

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

**FILED**  
APR - 6 1995  
DEPARTMENT OF REAL ESTATE

By C. Bay

8 DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \* \* \*

11 In the Matter of the Accusation of ) No. H-1698 SA  
12 )  
12 GREYSTONE MORTGAGE CORPORATION ) L-62384  
13 and SALLY ANN TRAFICANTO, )  
13 individually and as designated )  
14 officer of Greystone Mortgage ) STIPULATION AND AGREEMENT  
14 Corporation, )  
15 ) IN SETTLEMENT AND ORDER  
15 Respondents. )  
16 )

17 It is hereby stipulated by and between Respondents  
18 GREYSTONE MORTGAGE CORPORATION and SALLY ANN TRAFICANTO,  
19 individually and as designated officer of Greystone Mortgage  
20 Corporation (sometimes referred to collectively herein as  
21 "Respondents"), by and through Brian C. Percy, Esq., and the  
22 Complainant, acting by and through Darlene Averetta, Counsel for  
23 the Department of Real Estate, as follows for the purpose of  
24 settling and disposing of the Accusation filed on December 20,  
25 1993, in this matter (hereinafter the "Accusation"):

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1           1. All issues which were to be contested and all  
2 evidence which was to be presented by Complainant and Respondents  
3 at a formal hearing on the Accusation, which hearing was to be  
4 held in accordance with the provisions of the Administrative  
5 Procedure Act ("APA"), shall instead and in place thereof be  
6 submitted solely on the basis of the provisions of this  
7 Stipulation.

8           2. Respondents have received, read and understand, the  
9 Statement to Respondent, the Discovery Provisions of the APA and  
10 the Accusation, filed by the Department of Real Estate in this  
11 proceeding.

12           3. On January 5, 1994, Respondents filed a Notice of  
13 Defense pursuant to Section 11505 of the Government Code for the  
14 purpose of requesting a hearing on the allegations in the  
15 Accusation. Respondents hereby freely and voluntarily withdraw  
16 said Notice of Defense. Respondents acknowledge that they  
17 understand that by withdrawing said Notice of Defense, they will  
18 thereby waive their right to require the Commissioner to prove the  
19 allegations in the Accusation at a contested hearing held in  
20 accordance with the provisions of the APA and that they will waive  
21 other rights afforded to them in connection with the hearing, such  
22 as the right to present evidence in defense of the allegations in  
23 the Accusation and the right to cross-examine witnesses.

24           4. This Stipulation and Agreement in Settlement and  
25 Order is based on the factual allegations contained in the  
26 Accusation filed in this proceeding. In the interest of  
27 expedience and economy, Respondents choose not to contest these

1 factual allegations, but to remain silent and understand that, as  
2 a result thereof, these factual statements, without being admitted  
3 or denied, will serve as a prima facie basis for the disciplinary  
4 action stipulated to herein. This Stipulation and Agreement in  
5 Settlement and Order and Respondents' decision not to contest the  
6 Accusation are hereby expressly limited to this proceeding and  
7 made for the sole purpose of reaching an agreed disposition of  
8 this proceeding. Respondents' decision not to contest the factual  
9 allegations is made solely for the purpose of effectuating this  
10 Stipulation and is intended by Respondents to be non-binding upon  
11 them in any actions against Respondents by third parties. The  
12 Real Estate Commissioner shall not be required to provide further  
13 evidence to prove such allegations.

14 5. It is understood by the parties that the Real  
15 Estate Commissioner may adopt the Stipulation and Agreement in  
16 Settlement and Order as his decision in this matter thereby  
17 imposing the penalty and sanctions on Respondents' real estate  
18 licenses and license rights as set forth in the below "Order".  
19 In the event that the Commissioner in his discretion does not  
20 adopt the Stipulation and Agreement in Settlement and Order, the  
21 Stipulation and Agreement in Settlement and Order shall be void  
22 and of no effect, and Respondents shall retain the right to a  
23 hearing on the Accusation under all the provisions of the APA and  
24 shall not be bound by any stipulation, or waiver made herein.

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

DETERMINATION OF ISSUES

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

I

The conduct, acts or omissions of Respondent GREYSTONE MORTGAGE CORPORATION, as set forth in the Accusation, constitutes cause to suspend or revoke the real estate licenses and license rights of Respondent GREYSTONE MORTGAGE CORPORATION, under the provisions of Business and Professions Code (hereinafter the "Code") Section 10137 and Code Section 10177(d) for violations of Sections 10145 and 10146 of the Code.

