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FILED
NOV 19 1996

DEPARTMENT OF REAL ESTATE

[Signature]

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation of) NO. H-1787 SA
LAURA MASAKO SASAKI)
Respondent.)

ORDER GRANTING REINSTATEMENT OF LICENSE

On March 3, 1995, a Decision was rendered herein
revoking the real estate broker license of Respondent, LAURA
MASAKO SASAKI (hereinafter "Respondent"), effective April 6,
1995. In said Decision Respondent was given the right to
apply for and receive a restricted real estate broker license
which was issued to her on April 6, 1995.

On April 25, 1996, Respondent petitioned for
reinstatement of said real estate broker license and the
Attorney General of the State of California has been given
notice of the filing of said petition.

I have considered Respondent's petition and the
evidence and arguments in support thereof. Respondent has
demonstrated to my satisfaction that grounds do not presently

1 exist to deny the issuance of an unrestricted real estate
2 broker license to Respondent.

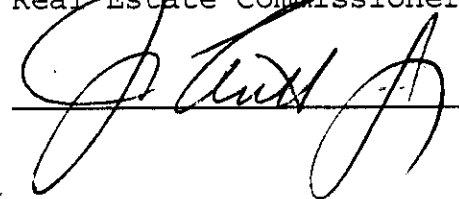
3 NOW, THEREFORE, IT IS ORDERED that Respondent's
4 petition for reinstatement is granted and that an
5 unrestricted real estate broker license be issued to
6 Respondent, LAURA MASAKO SASAKI, after Respondent satisfies
7 the following conditions within one (1) year from the date of
8 this Order:

- 9 1. Submittal of a completed application and
10 payment of the fee for a real estate broker license.
- 11 2. Submittal of evidence satisfactory to the Real
12 Estate Commissioner that Respondent has, since her license
13 was revoked, taken and successfully completed the continuing
14 education requirements of Article 2.5 of Chapter 3 of the
15 Real Estate Law for renewal of a real estate license
16 including three hour courses in trust fund accounting and
17 handling and fair housing.

18 This Order shall become effective immediately.

19 DATED: 11-14-96.

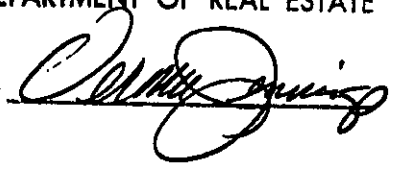
21 JIM ANTT, JR.
22 Real Estate Commissioner

23 

24
25 LAURA MASAKO SASAKI
26 2568 N. Bortz St.
Orange, California 92665

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

FILED
MAR 17 1995
DEPARTMENT OF REAL ESTATE

By 

DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * * *

11 In the Matter of the Accusation of)
12 THE MONTEREY GROUP,)
13 a REAL ESTATE SERVICE)
14 CORPORATION; and LAURA ,)
15 MASAKO SASAKI, individually)
16 and as designated officer of)
17 The Monterey Group, a)
18 Real Estate Service)
19 Corporation; and CRAIG)
20 EUGENE MCILROY,)
21 Respondents.)

No. H-1787 SA

STIPULATION AND
AGREEMENT IN
SETTLEMENT AND ORDER

18 It is hereby stipulated by and between THE MONTEREY
19 GROUP, a REAL ESTATE SERVICE CORPORATION; LAURA MASAKO SASAKI,
20 individually and as former designated officer of The Monterey
21 Group, a Real Estate Service Corporation; and CRAIG EUGENE MCILROY
22 (sometimes referred to as respondents) and the Complainant, acting
23 by and through Elliott Mac Lennan, Counsel for the Department of
24 Real Estate, as follows for the purpose of settling and disposing
25 of the Accusation filed on August 23, 1994 (sometimes referred to
26 herein as the "Accusation"):
27

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

24 4. This Stipulation is based on the factual
25 allegations contained in the Accusation filed in this proceeding.
26 In the interest of expedience and economy, respondents choose not
27 to contest these allegations, but to remain silent and understand

1 that, as a result thereof, these factual allegations, without
2 being admitted or denied, will serve as a prima facie basis for
3 the disciplinary action stipulated to herein. This Stipulation
4 based on respondents' decision not to contest the Accusation is
5 hereby expressly limited to this proceeding and made for the sole
6 purpose of reaching an agreed disposition of this proceeding. It
7 is intended to be non-binding upon them in any actions against
8 respondents by third parties. The Real Estate Commissioner shall
9 not be required to provide further evidence to prove said factual
10 allegations.

