adversary proceedings, you may be present at the hearing, and may be represented by counsel but you are neither required to be present at the hearing, nor are you required to be represented by counsel. However, if you are not present at the hearing in person, nor represented at the hearing by counsel, the agency may take disciplinary action against you upon any express admissions, or upon other evidence, and in the event that a notice of defense has not been filed by you, upon affidavits, without further notice to you.

You may present any relevant evidence, and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the production of books, documents or other things by applying to the Department of Real Estate.

Dated: June 10, 1982

cc: Gerald Fred Zigrossi  
Laguna Viejo Realty  
Lyle J. Robertson, Esq.  
Sacto.  
OAH  
BSV

E. LEE BRAZIL  
REAL ESTATE COMMISSIONER

BY *Marjorie P. Mersel*  
Attorney

*Sacto*

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

APR 27 1982

DEPARTMENT OF REAL ESTATE  
*[Signature]*

In the Matter of the Accusation of )  
GERALD FRED ZIGROSSI, et al. )  
Respondent )

No. H-264 SA  
L-26691

NOTICE OF HEARING ON ACCUSATION

(Pursuant to Section 11509 of the Government Code)

TO THE RESPONDENT ABOVE NAMED:

YOU ARE HEREBY NOTIFIED that a hearing will be held before the Department of Real Estate at 314 W. First St., Los Angeles, California 90012 on the 9th day of July, 1982, at the hour of 9:00 a.m., or as soon thereafter as the matter can be heard, upon the charges made in the Accusation served upon you.

As in all adversary proceedings, you may be present at the hearing, and may be represented by counsel but you are neither required to be present at the hearing, nor are you required to be represented by counsel. However, if you are not present at the hearing in person, nor represented at the hearing by counsel, the agency may take disciplinary action against you upon any express admissions, or upon other evidence, and in the event that a notice of defense has not been filed by you, upon affidavits, without further notice to you.

You may present any relevant evidence, and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the production of books, documents or other things by applying to the Department of Real Estate.

Dated: April 27, 1982

cc: Gerald Fred Zigrossi  
Laguna Viejo Realty  
Lyle J. Robertson, Esq.  
Sacto  
OAH  
BSV

E. LEE BRAZIL  
REAL ESTATE COMMISSIONER

By *Marjorie P. Mersel*  
Attorney

SACTO

FILED

APR 24 1982

DEPARTMENT OF REAL ESTATE  
BY *[Signature]*

1 MARJORIE P. MERSEL; Counsel  
107 South Broadway, Room 8107  
2 Los Angeles, California 90012  
(213) 620-4790

8 DEPARTMENT OF REAL ESTATE  
9 STATE OF CALIFORNIA

10 \* \* \* \*

11	In the Matter of the Accusation of	)	No. H-264 SA
12	GERALD FRED ZIGROSSI,	)	<u>A C C U S A T I O N</u>
13	individually and as the	)	
14	designated officer of	)	
15	Laguna Viejo Realty,	)	
16	Incorporated, a corporation,	)	
17	and LAGUNA VIEJO REALTY,	)	
18	INCORPORATED, a corporation,	)	
19	Respondents.	)	

18 The complainant, Thomas McCrady, a Deputy Real Estate  
19 Commissioner of the State of California, for cause of accusation  
20 against GERALD FRED ZIGROSSI, individually and as the designated  
21 officer of Laguna Viejo Realty, Incorporated, a corporation, and  
22 LAGUNA VIEJO REALTY, INCORPORATED, a corporation, alleges as  
23 follows:

24 I .

25 The complainant, Thomas McCrady, a Deputy Real Estate  
26 Commissioner of the State of California, makes this accusation in  
27 his official capacity.



1 II

2 GERALD FRED ZIGROSSI (hereinafter referred to as  
3 respondent ZIGROSSI) is presently licensed and/or has license  
4 rights under the Real Estate Law, Part 1 of Division 4 of the  
5 California Business and Professions Code (hereinafter Code).

6 III

7 LAGUNA VIEJO REALTY, INCORPORATED (hereinafter referred  
8 to as respondent LAGUNA VIEJO REALTY), is presently licensed and/  
9 or has license rights under the Real Estate Law, Part 1 of  
10 Division 4 of the Code.

11 IV

12 At all times herein mentioned, respondent ZIGROSSI  
13 was licensed by the Department of Real Estate of the State of  
14 California as a real estate broker, individually and as  
15 designated officer of respondent LAGUNA VIEJO REALTY.

16 V

17 At all times herein mentioned, respondent LAGUNA  
18 VIEJO REALTY, was licensed by the Department of Real Estate  
19 of the State of California as a real estate broker corporation  
20 by and through respondent ZIGROSSI as officer of said corporation.