II

The conduct, acts or omissions of Respondent SALLY ANN TRAFICANTO, as set forth in the Accusation, constitutes cause to suspend or revoke the real estate licenses and license rights of Respondent SALLY ANN TRAFICANTO, under the provisions of Code Section 10137.

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1  
2 The conduct, acts or omissions, of Respondent SALLY ANN  
3 TRAFICANTO, as alleged in the Accusation constitutes cause to  
4 suspend or revoke Respondent SALLY ANN TRAFICANTO's real estate  
5 licenses and license rights under the provisions of Code Section  
6 10177(h) for failing to exercise reasonable supervision and  
7 control over the licensed activities of Greystone Mortgage  
8 Corporation, as required by Section 10159.2 of the Code.

9 ORDER

10 WHEREFORE, THE FOLLOWING ORDER is hereby made:

11 A. The real estate licenses and license rights of  
12 Respondents GREYSTONE MORTGAGE CORPORATION and SALLY ANN  
13 TRAFICANTO, individually and as designated officer of Greystone  
14 Mortgage Corporation, under the provisions of Part 1 of  
15 Division 4 of the California Business and Professions Code are  
16 revoked; provided, however:

17 1. A restricted corporate real estate broker license  
18 shall be issued to Respondent GREYSTONE MORTGAGE CORPORATION  
19 pursuant to the provisions of Business and Professions Code  
20 Sections 10156.5, 10156.6 and 10156.7, if Respondent GREYSTONE  
21 MORTGAGE CORPORATION makes application therefor and pays to the  
22 Department of Real Estate the appropriate fee for the restricted  
23 license within 90 days from the effective date of this Order. The  
24 restricted license issued to Respondent GREYSTONE MORTGAGE  
25 CORPORATION shall be subject to all of the provisions of Section  
26 10156.7 of the Business and Professions Code and to the following  
27 limitations, conditions and restrictions imposed under authority

1 of Section 10156.6 of that Code:

2 (a) The restricted license to be issued upon  
3 application of Respondent GREYSTONE MORTGAGE CORPORATION shall not  
4 confer any property right in the privileges to be exercised  
5 thereunder. Said restricted license and any privileges granted  
6 thereunder may be suspended prior to hearing by Order of the Real  
7 Estate Commissioner in the event of the receipt of evidence  
8 satisfactory to the Commissioner that, subsequent to the effective  
9 date of this Order, Respondent has violated provisions of the  
10 California Real Estate Law, the Subdivided Lands Law, Regulations  
11 of the Real Estate Commissioner, or the conditions attaching to  
12 this restricted license.

13 (b) Respondent GREYSTONE MORTGAGE CORPORATION shall not  
14 petition the Commissioner for the removal of any of the  
15 conditions, limitations or restrictions attaching to the  
16 restricted license or be eligible to apply for the issuance of an  
17 unrestricted real estate license until one (1) year has elapsed  
18 from the date of issuance of the restricted license to Respondent.

19 (c) Respondent GREYSTONE MORTGAGE CORPORATION shall  
20 pay, pursuant to Section 10148 of the Business and Professions  
21 Code, the Commissioner's reasonable costs for an audit to  
22 determine if Respondent is in compliance with the Real Estate Law,  
23 including trust fund handling. In calculating the amount of the  
24 Commissioner's reasonable costs, the Commissioner may use the  
25 estimated average hourly salary for all Department Audit Section  
26 personnel performing audits of real estate brokers, and shall  
27 include an allocation for travel costs, including mileage, time to

1 and from the auditor's place of work, and per diem. The  
2 Commissioner's reasonable costs shall in no event exceed \$3,800.

3 (1) Respondent GREYSTONE MORTGAGE CORPORATION shall pay  
4 such costs within 45 days of receipt of an invoice from the  
5 Commissioner detailing the activities performed during the audit  
6 and the amount of time spent performing those activities;

7 (2) Notwithstanding the provisions of any other  
8 Paragraph herein, if Respondent GREYSTONE MORTGAGE CORPORATION  
9 fails to pay, within 45 days from receipt of the invoice specified  
10 above, the Commissioner's reasonable costs for an audit to  
11 determine if Respondent is in compliance with the Real Estate Law,  
12 the Commissioner may immediately order the indefinite suspension  
13 of Respondent's real estate license and license rights, prior to  
14 hearing. The suspension shall remain in effect until payment is  
15 made in full, or until Respondent enters into an agreement  
16 satisfactory to the Commissioner to provide for such payment. The  
17 Commissioner may impose further reasonable disciplinary terms and  
18 conditions upon Respondent's real estate licenses and license  
19 rights as part of any such agreement.