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

20 6. The Order or any subsequent Order of the Real
21 Estate Commissioner made pursuant to this Stipulation shall not
22 constitute an estoppel, merger or bar to any further
23 administrative proceedings by the Department of Real Estate with
24 respect to any matters which were not specifically alleged to be
25 causes for accusation in this proceeding.

26 /

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I

II

III

**COURT PAPER
STATE OF CALIFORNIA
STD. 113 (REV. 6-72)**

1 Jurisdiction over the expired license of respondent CRAIG EUGENE
2 MCILROY remains per Section 10103 of the Code.

3 ORDER

4 WHEREFORE, THE FOLLOWING ORDER is hereby made:

5 I

6 A. The real estate license and license rights of
7 respondent, THE MONTEREY GROUP, a REAL ESTATE SERVICE CORPORATION,
8 under the provisions of Part 1 of Division 4 of the California
9 Business and Professions Code are revoked; provided, however, a
10 restricted corporate real estate broker license shall be issued to
11 respondent, THE MONTEREY GROUP, a REAL ESTATE SERVICE CORPORATION,
12 if respondent first provides evidence satisfactory to the Real
13 Estate Commissioner that all cited violations including, but not
14 limited to any trust fund deficit found by the Department audit
15 examination of respondent THE MONTEREY GROUP, a REAL ESTATE
16 SERVICE CORPORATION on December 31, 1993 have been cured and
17 including identification of the source of funds used to cure the
18 deficit; and makes proper application no later than 180 days from
19 the effective date of this Decision. Any restricted corporate
20 real estate broker license issued pursuant to the provisions of
21 Code Sections 10156.5, 10156.6 and 10156.7, shall be subject to
22 the following terms limitations, conditions and restrictions:

23 1. Any restricted real estate license issued to
24 respondent shall be suspended for ninety (90) days from the date
25 of issuance of said restricted license.

26 (a) Provided, however, that sixty (60) days of
27 said suspension shall be stayed on the condition that no further

1 cause for disciplinary action against the real estate license and
2 license rights of respondent shall occur within two (2) years from
3 the effective date of the Decision.

4 (b) The initial thirty (30) day portion of the
5 suspension shall commence on the effective date of this Order.

6 (1) However, the thirty (30) day suspension
7 of respondent's license and license rights shall be permanently
8 stayed upon condition that respondent pays to the Department's
9 Recovery Account \$2,500 prior to the effective date of this Order,
10 in accordance with the provisions of California Business and
11 Professions Code Section 10175.2.

12 2. Payment of the aforementioned monetary penalty shall
13 be in the form of cashier's check or certified check, made payable
14 to the Recovery Account of the Real Estate Fund. Payment must be
15 made prior to the effective date of this Order.

16 3. The Commissioner, in exercising his discretion under
17 California Business and Professions Code Section 10175.2, agrees
18 by adopting this Order that it would not be against the public
19 interest to permit respondent to pay the aforesaid monetary
20 penalty.

21 4. If it is determined pursuant to the Administrative
22 Procedure Act that further cause for disciplinary action against
23 the real estate license or license rights of respondent has
24 occurred within two (2) years from the effective date of this
25 Order, the stay of suspension hereby granted, or such portion
26 thereof, as the Real Estate Commissioner shall deem to be
27 appropriate, shall be immediately vacated.

1 5. The restricted license to be issued upon
2 application of respondent shall not confer any property right in
3 the privileges to be exercised thereunder. Said restricted
4 license and any privileges granted thereunder may be suspended
5 prior to hearing by Order of the Real Estate Commissioner in the
6 event of the receipt of evidence satisfactory to the Commissioner
7 that respondent has violated provisions of the California Real
8 Estate Law, the Subdivided Lands Law, Regulations of the Real
9 Estate Commissioner, or the conditions attaching to the restricted
10 license.

11 6. Respondent shall not petition the Commissioner for
12 the removal of any of the conditions, limitations or restrictions
13 attaching to the restricted license or be eligible to apply for
14 the issuance of an unrestricted real estate license until two (2)
15 years has elapsed from the date of issuance of the restricted
16 license to respondent.

17 7. Pursuant to Section 10148 of the Business and
18 Professions Code, respondent shall pay the Commissioner's
19 reasonable costs for an audit to ensure respondent is in
20 compliance with the Real Estate Law, including the handling of
21 trust funds. In calculating the amount of the Commissioner's
22 reasonable costs, the Commissioner may use the estimated average
23 hourly salary for all Department Audit Section personnel
24 performing audits of real estate brokers, and shall include an
25 allocation for travel costs, including mileage, time to and from
26 the auditor's place of work, and per diem. The Commissioner's
27 reasonable costs shall in no event exceed \$2,400.