21 VI

22 Whenever an allegation is made in this Accusation  
23 that respondent ZIGROSSI or respondent LAGUNA VIEJO REALTY performed  
24 or failed to perform or permitted any act, such allegation shall  
25 be construed to mean that respondent ZIGROSSI, or the employees  
26 or agents of respondent LAGUNA VIEJO REALTY acting at respondent  
27 ZIGROSSI'S direction and on his behalf, performed or failed to

1 perform, or authorized or permitted, such act or failure to act  
2 while engaged in the furtherance of the business or operations of  
3 the said corporate respondent, and while acting within the course  
4 and scope of such employment.

5 VII

6 Whenever reference is made in an allegation in this  
7 Accusation to an act or omission of respondent ZIGROSSI, such  
8 allegation shall be deemed to mean the act or omission of  
9 respondent LAGUNA VIEJO REALTY as well.

10 VIII

11 On or about June 14, 1981, Joseph and Carole Cannava  
12 (hereinafter "sellers") listed certain real property commonly  
13 known as 25502 Oak Leaf Road, Laguna Hills, California  
14 (hereinafter "the Property") for sale with respondent ZIGROSSI  
15 and LAGUNA VIEJO REALTY for a purchase price of \$145,000 with  
16 cash to the new loan.

17 IX

18 Thereafter, on or about June 22, 1981, salesperson  
19 Susan Jordan presented sellers with an offer to purchase for  
20 \$135,000 and cash to a new loan, which sellers refused. On or  
21 about June 22, 1981, respondent ZIGROSSI contacted sellers with a  
22 counter offer of \$138,000. Sellers asked respondent ZIGROSSI to  
23 lower Susan Jordan's and his commission. Susan Jordan refused to  
24 lower her commission, but respondent ZIGROSSI promised sellers  
25 that he would pay for a refrigerator of their choice, not to  
26 exceed \$1,050 in price or give sellers a cashier's check in the  
27 amount of \$1,050 at the successful close of escrow on the

1 property if the counter offer was accepted at \$38,000. The  
2 sellers accepted in reliance upon respondent ZIGROSSI's said  
3 promise.

4 X

5 On or about June 22, 1981, respondents ZIGROSSI and  
6 LAGUNA VIEJO REALTY (herein sometimes referred to collectively as  
7 "respondents") presented to the sellers their written agreement  
8 to purchase a refrigerator or give sellers a cashier's check in  
9 the amount of \$1,050.

10 XI

11 Thereafter, the Property was sold and escrow was  
12 closed. Respondents, however, refused and failed to give the  
13 sellers a refrigerator or a cashier's check in the amount of  
14 \$1,050. Sellers were forced to institute court action to  
15 attempt to recover their \$1,050 from respondents. Sellers were  
16 successful in obtaining a judgment in a Small Claims Court  
17 action against respondent ZIGROSSI. However, respondent ZIGROSSI  
18 has not paid the judgment.

19 XII

20 The acts performed and services rendered by respondent  
21 ZIGROSSI and respondent LAGUNA VIEJO REALTY, as described  
22 hereinabove were acts requiring a real estate license and were  
23 performed by the said respondents for or in expectation of a  
24 compensation.

25 XIII

26 The acts of respondents ZIGROSSI and LAGUNA VIEJO  
27 REALTY and each of them, as alleged hereinabove, constitutes the

1 making of a substantial misrepresentation, the making of a false  
2 promise of a character likely to influence, persuade or induce,  
3 and/or dishonest dealing and is grounds for suspension or  
4 revocation of respondents' license rights under the provisions of  
5 Section 10176(a), 10176(b) and/or 10176(i) of the California  
6 Business and Professions Code.

7  
8 WHEREFORE, complainant prays that a hearing be  
9 conducted on the allegations of this Accusation and that upon  
10 proof thereof, a decision be rendered imposing disciplinary  
11 action against all licenses and license rights of respondent  
12 GERALD FRED ZIGROSSI, individually and as the designated officer  
13 of Laguna Viejo Realty, Incorporated, a corporation, and of  
14 respondent LAGUNA VIEJO REALTY, INCORPORATED, a corporation,  
15 under the Real Estate Law (Part 1 of Division 4 of the Business  
16 and Professions Code) and for such other and further relief as  
17 may be proper under other applicable provisions of law.

18 Dated at Santa Ana, California  
19 this 24th day of March, 1982.

20  
21 THOMAS McCRADY  
22 Deputy Real Estate Commissioner

23  
24  
25 cc: Gerald Fred Zigrossi  
26 Laguna Viejo Realty, Incorporated  
27 Sacto  
OAH  
BSV