

1 Department of Real Estate
2 107 South Broadway, Room 8107
3 Los Angeles, California, 90012

4 Telephone: (213) 897-3937

FILED

MAR 25 1992

DEPARTMENT OF REAL ESTATE
BY *[Signature]*

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * * * *

11 In the Matter of the Accusation of) H-1070 SA
12 FIRST DATABANK MORTGAGE, INC.,)
13 a corporate real estate broker;) STIPULATION IN
14 and ALEX ROCHA, individually,) SETTLEMENT AND ORDER
15 dba Villa Associates, and as)
16 designated officer of First)
17 Databank Mortgage, Inc.,)
18 Respondents.)

18 It is hereby stipulated by and between FIRST DATABANK
19 MORTGAGE, INC. (sometimes referred to as "Respondent"), and the
20 Complainant, acting by and through Sean Crahan, Counsel for the
21 Department of Real Estate, as follows for the purpose of settling
22 and disposing of the Accusation filed on November 19, 1990 in this
23 matter:

24 1. All issues which were to be contested and all
25 evidence which was to be presented by Complainant and Respondent
26 at a formal hearing on the Accusation, which hearing was to be
27 held in accordance with the provisions of the Administrative

1 Procedure Act (APA), shall instead and in place thereof be
2 submitted solely on the basis of the provisions of this
3 Stipulation..

4 2. Respondent has received, read and understands, the
5 Statement to Respondent, the Discovery Provisions of the APA and
6 the Accusation, filed by the Department of Real Estate in this
7 proceeding.

8 3. On December 14, 1990, Respondent filed a Notice of
9 Defense pursuant to Section 11505 of the Government Code for the
10 purpose of requesting a hearing on the allegations in the
11 Accusation. Respondent hereby freely and voluntarily withdraws
12 said Notice of Defense. Respondent acknowledges that it
13 understands that by withdrawing said Notice of Defense, it will
14 thereby waive its right to require the Commissioner to prove the
15 allegations in the Accusation at a contested hearing held in
16 accordance with the provisions of the APA and that it will waive
17 other rights afforded to it in connection with the hearing such as
18 the right to present evidence in defense of the allegations in the
19 Accusation and the right to cross-examine witnesses.

20 4. Respondent, pursuant to the limitations set forth
21 below, hereby admits that the factual allegations in Paragraphs
22 one (1), two (2), four (4) through seven, subparagraph (e) [7(e)]
23 of the Accusation filed in this proceeding are true and correct
24 and the Real Estate Commissioner shall not be required to provide
25 further evidence of such allegations.

26 5. It is understood by the parties that the Real
27 Estate Commissioner may adopt the Stipulation In Settlement and

1 Order as his decision in this matter thereby imposing the penalty
2 and sanctions on Respondent's real estate licenses and license
3 rights as set forth in the below "Order". In the event that the
4 Commissioner in his discretion does not adopt the Stipulation In
5 Settlement and Order, the Stipulation In Settlement and Order
6 shall be void and of no effect, and Respondent shall retain the
7 right to a hearing and proceeding on the Accusation under all the
8 provisions of the APA and shall not be bound by any admission or
9 waiver made herein.

10 6. The Order or any subsequent Order of the Real
11 Estate Commissioner made pursuant to this Stipulation shall not
12 constitute an estoppel, merger or bar to any further
13 administrative or civil proceedings by the Department of Real
14 Estate with respect to any matters which were not specifically
15 alleged to be causes for accusation in this proceeding.

16 DETERMINATION OF ISSUES

17 By reason of the foregoing stipulations, admissions and
18 waivers and solely for the purpose of settlement of the pending
19 Accusation without a hearing, it is stipulated and agreed that the
20 following determination of issues shall be made:

21 The conduct or omissions of Respondent FIRST DATABANK
22 MORTGAGE, INC. as set forth in paragraphs one (1), two (2), four
23 (4) through seven, subparagraph (e) [7(e)] of the Accusation
24 constitute cause to suspend or revoke its real estate licenses and
25 license rights under the provisions of Business and Professions
26 Code Sections 10137 and 10177(d) for willful violations of
27 Regulations 2725, 2831.1, 2831.2, 2834 from Title 10, Chapter 6 of

1 the California Code of Regulations.