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

5 (b) Notwithstanding the provisions of any other
6 Paragraph herein, if respondent fails to pay, within 45 days from
7 receipt of the invoice specified above, the Commissioner's
8 reasonable costs for an audit, the Commissioner may order the
9 suspension of the restricted real estate license issued to
10 respondent pending a hearing held in accordance with Section
11 11500, et seq., of the Government Code. The suspension shall
12 remain in effect until payment is made in full, or until
13 respondent enters into an agreement satisfactory to the
14 Commissioner to provide for such payment. The Commissioner may
15 impose further reasonable disciplinary terms and conditions upon
16 respondent's real estate licenses and license rights as part of
17 any such agreement.

18 II

19 A. The real estate licenses and license rights of
20 respondent, LAURA MASAKO SASAKI, under the provisions of Part 1 of
21 Division 4 of the California Business and Professions Code are
22 revoked. Provided, however, a restricted real estate broker
23 license shall be issued to respondent LAURA MASAKO SASAKI if she
24 makes proper application no later than 180 days from the effective
25 date of this Order. Any restricted real estate broker license
26 issued pursuant to the provisions of Code Sections 10156.5,
27

1 10156.6 and 10156.7, shall be subject to the following terms
2 limitations, conditions and restrictions:

3 1. Respondent shall within twelve (12) months from the
4 effective date of any restricted license issued to respondent,
5 present evidence satisfactory to the Real Estate Commissioner that
6 respondent has, since the most recent issuance of an original or
7 renewal real estate license, taken and successfully completed the
8 continuing education requirements of Article 2.5 of Chapter 3 of
9 the Real Estate Law for renewal of a real estate license. If
10 respondent fails to satisfy this condition the Commissioner may
11 order the suspension of the restricted license until the
12 respondent presents such evidence. The Commissioner shall afford
13 respondent the opportunity for hearing pursuant to the
14 Administrative Procedure Act to present such evidence.

15 2. Respondent shall, within twelve (12) months from the
16 effective date of any restricted license issued to respondent,
17 take and pass the Professional Responsibility Examination
18 administered by the Department, including the payment of the
19 appropriate examination fee. If respondent fails to satisfy this
20 condition the Commissioner may order the suspension of the
21 restricted license until the respondent presents such evidence.
22 The Commissioner shall afford respondent the opportunity for
23 hearing pursuant to the Administrative Procedure Act to present
24 such evidence. The Commissioner shall afford respondent the
25 opportunity for hearing pursuant to the Administrative Procedure
26 Act to present such evidence.

1 3. While respondent's real estate broker license and
2 license rights are restricted, respondent may not be a designated
3 officer for any corporate real estate broker.

4 4. The restricted license to be issued upon
5 application of respondent shall not confer any property right in
6 the privileges to be exercised thereunder. Said restricted
7 license and any privileges granted thereunder may be suspended
8 prior to hearing by Order of the Real Estate Commissioner in the
9 event of the receipt of evidence satisfactory to the Commissioner
10 that respondent has violated provisions of the California Real
11 Estate Law, the Subdivided Lands Law, Regulations of the Real
12 Estate Commissioner, or the conditions attaching to the restricted
13 license.

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

20 6. If no further cause for disciplinary action against
21 the real estate license and license rights of respondent shall
22 occur within one (1) year from the effective date of this
23 Decision, the stay hereby granted shall be permanent.

24 III

25 The expired real estate salesperson license and license
26 rights of respondent CRAIG EUGENE MCILROY under the Real Estate
27

1 Law (Part 1 of Division 4 of the Business and Professions Code)
2 are hereby revoked.

3 However, respondent shall be entitled to apply for and
4 shall be issued a restricted real estate salesperson license if
5 respondent (1) makes application therefor and pays to the
6 Department the appropriate fee for said license and (2) passes the
7 test given by the Department to be a real estate salesperson
8 within one year from the effective date of the Order herein.

9 The restricted license issued to respondent shall be
10 subject to all of the provisions of Section 10156.7 of the
11 Business and Professions Code and the following limitations,
12 conditions and restrictions imposed under authority of Section
13 10156.6 of the Code:

14 A. The restricted license may be suspended prior to a
15 hearing by Order of the Real Estate Commissioner in the event of
16 respondent's conviction (including conviction on a plea of nolo
17 contendere) to a crime which bears a substantial relationship to
18 respondent's fitness or capacity as a real estate licensee.