20 2. A restricted real estate broker license shall be  
21 issued to Respondent SALLY ANN TRAFICANTO, pursuant to the  
22 provisions of Business and Professions Code Sections 10156.5,  
23 10156.6 and 10156.7, if the Respondent SALLY ANN TRAFICANTO, makes  
24 application therefor and pays to the Department of Real Estate the  
25 appropriate fee for the restricted license within 90 days from the  
26 effective date of this Order. The restricted license issued to  
27 Respondent SALLY ANN TRAFICANTO, shall be subject to all of the

1 provisions of Section 10156.7 of the Business and Professions Code  
2 and to the following limitations, conditions and restrictions  
3 imposed under authority of Section 10156.6 of that Code:

4 (a) The restricted license to be issued upon  
5 application of Respondent SALLY ANN TRAFICANTO, shall not confer  
6 any property right in the privileges to be exercised thereunder.  
7 Said restricted license and any privileges granted thereunder may  
8 be suspended prior to hearing by Order of the Real Estate  
9 Commissioner in the event of:

10 (1) Respondent SALLY ANN TRAFICANTO's conviction  
11 (including a plea of nolo contendere) to a crime which is  
12 substantially related to Respondent's qualifications, functions,  
13 duties, fitness or capacity as a real estate licensee.

14 (2) The receipt of evidence satisfactory to the  
15 Commissioner that, subsequent to the effective date of this Order,  
16 Respondent SALLY ANN TRAFICANTO, has violated provisions of the  
17 California Real Estate Law, the Subdivided Lands Law, Regulations  
18 of the Real Estate Commissioner, or the conditions attaching to  
19 this restricted license.

20 (b) Respondent SALLY ANN TRAFICANTO shall within twelve  
21 (12) months from the effective date of this Order, present  
22 evidence satisfactory to the Real Estate Commissioner that she  
23 has, taken and successfully completed the continuing education  
24 requirements of Article 2.5 of Chapter 3 of the Real Estate Law  
25 for renewal of a real estate license. If Respondent fails to  
26 satisfy this condition, the Commissioner may order the suspension  
27 of any restricted license issued to Respondent until Respondent



1 presents such evidence. The Commissioner shall afford Respondent  
2 the opportunity for a hearing pursuant to the Administrative  
3 Procedure Act to present such evidence.

4 (c) Respondent SALLY ANN TRAFICANTO, shall not petition  
5 the Commissioner for the removal of any of the conditions,  
6 limitations or restrictions attaching to the restricted license or  
7 be eligible to apply for the issuance of an unrestricted real  
8 estate license until one (1) year has elapsed from the effective  
9 date of the Decision.

10 \* \* \* \* \*

11 I have read the Stipulation and Agreement in Settlement  
12 and Order and its terms are understood by us and are agreeable and  
13 acceptable to GREYSTONE MORTGAGE CORPORATION and SALLY ANN  
14 TRAFICANTO, individually and as designated officer of Greystone  
15 Mortgage Corporation. We understand that we are waiving rights  
16 given to us by the California Administrative Procedure Act  
17 (including but not limited to Sections 11506, 11508, 11509 and  
18 11513 of the Government Code), and we willingly, intelligently and  
19 voluntarily waive those rights, including the right of requiring  
20 the Commissioner to prove the allegations in the Accusation at a  
21 hearing at which we would have the right to cross-examine  
22 witnesses against us and to present evidence in defense and  
23 mitigation of the charges.

24 DATED: 3/20/95

*Sally Ann Traficanto*  
GREYSTONE MORTGAGE CORPORATION,  
Respondent, by Sally Ann Traficanto,  
designated officer of Greystone  
Mortgage Corporation

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DATED: 3/20/95

Sally Ann Traficanto  
SALLY ANN TRAFICANTO, Respondent

DATED: 3/20 1995

Brian C. Pearcy  
BRIAN C. PEARCY, ESQ., Counsel for Respondents, Greystone Mortgage Corporation and Sally Ann Traficanto  
Approved as to Form

DATED: March 23, 1995

Darlene Averetta  
DARLENE AVERETTA, Counsel for the Department of Real Estate

\* \* \* \* \*

The foregoing Stipulation and Agreement in Settlement  
is hereby adopted as my Decision and Order as to Respondents,  
GREYSTONE MORTGAGE CORPORATION and SALLY ANN TRAFICANTO,  
individually and as designated officer of Greystone Mortgage  
Corporation, and shall become effective at 12 o'clock noon on  
April 26, 1995.

