

FILED
NOV -9 2005

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE
[Signature]

* * *

In the Matter of the Accusation of)	
)	NO. H-1822 FRESNO
)	
DONALD BENJAMIN and,)	<u>DECISION</u>
DREAMLIFE INVESTMENTS, INC.,)	<u>AS TO</u>
)	<u>DREAMLIFE</u>
Respondents.)	<u>INVESTMENTS, INC.</u>
)	<u>ONLY</u>

DECISION

This Decision is being issued in accordance with the provisions of Section 11520 of the Government Code, on evidence of compliance with Section 11505 of the Government Code and pursuant to the Order of Default filed on October 6, 2005, and the findings of fact set forth herein, which are based on one or more of the following: (1) Respondent's express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

I

On August 2, 2005, John Sweeney, made the Accusation in his official capacity as a Deputy Real Estate Commissioner of the State of California. The Accusation, Statement to Respondent, and Notice of Defense were mailed by certified mail on August 5, 2005 to Respondent DREAMLIFE INVESTMENTS, INC.'s (hereinafter "DII") last known mailing address on file with the Department.

On October 6, 2005, no Notice of Defense having been filed by Respondent DII herein within the time prescribed by Section 11506 of the Government Code, Respondent DII's default was entered herein.

II

Respondent DII is presently licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereinafter "Code"), as a

corporate real estate broker. Prior to December 22, 2003 Respondent DII was licensed under the name of DreamLife Mortgage & Properties, Inc. On or about January 8, 2004, Source Financial Turlock (hereinafter "Source") was added as a licensed dba for Respondent DII. On or about April 2, 2004 Source Financial Turlock was removed as a dba and DreamLife Financial was added as a dba.

III

Respondent BENJAMIN is presently licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the Code as a real estate broker. At all times relevant herein, until March 23, 2005, Respondent BENJAMIN was the designated officer of Respondent DII.

IV

Source was licensed by the Department of Corporations as a California Finance Lender from October 15, 2003 to February 9, 2004.

V

At all times herein mentioned, Respondent DII, engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate broker in the State of California within the meaning of Section 10131(d) of the Code by soliciting borrowers or lenders for or negotiating loans or collecting payments or performing services for borrowers or lenders or note owners in connection with loans secured directly or collaterally by liens on real property or on a business opportunity.

VI

Debra Keller (hereinafter "Keller") was employed by Source for the period from on or about November 8, 2003 to May 12, 2004. At no time during that period was Keller licensed by the Department of Real Estate (hereinafter the "Department") as a real estate salesperson or real estate broker.

VII

During the period from February 10, 2004 through May 12, 2004 Keller solicited borrowers, discussed interest rates and loan fees, explained monthly mortgage payments and completed loan applications for Dennis B. Allums, J. Villalobos, Eleanor Roberts and Dennis Reeves for or in expectation of compensation from Source. The activities described herein are activities for which a real estate license is required. At no time during the performance of these activities was Keller licensed by the Department as either a real estate salesperson or broker.

VIII

Nary Chan (hereinafter "Chan") was employed by Respondent DII starting on or about December 1, 2003. At no time during that period from December 1, 2003 to May 26, 2004 was Chan licensed by the Department as a real estate salesperson or real estate broker.

IX

During the period from February 10, 2004 through May 26, 2004 Chan solicited borrowers, discussed interest rates and loan fees, explained monthly mortgage payments and completed loan applications for Ester Lopez, Chhean Pen and Vaekeo Sanvichith for or in expectation of compensation from Respondent DII. The activities described herein are activities for which a real estate license is required. At no time during the performance of these activities was Chan licensed by the Department as either a real estate salesperson or broker.

X

Angel Longoria (hereinafter "Longoria") was employed by Respondent DII starting on or about January 2, 2004. At no time during that period from January 2, 2004 to May 18, 2004 was Longoria licensed by the Department as a real estate salesperson or real estate broker.

XI

During the period from April 23, 2004 through May 18, 2004 Longoria solicited borrowers, discussed interest rates and loan fees, explained monthly mortgage payments and completed loan applications for Jaime Garcia and Antonio Ramos for or in expectation of compensation from Respondent DII. The activities described herein are activities for which a real estate license is required. At no time during the performance of these activities was Longoria licensed by the Department as either a real estate salesperson or broker.

XII

Sharon Dodson (hereinafter "Dodson") was employed by Respondent DII starting in or about December 2003. At no time during that period from December 2003 to April 12, 2004 was Dodson licensed by the Department as a real estate salesperson or real estate broker.