2 ORDER

3 WHEREFORE, THE FOLLOWING ORDER is hereby made:

4 A. The license and license rights of FIRST DATABANK
5 MORTGAGE, INC.. under Part 1 of Division 4 of the Business and
6 Professions Code are revoked.

7 B. However, Respondent shall be entitled to apply for
8 and be issued a restricted real estate broker license pursuant to
9 Section 10156.5 of the Code if Respondent makes application
10 therefor and pays to the Department of Real Estate the appropriate
11 fee for said license within ninety (90) days from the effective
12 date of the Decision.

13 C. The restricted real estate broker license issued
14 pursuant to this Order shall be suspended for ninety (90) days
15 from the effective date of the restricted license.

16 D. However, if Respondent petitions, the ninety (90)
17 day suspension of Respondent's restricted broker license shall be
18 permanently stayed upon condition that Respondent pay to the
19 Department's Recovery Account \$2,500 prior to the effective date
20 of this Decision, pursuant to the provisions of Business and
21 Professions Code Section 10175.2.

22 (1) Payment of the aforementioned monetary penalty
23 shall be in the form of cashiers checks or certified checks, made
24 payable to the Recovery Account of the Real Estate Fund. Payment
25 must be made prior to the effective date of this Decision.

26 (2) The Commissioner, in exercising his discretion
27 under Code Section 10175.2, agrees by adopting this Order that it

1 would not be against the public interest to permit such
2 petitioning Respondent to pay the aforesaid monetary penalty.

3 E. The restricted license issued to Respondent shall be
4 subject to all of the provisions of Section 10156.7 of the
5 Business and Professions Code and to the following limitations,
6 conditions and restrictions imposed under authority of Section
7 10156.6 of said Code:

8 (1) Said restricted license may be suspended prior
9 to hearing by order of the Real Estate Commissioner in the event
10 of Respondent's conviction or plea of nolo contendere to a crime
11 which bears a significant relation to Respondent's qualifications,
12 duties or functions as a real estate licensee.

13 (2) Said restricted license may be suspended prior
14 to hearing by Order of the Real Estate Commissioner on evidence
15 satisfactory to the Commissioner that Respondent has violated
16 provisions of the California Real Estate law, the Subdivided Lands
17 Law, Regulations of the Real Estate Commissioner, or the
18 conditions attaching to this restricted license.

19 (3) Respondent shall report in writing to the
20 Department of Real Estate as the Real Estate Commissioner shall
21 direct by his Decision herein or by separate written order issued
22 while Respondent holds a restricted license, such information
23 concerning Respondent's activities for which a real estate license
24 is required as the Commissioner shall deem to be appropriate to
25 protect the public interest.

26 (4) Respondent shall not be eligible to apply for
27 the issuance of an unrestricted real estate license nor the

1 removal of any of the conditions, limitations or restrictions of a
2 restricted license until one (1) year has elapsed from the date of
3 issuance of the restricted license to Respondent.

4 I have read the Stipulation In Settlement and Order and
5 its terms are understood by me and are agreeable and acceptable to
6 First Databank Mortgage, Inc. I understand that First Databank
7 Mortgage, Inc. is waiving rights given to it by the California
8 Administrative Procedure Act (including but not limited to
9 Sections 11506, 11508, 11509 and 11513 of the Government Code),
10 and it willingly, intelligently and voluntarily waives those
11 rights, including the right of requiring the Commissioner to prove
12 the allegations in the Accusation at a hearing at which it would
13 have the right to cross-examine witnesses against it and to
14 present evidence in defense and mitigation of the charges.

15 DATED: 3.3.92

Kenneth Datt
FIRST DATABANK MORTGAGE INC.,
Respondent,
by Kenneth Datt, President.

18 DATED: 3.3-92

FIRST DATABANK MORTGAGE INC.,
Respondent, by William Edward
Buckner, Designated Officer since
March 1, 1991.

21 DATED: 3/3/92

William Buckner
DAVID M GREY, ESQ.
TURNER, COOPER AND REYNOLDS,
Attorney for Respondent First
Databank Mortgage, Inc.