19 B. The restricted license may be suspended prior to a
20 hearing by Order of the Real Estate Commissioner on evidence
21 satisfactory to the Commissioner that respondent has violated
22 provisions of the California Real Estate Law (other than the
23 violations specified in the Accusation), the Subdivided Lands Law,
24 Regulations of the Real Estate Commissioner or conditions
25 attaching to said restricted license.

26 C. Respondent shall obey all laws of the United States, the
27 State of California and its political subdivisions, and shall.

1 further obey and comply with all rules and regulations of the Real
2 Estate Commissioner.

3 D. Respondent shall not be eligible to petition for
4 reinstatement pursuant to Government Code Section 11522 for an
5 unrestricted real estate license nor the removal of any of the
6 conditions, limitations or restrictions of the restricted license
7 until at least two years have elapsed from the effective date of
8 the Decision.

9 E. Respondent shall submit with any application for license
10 under an employing broker, or any application for transfer to a
11 new employing broker, a statement signed by the prospective broker
12 which shall certify:

13 (1) That the employing broker has read the Order of the
14 Commissioner which granted the right to a
15 restricted license; and

16 (2) That the employing broker will exercise close
17 supervision over the performance by the restricted
18 licensee of the activities for which a real estate license is
19 required.

20
21 DATED: 17 January 1995

Elliott Mac Lennan
ELLIOTT MAC LENNAN, Counsel

22
23 * * * * *

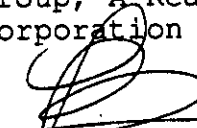
24 We have read the Stipulation and Agreement in Settlement
25 and Order and its terms are understood by us and are agreeable and
26 acceptable to us. We understand that we are waiving rights given
27 to us by the California Administrative Procedure Act (including

1 but not limited to Sections 11506, 11508, 11509 and 11513 of the
2 Government Code), and we willingly, intelligently and voluntarily
3 waive those rights, including the right of requiring the
4 Commissioner to prove the allegations in the Accusation at a
5 hearing at which we would have the right to cross-examine
6 witnesses against us and to present evidence in defense and
7 mitigation of the charges.

8 DATED: 2/3/95


LAURA MASAKO SASAKI, respondent,
individually and as former
designated officer of The Monterey
Group, A Real Estate Service
Corporation

12 DATED: 2/3/95


THE MONTEREY GROUP A REAL ESTATE
SERVICE CORPORATION,
BY: LAURA MASAKO SASAKI, former
designated officer of The Monterey
Group, A Real Estate Service
Corporation

17 DATED: 1/31/95

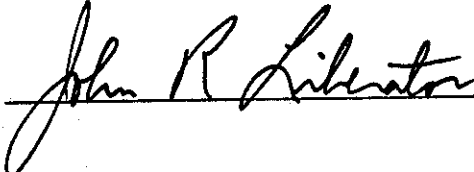

CRAIG EUGENE MCILROY

* * * * *

19 The foregoing Stipulation and Agreement in Settlement
20 and Order is hereby adopted as my Decision and Order and shall
21 become effective at 12 o'clock noon on April 6
22 1995.

23 IT IS SO ORDERED March 3, 1995.

25 JOHN R. LIBERATOR
Interim Commissioner



SACTO
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293-0914-003

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

FILED
OCT 4 1994
DEPARTMENT OF REAL ESTATE

In the Matter of the Accusation of)

Case No. H-1787 SA)

By)

THE MONTEREY GROUP A REAL ESTATE)

SERVICE CORPORATION; LAURA MASAKO)

SASAKI, individually and as designated officer)
of The Monterey Group; and CRAIG EUGENE)

MCILROY,,)

Respondent(s).)

OAH L-_____

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 Office of Administrative Hearings, 314 West First Street, Los Angeles, California, on **January 3, 4, 5, & 6, 1994 at 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.