IT IS SO ORDERED March 28, 1995

JOHN R. LIBERATOR  
Interim Commissioner

John R. Liberator

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

JAN 13 1994

In the Matter of the Accusation of )  
)  
GREYSTONE MORTGAGE CORPORATION )  
and SALLY ANN TRAFICANTO, )  
individually and as designated )  
officer of Greystone Mortgage )  
Corporation, )

DEPARTMENT OF REAL ESTATE  
BY ebay

Case No. H-1698 SA

OAH No. L-62384

Respondent(s)

NOTICE OF HEARING ON ACCUSATION

To the above-named Respondent(s):

You are hereby notified that a hearing will be held before the Department of Real Estate at the Office of Administrative Hearings, 314 W. First Street, Los Angeles, CA 90012 on NOVEMBER 14, 15, 16 and 17, 1994, at the hour of 9:00 A.M., or as soon thereafter as the matter can be heard, upon the Accusation served upon you.

You may be present at the hearing. You have the right to be represented by an attorney at your own expense. You are not entitled to the appointment of an attorney to represent you at public expense. You are entitled to represent yourself without legal counsel. If you are not present in person nor represented by counsel at the hearing, the Department may take disciplinary action against you based upon any express admission 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 Administrative Law Judge 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 Administrative Law Judge directs otherwise.

DEPARTMENT OF REAL ESTATE

Dated: January 13, 1994

By

Darlene Averetta

DARLENE AVERETTA, Counsel

cc: Greystone Mortgage Corporation  
Sally Ann Traficanto  
Sacto.  
OAH

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DARLENE AVERETTA, Counsel  
Department of Real Estate  
107 South Broadway, Room 8107  
Los Angeles, California 90012

(213) 897-3937

DEC 20 1993

DEPT. OF REAL ESTATE  
BY *C. Berg*

DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \* \* \*

In the Matter of the Accusation of )	No. H-1698 SA
GREYSTONE MORTGAGE CORPORATION )	
and SALLY ANN TRAFICANTO, )	<b>A C C U S A T I O N</b>
individually and as designated )	
Officer of Greystone Mortgage )	
Corporation, )	
Respondents. )	

The Complainant, Thomas McCrady, a Deputy Real Estate Commissioner of the State of California, for cause of accusation against GREYSTONE MORTGAGE CORPORATION and SALLY ANN TRAFICANTO, individually and as designated officer of Greystone Mortgage Corporation, is informed and alleges as follows:

FIRST CAUSE OF ACCUSATION

1.

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

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2.

All references to the "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

3.

GREYSTONE MORTGAGE CORPORATION (hereinafter "GREYSTONE") and SALLY ANN TRAFICANTO (hereinafter "TRAFICANTO"), sometimes collectively referred to herein as Respondents, are presently licensed and/or have license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereinafter "the Code").

4.

At all times material herein, GREYSTONE was and now is licensed by the Department of Real Estate of the State of California (hereinafter "the Department") as a corporate real estate broker by and through TRAFICANTO as the designated officer and broker responsible pursuant to the provisions of Section 10159.2 of the Code for supervising the activities requiring a real estate license conducted on behalf of GREYSTONE, by GREYSTONE's officers, agents and employees.

5.

At all times material herein, TRAFICANTO was and now is licensed by the Department as a real estate broker, and as the designated officer of GREYSTONE. As the designated broker-officer, TRAFICANTO is and, at all times material herein, was responsible for the supervision and control of the activities requiring a real estate license conducted on behalf of GREYSTONE by its officers, agents and employees as necessary to secure full

1 compliance with the provisions of the Real Estate Law as required,  
2 pursuant to the provisions of Section 10159.2 of the Code.

3 6.

4 At no time herein mentioned was Kevin Traficanto  
5 (hereinafter "K. Traficanto") licensed by the Department as a real  
6 estate broker or as a real estate salesperson. While not licensed  
7 by the Department, K. Traficanto was employed by GREYSTONE and/or  
8 TRAFICANTO.

9 7.