24 DATED: _____

Sean Crahan
SEAN CRAHAN, Counsel
Department of Real Estate

26 3/5/92

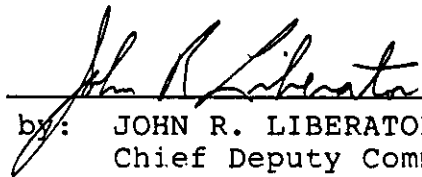
→ David M Grey

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The foregoing Stipulation In Settlement and Order is hereby adopted by the Real Estate Commissioner as the Decision and Order in the above entitled matter as to Respondent First Databank Mortgage, Inc. and shall become effective at 12 o'clock noon on April 14, 1992.

IT IS SO ORDERED March 19, 1992.

CLARK WALLACE
Real Estate Commissioner


by: JOHN R. LIBERATOR
Chief Deputy Commissioner

1 Department of Real Estate
2 107 South Broadway, Room 8107
3 Los Angeles, California, 90012
4 Telephone: (213) 897-3937

NOV 13 1991

[Handwritten signature]
STATE

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * * * *

11 In the Matter of the Accusation of) H-1070 SA
12)
12 FIRST DATABANK MORTGAGE, INC.,) STIPULATION IN
12 a corporate real estate broker;) SETTLEMENT AND ORDER
13 and ALEX ROCHA, individually,)
14 dba Villa Associates, and as)
14 designated officer of First)
14 Databank Mortgage, Inc.,)
15)
15 Respondents.)
16 _____)

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18
19 It is hereby stipulated by and between ALEX ROCHA
20 (sometimes referred to as "Respondent"), and the Complainant,
21 acting by and through Sean Crahan, Counsel for the Department of
22 Real Estate, as follows for the purpose of settling and disposing
23 of the Accusation filed on November 19, 1990 in this matter:

24 1. All issues which were to be contested and all
25 evidence which was to be presented by Complainant and Respondent
26 at a formal hearing on the Accusation, which hearing was to be
27 held in accordance with the provisions of the Administrative

1
2 Procedure Act (APA), shall instead and in place thereof be
3 submitted solely on the basis of the provisions of this
4 Stipulation..

5 2. Respondent has received, read and understands, the
6 Statement to Respondent, the Discovery Provisions of the APA and
7 the Accusation, filed by the Department of Real Estate in this
8 proceeding.

9 3. On November 28, 1990, Respondent filed a Notice of
10 Defense pursuant to Section 11505 of the Government Code for the
11 purpose of requesting a hearing on the allegations in the
12 Accusation. Respondent hereby freely and voluntarily withdraws
13 said Notice of Defense. Respondent acknowledges that he
14 understands that by withdrawing said Notice of Defense, he will
15 thereby waive his right to require the Commissioner to prove the
16 allegations in the Accusation at a contested hearing held in
17 accordance with the provisions of the APA and that he will waive
18 other rights afforded to him in connection with the hearing such
19 as the right to present evidence in defense of the allegations in
20 the Accusation and the right to cross-examine witnesses.

21 4. Respondent, pursuant to the limitations set forth
22 below, hereby admits that the factual allegations in Paragraphs
23 one (1) through ten (10) of the Accusation filed in this
24 proceeding are true and correct and the Real Estate Commissioner
25 shall not be required to provide further evidence of such
26 allegations.

27 5. It is understood by the parties that the Real
Estate Commissioner may adopt the Stipulation In Settlement and

1 Order as his decision in this matter thereby imposing the penalty
2 and sanctions on Respondent's real estate licenses and license
3 rights as set forth in the below "order". In the event that the
4 Commissioner in his discretion does not adopt the Stipulation In
5 Settlement and Order, the Stipulation In Settlement and Order
6 shall be void and of no effect, and Respondent shall retain the
7 right to a hearing and proceeding on the Accusation under all the
8 provisions of the APA and shall not be bound by any admission or
9 waiver made herein.

10 6. The Order or any subsequent Order of the Real
11 Estate Commissioner made pursuant to this Stipulation shall not
12 constitute an estoppel, merger or bar to any further
13 administrative or civil proceedings by the Department of Real
14 Estate with respect to any matters which were not specifically
15 alleged to be causes for accusation in this proceeding.