Dated: October 4, 1994

DEPARTMENT OF REAL ESTATE

By: _____

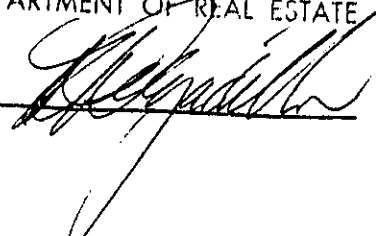
ELLIOTT MAC LENNAN, Counsel

CC: Craig Eugene McIlroy, Laura Masako Sasaki, TMG
Mary C. Libra OAH SACTO

RE 501 (Mac 8/92EM:rd)

SACTO
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1 Elliott Mac Lennan, Counsel
2 Department of Real Estate
3 107 South Broadway, Room 8107
4 Los Angeles, California, 90012
5
6 Telephone (213) 897-3194
7
8

FILED
AUG 23 1994
DEPARTMENT OF REAL ESTATE
By 

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * * *

11 In the Matter of the Accusation of)
12)
13 THE MONTEREY GROUP,)
14 A REAL ESTATE SERVICE,) H- 1787 SA
15 CORPORATION; LAURA MASAKO)
16 SASAKI, individually and)
17 as designated officer of)
18 The Monterey Group; and) ACCUSATION
19 CRAIG EUGENE MCILROY,)
20)
21)
22)
23 Respondents.)
24)
25)
26)
27)

19 The Complainant, Thomas McCrady, a Deputy Real Estate
20 Commissioner of the State of California, for cause of Accusation
21 against THE MONTEREY GROUP, A REAL ESTATE SERVICE CORPORATION;
22 LAURA MASAKO SASAKI, individually and as designated officer of The
23 Monterey Group; and CRAIG EUGENE MCILROY, is informed and alleges
24 in his official capacity as follows:

I

25 THE MONTEREY GROUP, A REAL ESTATE SERVICE CORPORATION
26 (TMG); and LAURA MASAKO SASAKI (SASAKI), individually and as
27

1 designated officer of The Monterey Group, A Real Estate Service
2 Corporation, and CRAIG EUGENE MCILROY (MCILROY), sometimes
3 collectively referred to as respondents, are presently licensed
4 and/or have license rights under the Real Estate Law (Part 1 of
5 Division 4 of the California Business and Professions Code).

6 II

7 All references to the "Code" are to the California
8 Business and Professions Code and all references to "Regulations"
9 are to Chapter 6, Title 10, California Code of Regulations.

10 III

11 At all mentioned times, TMG was licensed by the
12 Department of Real Estate of the State of California (Department)
13 as a corporate real estate broker by and through SASAKI as
14 designated officer.

15 IV

16 At all mentioned times, SASAKI as licensed by the
17 Department as designated officer of TMG to qualify it and to act
18 for it as a real estate broker and, as provided by Section 10159.2
19 of the Code, was responsible for the supervision and control of
20 the activities conducted on its behalf by its officers, managers
21 and employees as necessary to secure full compliance with the
22 provisions of the Real Estate Law including the supervision of the
23 salespeople licensed to the corporation in the performance of acts
24 for which a real estate license is required by Section 10159.2 of
25 the Code.

26 /

27 V

1 Whenever reference is made in an allegation in the
2 accusation to an act or omission of TMG, such allegation shall be
3 deemed to mean that the officers, directors, managers, employees,
4 agents and real estate licensees employed by or associated with
5 them, including SASAKI, and MCILROY respectively, committed such
6 act or omission while engaged in the furtherance of their business
7 or operation and while acting within the course and scope of their
8 corporate authority, agency and employment.

9 VI

10 MCILROY is presently licensed and/or has license rights
11 under the Real Estate Law. He was initially licensed as a real
12 estate salesperson on January 30, 1982. Said license expired on
13 January 3, 1992.

14 VII

15 Pamela M. Pemberton has never been licensed by the
16 Department in any capacity.

17 VIII

18 At all mentioned times respondents, TMG, SASAKI, MCILROY
19 and Pemberton, respectively, were acting as the agent or employee
20 of the other and within the course and scope of such agency or
21 employment.

22 IX

23 At all times herein mentioned, in the city of Huntington
24 Beach, Orange County, California, respondents TMG engaged in the
25 business of a corporate real estate broker and respondent SASAKI,
26 as real estate broker, within the meaning of Section 10131(b) of
27 the Code, including the operation of a property management

1 business including collecting rent for real property.

2 X

3 On December 21, 1993, the Department completed an
4 investigative audit of TMG'S books and records covering a period
5 from May 1, 1993 to October 31, 1993, which revealed violations of
6 the Real Estate Law, Code and the Regulations described below.