10 All further references to "Respondents" include the  
11 parties identified in Paragraphs 3 through 5, above, and also  
12 includes the officers, directors, managers, employees, agents and  
13 real estate licensees employed by or associated with said parties,  
14 who at all times herein mentioned were engaged in the furtherance  
15 of the business or operations of said parties and who were acting  
16 within the course and scope of their authority, agency, or  
17 employment.

18 8.

19 At all times herein mentioned, Respondents have engaged  
20 in the business of, acted in the capacity of, advertised or  
21 assumed to act as real estate brokers in the State of California,  
22 within the meaning of Section 10131(d) of the Code, including the  
23 operation and conduct of a mortgage loan brokerage business with  
24 the public wherein Respondents solicited prospective borrowers or  
25 lenders for, or negotiated loans, or collected payments for, or  
26 arranged, processed, serviced, and/or consummated loans secured  
27 directly or collaterally by liens on real property for another or

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

3 9.

4 From time to time herein mentioned, Respondents have  
5 engaged in the business of claiming, demanding, charging,  
6 receiving, collecting or contracting for the collection of advance  
7 fees, in the form of appraisal, credit report, application and/or  
8 loan fees, within the meaning of Sections 10026 and 10131.2.

9 10.

10 On or about July 13, 1993, the Department completed an  
11 examination of Respondents' books and records pertaining to  
12 Respondents' activities described in Paragraphs 8 and 9, above,  
13 covering the period from March 1, 1992 through May 31, 1993, which  
14 examination revealed violations of the Code and Regulations, as  
15 set forth below.

16 11.

17 In connection with the real estate activities described  
18 in Paragraphs 8 and 9, above, Respondents accepted or received  
19 funds, including funds in trust (hereinafter "trust funds") from  
20 or on behalf of actual or prospective borrowers, lenders,  
21 investors and/or parties to mortgage loan transactions handled by  
22 Respondents and thereafter made disbursement of such funds. From  
23 time to time herein mentioned, these trust funds were deposited  
24 and/or maintained by Respondents in bank accounts, including but  
25 not necessarily limited to, Account No. 07028989, "Greystone  
26 Mortgage Corp. Trust Account" (hereinafter "Trust Account 1") and  
27 Account No. 07347-08787, "Greystone Mortgage Corp. General

1 Account" (hereinafter "General Account 1"), at Bank of America,  
2 2690 Hammer Avenue, Norco, California 91760; and Account No.  
3 0376-217790, "Greystone Mortgage Corp. Trust Account" (hereinafter  
4 "Trust Account 2"), Account No. 0376-224-147, "Greystone Mortgage  
5 Corp." (hereinafter "General Account 2"), Account No. 0376-224-  
6 171, "Greystone Mortgage Corp." (hereinafter "General Account 3"),  
7 Account No. 0376-234-217, "Greystone Mortgage Corp." (hereinafter  
8 "General Account 4"), Account No. 0376-234-104, "Greystone  
9 Mortgage Corp." (hereinafter "General Account 5"), Account No.  
10 0376-234-176, "Greystone Mortgage Corp." (hereinafter "General  
11 Account 6"), Account No. 0376-234-059, "Greystone Mortgage Corp."  
12 (hereinafter "General Account 7"), Account No. 0376-234-138,  
13 "Greystone Mortgage Corp." (hereinafter "General Account 8"),  
14 Account No. 0376-234-082, "Greystone Mortgage Corp." (hereinafter  
15 "General Account 9"), at Security Pacific National Bank, 12350  
16 Perris Boulevard, Moreno Valley, California 92387

17 12.

18 In the course of activities described in Paragraphs 8, 9  
19 and 11, Respondents acted in violation of the Code and the  
20 Regulations in that:

21 (a) Respondents failed to place all trust funds  
22 received by Respondents into a trust account, in that Respondents  
23 deposited, allowed, permitted and/or caused the deposit of advance  
24 fee trust funds into bank accounts, which were not trust fund  
25 accounts, in violation of Sections 10145 and 10146 of the Code;

26 (b) Respondents failed to maintain detailed separate  
27 records for each beneficiary or transaction, accounting for all



1 receipts and disbursements for Trust Account 1 and Trust Account  
2 2, in violation of Section 2831.1 of the Regulations;

3 (c) Respondents failed to maintain a reconciliation of  
4 the control records for all trust funds received and disbursed  
5 with the separate records for each beneficiary or transaction for  
6 Trust Account 1 and Trust Account 2, in violation of Regulation  
7 2831.2;

8 (d) Respondents, caused, permitted and/or allowed,  
9 employee K. Traficanto who was neither licensed by the Department  
10 nor covered by a fidelity bond, to make withdrawals from Trust  
11 Account 2, and to be a signatory on Trust Account 1, in violation  
12 of Regulation 2834.