16 DETERMINATION OF ISSUES

17 By reason of the foregoing stipulations, admissions and
18 waivers and solely for the purpose of settlement of the pending
19 Accusation without a hearing, it is stipulated and agreed that the
20 following determination of Issues shall be made:

21 The conduct or omissions of Respondent Alex Rocha as set
22 forth in paragraphs one (1) through ten (10) of the Accusation
23 constitute cause to suspend or revoke his real estate licenses and
24 license rights under the provisions of Business and Professions
25 Code Sections 10137, 10177(h) and 10177(d) for willful violation
26 of Regulations 2725, 2831.1, 2831.2, 2834 and Code Section
27 10159.2.

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ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

A. The licenses and license rights of ALEX ROCHA under Part 1 of Division 4 of the Business and Professions Code are revoked.

B. However, Respondent shall be entitled to apply for and be issued a restricted real estate broker license pursuant to Section 10156.5 of the Code if Respondent makes application therefor and pays to the Department of Real Estate the appropriate fee for said license within ninety (90) days from the effective date of the Decision.

C. The restricted real estate broker license issued pursuant to this Order shall be suspended for ninety (90) days from the effective date of the restricted license.

D. However, if respondent petitions, the ninety (90) day suspension of Respondent's restricted broker license shall be permanently stayed upon condition that Respondent pay to the Department's Recovery Account \$2,500 prior to the effective date of this Decision, pursuant to the provisions of Section 10175.2.

(1) Payment of the aforementioned monetary penalty shall be in the form of cashiers checks or certified checks, made payable to the Recovery Account of the Real Estate Fund. Payment must be made prior to the effective date of this Decision.

(2) The Commissioner, in exercising his discretion under Code Section 10175.2, agrees by adopting this Order that it would not be against the public interest to permit such petitioning Respondent to pay the aforesaid monetary penalty.

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2 E. The restricted license issued to Respondent shall be
3 subject to all of the provisions of Section 10156.7 of the
4 Business and Professions Code and to the following limitations,
5 conditions and restrictions imposed under authority of Section
6 10156.6 of said Code:

7 (1) Said restricted license may be suspended prior
8 to hearing by order of the Real Estate Commissioner in the event
9 of Respondent's conviction or plea of nolo contendere to a crime
10 which bears a significant relation to Respondent's qualifications,
11 duties or functions as a real estate licensee.

12 (2) Said restricted license may be suspended prior
13 to hearing by Order of the Real Estate Commissioner on evidence
14 satisfactory to the Commissioner that Respondent has violated
15 provisions of the California Real Estate law, the Subdivided Lands
16 Law, Regulations of the Real Estate Commissioner, or the
17 conditions attaching to this restricted license.

18 (3) Respondent shall, within twelve (12) months
19 from the effective date of the restricted license, present
20 evidence satisfactory to the Real Estate Commissioner that he has,
21 since the most recent issuance of an original or renewal real
22 estate license, taken and successfully completed the continuing
23 education requirements of Article 2.5 of Chapter 3 of the Real
24 Estate Law for renewal of a real estate license. If Respondent
25 fails to satisfy this condition, the Real Estate commissioner may
26 order the suspension of the restricted license until Respondent
27 presents such evidence. The Real Estate Commissioner shall afford

1 Respondent the opportunity for a hearing pursuant to the APA to
2 present such evidence.

3 (4) Respondent shall, within six (6) months from
4 the effective date of the restricted license, take and pass the
5 professional Responsibility Examination administered by the
6 Department, including the payment of the appropriate fee. If
7 Respondent fails to satisfy this condition, the Commissioner may
8 order suspension of the restricted license until Respondent passes
9 the examination.

10 (5) Respondent shall report in writing to the
11 Department of Real Estate as the Real Estate Commissioner shall
12 direct by his Decision herein or by separate written order issued
13 while Respondent holds a restricted license, such information
14 concerning Respondent's activities for which a real estate license
15 is required as the Commissioner shall deem to be appropriate to
16 protect the public interest.