7 XI

8 At all times mentioned herein, in connection with the
9 activities described in Paragraph IX, above, respondents accepted
10 or received funds in trust (trust funds) from or on behalf of
11 actual or prospective borrowers and lenders, and thereafter made
12 disposition of such funds. Respondents maintained all their trust
13 accounts into which they deposited certain of these funds at Bank
14 of America, 5812 Edinger Avenue, Huntington Beach, California
15 92649:

16 "The Monterey Group, Inc.,
17 dba Property Management Client Trust Account
Account No. 0995-406477"

18 XII

19 With respect to the trust funds referred to in Paragraph
20 XI, it is alleged that SASAKI and TMG:

21 (a) Permitted, allowed or caused a deficit to
22 accumulate in the trust account, which on October 31, 1993, was in
23 the amount of \$453,037.38, in violation of Section 10145 and
24 Regulation 2832.1. The cause of this trust fund shortage is due
25 to disbursement of funds belonging to others on behalf of twenty-
26 nine property owners who did not have sufficient funds in their
27 own accounts. This was done without the prior written consent of

1 the respective owners of said funds.

2 XIII

3 The conduct of respondents TMG and SASAKI, described in
4 Paragraph XII, above, violated the Code and the Regulations as set
5 forth below:

6 PARAGRAPH

PROVISIONS VIOLATED

7 XII(a)

Sec. 10145
Sec. 2832.1

of the Code; and
of the Regulations;

8 Each of the foregoing violations separately constitutes cause for
9 the suspension or revocation of all of the respective real estate
10 licenses and license rights of respondents TMG and SASAKI under
11 the provisions of Section 10177(d) of the Code.

12 XIV

13 In course of the property management activities described in
14 Paragraph IX, respondents TMG and SASAKI, with full knowledge
15 that, Pemberton and MCILROY were not licensed by the Department as
16 real estate salespersons or as real estate brokers, or as real
17 estate salespersons employed by a real estate broker, employed and
18 compensated them to perform acts for which a real estate license
19 is required, for another or others, for or in expectation of
20 compensation, in violation of Section 10137 of the Code. This
21 conduct and violation are cause to suspend or revoke licenses and
22 license rights of respondents the TMG and SASAKI under the
23 provisions of Section 10137 of the Code.

24 XV

25 The conduct of Pemberton, in signing rental agreements
26 between April 9, 1993 and August 2, 1993, for an in expectation
27

1 and of compensation during a period when she was not nor had ever
2 been licensed by the Department, as described in Paragraph VII, is
3 in violation of Section 10130 of the Code.

4 XVI

5 The conduct of MCILROY, in signing rental agreements
6 between January 1992 and November 1993, for an in expectation of
7 compensation when his real estate salesperson license had expired
8 on January 4, 1992, as described in Paragraph VI, is in violation
9 of Section 10130 of the Code and is cause to suspend or revoke his
10 respective license and license rights under Section 10177(d) or
11 10177(f) of the Code.

12 XVII

13 The conduct of respondent SASAKI, in allowing Pemberton
14 and MCILROY to violate Section 10130 and allowing TMG to violate
15 Section 10145 of the Code and Section 2832.1 of the Regulations,
16 as described above, during the time that SASAKI was the designated
17 officer of TMG, constitutes negligence or incompetence and a lack
18 of supervision. This conduct and violation are cause for the
19 suspension or revocation of all real estate licenses and license
20 rights of respondent SASAKI pursuant to Sections 10177(g) and
21 10177(h).

22 XVIII

23 Effective November 1991, in Case No. H-24416 LA, an
24 ORDER TO DESIST AND REFRAIN was filed against respondents TMG,
25 SASAKI and MCILROY under Section 10086 of the Code (Engaging in
26 Prohibited Activity; Order to Desist and Refrain) for violations
27 of Sections 10130, 10137 and Sections 2725, 2731 and 2740 of the

1 Regulations.

2 WHEREFORE, Complainant prays that a hearing be conducted
3 on the allegations of this Accusation and that upon proof thereof
4 a decision be rendered imposing disciplinary action against all
5 licenses and license rights of respondents THE MONTEREY GROUP, A
6 REAL ESTATE SERVICE CORPORATION, a corporation; and LAURA MASAKO
7 SASAKI, individually and as designated officer of The Monterey
8 Group; and CRAIG EUGENE MCILROY, under the Real Estate Law (Part 1
9 of Division 4 of the Business and Professions Code) and for such
10 other and further relief as may be proper under other applicable
11 provisions of law.

12 
13 THOMAS MCCRADY
14 Deputy Real Estate Commissioner

15 Dated at Santa Ana, California
16 this 23rd day of August 1994.