///

XIII

During the period from March 5, 2004 through April 12, 2004 Dodson solicited borrowers, discussed interest rates and loan fees, explained monthly mortgage payments and completed loan applications for Noel Serrano and Jesse Ley for or in expectation of compensation from Respondent DII. The activities described herein are activities for which a real estate license is required. At no time during the performance of these activities was Longoria licensed by the Department as either a real estate salesperson or broker.

XIV

On or about June 18, 2004, Charles and Tonia Benjamin (hereinafter "C and T Benjamin"), the parents of Respondent BENJAMIN, applied for a loan with Respondent DII, for the purpose of purchasing the property located at 4009 Lamarck Avenue in Modesto, California.

XV

Funding of the loan discussed in Paragraph XXVII above was sought through Loancity.com (hereinafter "Loancity"). As part of the loan approval process, Loancity required that a letter be provided from a CPA indicating that the borrower, C and T Benjamin, had been self-employed for 5 years or more with the same business and same location.

XVI

Respondent DII caused to be delivered to Loancity a document purported to be from Maria D. Lopez of Angel's Bookkeeping/Tax Service, with CPA#005518, indicating, in part, as follows:

"I have been preparing Charles Benjamin's taxes for the past 5 years. He has been in business as a General Contractor for the past 5 years. He has a very successful business."

XVII

In truth and in fact, Maria D. Lopez did not know Charles Benjamin, had never prepared his taxes, and was not a CPA.

XVIII

In truth and in fact, C and T Benjamin did not know Maria D. Lopez, nor had they had their taxes prepared by her or Angel's Bookkeeping/Tax Service.

XIX

The loan was funded using the fraudulent letter described in Paragraph XVI.

XX

On or about April 26, 2004, a Uniform Residential Loan Application was purported to be signed by Nobella Masihi (hereinafter "Masihi"), to obtain a loan through Respondent DII, in the amount of \$750,000, on the real property located at 2585 Carriage Court, Turlock.

XXI

The Application discussed in Paragraph XXI immediately above, indicates that Masihi has been self-employed for 3 years with Respondent DII as a commercial investment specialist at a monthly salary of \$25,000.

XXII

In truth and in fact, Masihi was never employed by Respondent DII as a commercial investment specialist, nor was she earning \$25,000 per month.

XXIII

The loan was funded, with Respondent DII receiving a commission of \$9,290.00, using the fraudulent information contained in the application described Paragraph XX.

XXIV

On or about June 3, 2004, a Uniform Residential Loan Application was purported to be signed by Nobella Masihi (hereinafter "Masihi"), to obtain a loan through Respondent DII, in the amount of \$500,000, on the real property located at 2585 Carriage Court, Turlock.

XXV

The Application discussed in Paragraph XXIV immediately above, indicates that Masihi has been self-employed for 3 years with Respondent DII as a commercial investment specialist at a monthly salary of \$25,000.

///

///

XXVI

In truth and in fact, Masihi was never employed by Respondent DII as a commercial investment specialist, nor was she earning \$25,000 per month.

XXVII

The loan was funded, with Respondent DII receiving a commission of \$6,590.00, using the fraudulent information contained in the application described in Paragraph XXIV.

XXVIII

At all times mentioned herein, Respondent DII accepted or received funds in trust (hereafter trust funds) from and on behalf of its principals.

XXIX

From December 20, 2004 through April 13, 2005 investigative audits were performed by the Department of the records and bank records of Respondent DII (Audit # FR 04-0032 and FR 04-0048) for the period from February 1, 2002 through February 1, 2005, as said records related to its activities as a real estate broker.

XXX

During the period covered by the audits discussed in Paragraph XXIX above, Respondent DII failed to forward trust funds to the escrow company or otherwise distribute such funds within three business days following receipt of said funds in compliance with Section 2832 of the Regulations.

XXXI

Respondent DII failed to maintain a record of trust funds received but not placed in a trust account in violation of Section 2831 of the Regulations.

XXXII

Respondent DII failed to maintain a signed Mortgage Loan Disclosure Statement in the file of all borrowers during the period covered by the audits in violation of Section 10240 of the Code.

///

///

DETERMINATION OF ISSUES

I

The acts and/or omissions of Respondent DII described in FINDINGS OF FACT VI and VII, VIII and IX, X and XI, and XII and XIII, are grounds for the revocation or suspension of the licenses of Respondent DII under Section 10137 of the Code and 10177(d) of the Code in conjunction with Sections 10130 and 10131(d).