17 (6) Respondent shall not be eligible to apply for
18 the issuance of an unrestricted real estate license nor the
19 removal of any of the conditions, limitations or restrictions of a
20 restricted license until two (2) years have elapsed from the date
21 of issuance of the restricted license to Respondent.

22 I have read the Stipulation In Settlement and its terms
23 are understood by me and are agreeable and acceptable to me. I
24 understand that I am waiving rights given to me by the California
25 Administrative Procedure Act (including but not limited to
26 Sections 11506, 11508, 11509 and 11513 of the Government Code),
27 and I willingly, intelligently and voluntarily waive those rights,

1 including the right of requiring the Commissioner to prove the
2 allegations in the Accusation at a hearing at which I would have
3 the right to cross-examine witnesses against me and to present
4 evidence in defense and mitigation of the charges.

5
6 DATED: 10/2/91

Alex Rocha
ALEX ROCHA, Respondent

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9 DATED: Oct 2, 1991

Sean Crahan
SEAN CRAHAN, Counsel

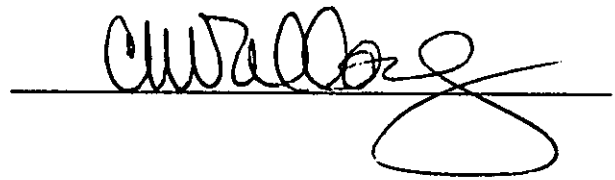
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The foregoing Stipulation In Settlement and Order is
hereby adopted as my Decision and Order in the above entitled
matter as to Respondent Alex Rocha and shall become effective at
12:00 noon on December 3, 1991.

IT IS SO ORDERED October 26, 1991.

CLARK WALLACE
Real Estate commissioner



SC/sc

SACTO.
Flag

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

FILED

JUL 22 1991

DEPARTMENT OF REAL ESTATE
BY *[Signature]*

In the Matter of the Accusation of

FIRST DATABANK MORTGAGE,
INC., et al.

Respondent(s)

Case No. H-1070 SA

OAH No. L-53267

NOTICE OF HEARING ON ACCUSATION

To the above named respondent:

You are hereby notified that a hearing will be held before the Department of Real Estate at Office of
Administrative Hearings, 314 West First Street, Los Angeles, CA,
and 4th
on the 2nd, 3rd / day of October, 19 91, 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.

You may be present at the hearing, and you may be represented by counsel, but you are neither required to be present at the hearing nor to be represented by counsel. If you are not present in person nor represented by counsel at the hearing, the Department may take disciplinary action against you upon any express admissions, or other evidence including affidavits, without any 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.

The hearing shall be conducted in the English language. If you want to offer the testimony of any witness who does not proficiently speak the English language, you must provide your own interpreter. The interpreter must be approved by the hearing officer conducting the hearing as someone who is proficient in both English and the language in which the witness will testify. You are required to pay the costs of the interpreter unless the hearing officer directs otherwise.

DEPARTMENT OF REAL ESTATE

Dated: July 22, 1991

By *[Signature]*
SEAN CRAHAN, Counsel

cc: First Databank Mortgage, Inc.
Alex Rocha
Frederick E. Turner, Esq.
Sacto.
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RE 501 (Rev. 7/87) vj

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SEAN CRAHAN, Counsel
Department of Real Estate
107 South Broadway, Room 8107
Los Angeles, California 90012

(213) 620-4790

MAY 19 1990

DEPARTMENT OF REAL ESTATE
[Signature]

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

In the Matter of the Accusation of)
FIRST DATABANK MORTGAGE,)
INC., a corporate real estate broker;)
and ALEX ROCHA, individually,)
dba Villa Associates, and as)
designated officer of First Databank)
Mortgage, Inc.,)
Respondents.)

No. H-1070 SA

A C C U S A T I O N

The Complainant, Thomas McCrady, a Deputy Real Estate Commissioner of the State of California, for cause of accusation against FIRST DATABANK MORTGAGE, INC., a corporate real estate broker; and ALEX ROCHA, individually, dba Villa Associates, and as designated officer of First Databank Mortgage, Inc., alleges as follows:

1.