13 (e) Respondents failed to deliver to borrowers, before  
14 borrowers became obligated to complete the loan, a statement, in  
15 writing, containing all the information required by Code Section  
16 10241, in violation of Section 10240(a) of the Code and Section  
17 2840 of the Regulations.

18 13.

19 The acts and omissions of Respondents as described  
20 above, violated the Code and the Regulations as set forth below:

21	<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
22	12(a)	Sec. 10145 and 10146 of the Code
23	12(b)	Regulation 2831.1
24	12(c)	Regulation 2831.2
25	12(d)	Regulation 2834
26	12(e)	Sec. 10240(a) of the Code and Regulation 2840
27		

1 Each of the foregoing violations constitute cause for  
2 the suspension or revocation of all real estate licenses and  
3 license rights of Respondents under the provisions of Section  
4 10177(d) of the Code.

5 SECOND CAUSE OF ACCUSATION

6 14.

7 Complainant incorporates herein the allegations of  
8 Paragraphs 1 through 13, inclusive, herein above.

9 15.

10 In the course of the activities described in Paragraphs  
11 8, 9 and 11, above, during the past three years, Respondents  
12 employed and/or compensated K. Traficanto, an unlicensed person,  
13 whom Respondents knew or should have known to be unlicensed, to  
14 perform acts requiring a real estate license as described in  
15 Section 10131(d) of the Code, including, but not necessarily  
16 limited to, the solicitation of borrowers or lenders, or  
17 negotiation of loans or performance of services for borrowers or  
18 lenders, in connection with loans secured by liens on real  
19 property, for or in expectation of compensation, for another or  
20 others.

21 16.

22 The conduct, acts and omissions of Respondents described  
23 in Paragraph 15, above, constitute cause for the suspension or  
24 revocation of all real estate licenses and license rights of  
25 Respondents under the provisions of Section 10137 of the Code.

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1 (\$48,000.00), before the commencement of any loan processing,  
2 which was to be applied to loan fees upon approval of the loan  
3 requested. The Application constitutes an advance fee agreement  
4 within the meaning of Section 10085 of the Code and Regulation  
5 2970.

6 21.

7 The Application was not submitted for approval to the  
8 Commissioner prior to its use, in violation of Section 10085 of  
9 the Code and Regulation 2970.

10 22.

11 The conduct, acts and omissions of Respondents described  
12 in Paragraphs 18 through 21, inclusive, herein above, constitutes  
13 cause for the suspension or revocation of all real estate licenses  
14 and license rights of Respondents under the provisions of Section  
15 10177.(d) of the Code.

16 FOURTH CAUSE OF ACCUSATION

17 23.

18 Complainant incorporates herein the allegations of  
19 Paragraphs 1 through 22, inclusive, herein above.

20 24.

21 The conduct, acts and omissions, of TRAFICANTO, in  
22 causing, allowing, or permitting GREYSTONE to violate the Real  
23 Estate Law, as described, herein above, constitutes failure on the  
24 part of TRAFICANTO, as the officer designated by a corporate  
25 broker licensee, to exercise the reasonable supervision and  
26 control over the licensed activities of GREYSTONE, as required by  
27 Section 10159.2 of the Code. Said conduct is cause to suspend or

1 revoke the real estate licenses and license rights of TRAFICANTO  
2 pursuant to the provisions of Section 10177(h) of the Code.

3  
4 WHEREFORE, Complainant prays that a hearing be conducted  
5 on the allegations of this Accusation and that upon proof thereof  
6 a decision be rendered imposing disciplinary action against the  
7 licenses and license rights of Respondents, GREYSTONE MORTGAGE  
8 CORPORATION, and SALLY ANN TRAFICANTO, individually and as  
9 designated officer of Greystone Mortgage Corporation, under the  
10 Real Estate Law (Part 1 of Division 4 of the Business and  
11 Professions Code) and for such other and further relief as may be  
12 proper under other applicable provisions of law.

13 Dated at Santa Ana, California  
14 this 20th day of December, 1993.

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17 THOMAS McCRADY  
18 Deputy Real Estate Commissioner  
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25 cc: Greystone Mortgage Corp.  
26 Sally Ann Traficanto  
27 Sacto.  
DKB