The Complainant, Thomas McCrady, a Deputy Real Estate Commissioner of the State of California, makes this Accusation in his official capacity.

2.

FIRST DATABANK MORTGAGE, INC. (hereafter Respondent FDMI), is presently licensed and/or has license rights under the Real Estate Law (Part 1 of

1 Division 4 of the California Business and Professions Code, hereafter cited as the Code).
2 At all times herein mentioned, Respondent FDMI was licensed by the Department of Real
3 Estate of the State of California (hereafter the Department) as a corporate real estate broker.

4 3.

5 ALEX ROCHA (hereafter Respondent ROCHA) is presently licensed
6 and/or has license rights under the Real Estate Law. At all times herein mentioned,
7 Respondent ROCHA was licensed by the Department as a real estate broker, individually,
8 dba Villa Associates and as designated officer of Respondent FDMI. As designated officer
9 of Respondent FDMI, Respondent ROCHA was charged under Code Section 10159.2
10 with the supervision of the activities of the directors, officers, employees of and real estate
11 licensees licensed to Respondent FDMI for which a license was required and performed on
12 its behalf.

13 4.

14 At no time herein mentioned were Juan M. Vazquez (hereafter Vazquez),
15 Thomas Flanagan, Kenneth Datt, Jack Datt, Steven Erickson, James Flanagan, Thomas
16 Flanagan, Bradley Hensler, Desiree Jones, Mark Nissenson, Tom Raymond or Pamela
17 Ryan licensed by the Department as real estate salespeople or brokers.

18 5.

19 At all times herein mentioned, Respondent FDMI engaged in the business
20 of, acted in the capacity of, advertised or assumed to act as a real estate broker in California
21 within the meaning of Code Section 10131(d) wherein Respondent FDMI solicited
22 prospective borrowers and lenders for and negotiated loans secured by real property, for or
23 in expectation of compensation.

24 6.

25 Between June, 1989, through April, 1990, Respondent FDMI employed
26 and/or compensated unlicensed people to solicit borrowers for and negotiate loans secured

27 /

1 by real property between borrowers and third-party lenders in transactions which include
2 but are not limited to:

<u>APPROXIMATE DATE OF TRANSACTION</u>	<u>BORROWER</u>	<u>UNLICENSED PERSON</u>
3 6-9-89	Kite	Jack Datt
4 3-21-90	Signor	Jack Datt
5 12-19-89	Brenner	Steven Erickson
6 3-23-90	Mejia	Steven Erickson
7 3-16-90	Krupa	James Flanagan
8 11-2-89	Mahan	Thomas Flanagan
9 2-28-90	Sy	Bradley Hensler
10 8-29-89	Carpenter	Desiree Jones
11 1-3-90	Bhatt	Mark Nissenson
12 12-27-89	Beers	Mark Nissenson
13 8-29-89	Kupski	Tom Raymond
14 10-22-89	Lawson	Pamela Ryan
15 2-5-90	Bacarella	Pamela Ryan

16 7.

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19 Between April 5, 1990, through April 23, 1990, representatives of the
20 Department examined the books and records of the mortgage loan business of Respondent
21 FDMI, covering a period of from June 1, 1989, through March 30, 1990 (hereafter Audit
22 Period), and found the following:

23 (a) Respondents FDMI and ROCHA did not review, initial and date
24 documents prepared by its employees which were likely to have a material effect on the
25 rights and obligations of parties to loan transactions in willful violation of Section 2725
26 from Title 10, Chapter 6 of the California Code of Regulations (hereafter Regulations).

27 /

1 (b) While receiving and disbursing trust funds, Respondents FDMI and
2 ROCHA failed to maintain separate records for each beneficiary or transaction, in willful
3 violation of Regulation 2831.1.

4 (c) Respondents FDMI and ROCHA failed to monthly reconcile its
5 columnar records with separate records in violation of Regulation 2831.2.

6 (d) Respondents FDMI and ROCHA permitted unlicensed and unbonded
7 persons, Kenneth Datt and Thomas Flanagan, to withdraw funds from Respondent
8 FDMI's trust account in willful violation of Regulation 2834.

9 (e) Respondents FDMI and ROCHA employed unlicensed people to
10 solicit borrowers or to negotiate loans between borrowers or lenders secured by real
11 property in violation of Code Section 10137.

12 (f) Respondents FDMI and ROCHA failed to produce the transactional
13 files containing loan applications and other documents in loans to Davis, Cody, Krupa,
14 Brooks/Sierra, and other loan files requested and for which Michael Joyce and Robert
15 Paduano, both unlicensed, were paid compensation in violation of Code Section 10148.

16 8.

17 Respondent ROCHA knew or should have known of the violations of the
18 Real Estate Law as set forth in Paragraphs 6 and 7 above.

19 9.

20 At all times herein mentioned, Respondent ROCHA, dba Villa Associates,
21 engaged in the business of, acted in the capacity of, advertised or assumed to act as a real
22 estate broker in California within the meaning of Code Section 10131(a) wherein
23 Respondent ROCHA, dba Villa Associates, solicited prospective sellers or purchasers of
24 real property, obtained listings to sell real property and negotiated the purchase or sale of
25 real property, for compensation or in expectation of compensation. During 1989,
26 Respondent ROCHA, dba Villa Associates, employed Juan M. Vazquez to solicit listings
27 of real properties for sale from owners to third-party buyers.

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10.

Respondent ROCHA, as designated officer of Respondent FDMI, failed to exercise reasonable supervision over the activities of the personnel of Respondent FDMI for which a real estate license was required.

11.

The conduct or omissions of Respondent FDMI, as set forth above, subject its real estate license and license rights to suspension or revocation under the following Code Sections:

(a) Section 10137 for employing or compensating unlicensed people, as set forth in Paragraph 6 above.

(b) Section 10177(d) for willful violation of the following Code Sections and Regulations:

(i) Regulation 2725 for failure to review, initial and date documents, as set forth in Paragraph 7(a) above.

(ii) Regulation 2831.1 for failure to maintain separate records for each transaction, as set forth in Paragraph 7(b) above.

(iii) Regulation 2831.2 for failure to monthly reconcile columnar and separate records, as set forth in Paragraph 7(c) above.

(iv) Regulation 2834 for allowing unlicensed and unbonded people to withdraw funds from Respondent FDMI's trust account, as set forth in Paragraph 7(d) above.

(v) Code Section 10148 for failure to provide loan transaction files to the Department for inspection, as set forth in Paragraph 7(f) above.

12.

The conduct or omissions of Respondent ROCHA, as set forth above, subject his real estate licenses and license rights to suspension or revocation under the following Code Sections:

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(a) Section 10137 for employing or compensating unlicensed people, as set forth in Paragraphs 6 and 9 above.

(b) Section 10177(d) for willful violation of the following Code Sections and Regulations:

(i) Regulation 2725 for failure to review, initial and date documents, as set forth in Paragraph 7(a) above.

(ii) Regulation 2831.1 for failure to maintain separate records for each transaction, as set forth in Paragraph 7(b) above.

(iii) Regulation 2831.2 for failure to monthly reconcile columnar and separate records, as set forth in Paragraph 7(c) above.

(iv) Regulation 2834 for allowing unlicensed and unbonded people to withdraw funds from Respondent FDMI's trust account, as set forth in Paragraph 7(d) above.

(v) Code Section 10148 for failure to provide loan transaction files to the Department for inspection, as set forth in Paragraph 7(f) above.

(vi) Code Section 10159.2 for failure to exercise reasonable supervision over the activities of personnel at Respondent FDMI for which a real estate license is required, as set forth in Paragraph 10 above.

(c) Section 10177(h) for failure to exercise reasonable supervision, as set forth in Paragraph 10 above.

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WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and, that upon proof thereof, a decision be rendered imposing disciplinary action against the licenses and license rights of Respondents FIRST DATABANK MORTGAGE, INC., a corporate real estate broker, and ALEX ROCHA, individually, dba Villa Associates, and as designated officer of First Databank Mortgage, Inc., under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Santa Ana, California
this 19th day of November, 1990.

THOMAS McCRADY
Deputy Real Estate Commissioner

cc: First Databank Mortgage, Inc.
Alex Rocha
Sacto.
TBG