II

The acts and/or omissions of Respondent DII described in FINDINGS OF FACT XIV through XIX, XX through XXIII, and XXIV through XXVII, are grounds for the revocation or suspension of the licenses of said Respondent DII under Section 10176(i) or 10177(j) of the Code and Section 10176(a) of the Code.

III

The acts and/or omissions of Respondent DII described in FINDINGS OF FACT XXVIII through XXXII above are grounds for the revocation or suspension of the licenses of Respondent DII under Section 10177(d) of the Code in conjunction with Section 10240 of the Code and Section 2831 and 2832 of the Regulations.

IV

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

ORDER

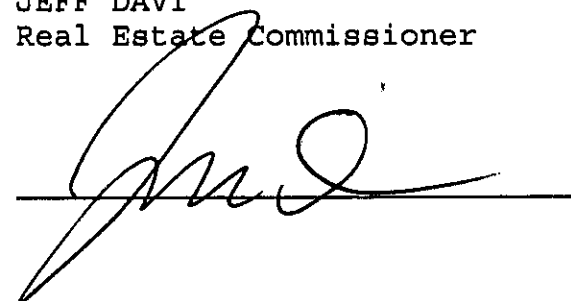
All licenses and licensing rights of Respondent DREAMLIFE INVESTMENTS, INC., under the provisions of Part I of Division 4 of the Business and Professions Code are revoked.

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

NOV 30 2005

DATED: 10-22, 2005

JEFF DAVI
Real Estate Commissioner



1 Department of Real Estate
2 P. O. Box 187007
3 Sacramento, CA 95818-7007

4 Telephone: (916) 227-0789

FILED
OCT -6 2005

DEPARTMENT OF REAL ESTATE

[Signature]

6
7 BEFORE THE DEPARTMENT OF REAL ESTATE
8 STATE OF CALIFORNIA

9 * * *

10 In the Matter of the Accusation of)
11)
12 DONALD BENJAMIN and,)
13 DREAMLIFE INVESTMENTS, INC.,)
14 Respondents.)

NO. H-1822 FR

DEFAULT ORDER
AS TO
DREAMLIFE
INVESTMENTS, INC.
ONLY

15 Respondent, DREAMLIFE INVESTMENTS, INC. (hereinafter
16 "Respondent DII"), having failed to file a Notice of Defense
17 within the time required by Section 11506 of the Government Code,
18 is now in default. It is, therefore, ordered that a default be
19 entered on the record in this matter.

20 IT IS SO ORDERED October 6, 2005.

21 JEFF DAVI
22 Real Estate Commissioner

23 By: *[Signature]*
24 STEVEN J. ELLIS
25 Regional Manager
26
27

1 DAVID B. SEALS, Counsel (SBN 69378)
2 Department of Real Estate
3 P. O. Box 187007
4 Sacramento, CA 95818-7007

5 Telephone: (916) 227-0789
6 -or- (916) 227-0792 (Direct)

FILED
AUG - 5 2005

DEPARTMENT OF REAL ESTATE

By 

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)
12)
13 DONALD BENJAMIN and)
14 DREAMLIFE INVESTMENTS, INC.,)
15 Respondents.)

NO. H-1822 FRESNO

ACCUSATION

16 The Complainant, John Sweeney, a Deputy Real Estate
17 Commissioner of the State of California for cause of Accusation
18 against DREAMLIFE INVESTMENTS, INC. (hereinafter "Respondent
19 DII") and DONALD BENJAMIN (hereinafter "Respondent BENJAMIN") is
20 informed and alleges as follows:

21 FIRST CAUSE OF ACCUSATION

22 I

23 The Complainant, John Sweeney, a Deputy Real Estate
24 Commissioner of the State of California, makes this Accusation
25 in his official capacity.

26 ///

27 ///

1 II

2 Respondent DII is presently licensed and/or has
3 license rights under the Real Estate Law, Part 1 of Division 4
4 of the California Business and Professions Code (hereinafter
5 "Code"), as a corporate real estate broker. Prior to
6 December 22, 2003 Respondent DII was licensed under the name of
7 DreamLife Mortgage & Properties, Inc. On or about January 8,
8 2004, Source Financial Turlock (hereinafter "Source") was added
9 as a licensed dba for Respondent DII. On or about April 2, 2004
10 Source Financial Turlock was removed as a dba and DreamLife
11 Financial was added as a dba.

12 III

13 Respondent BENJAMIN is presently licensed and/or has
14 license rights under the Real Estate Law, Part 1 of Division 4
15 of the Code as a real estate broker. At all times relevant
16 herein, until March 23, 2005, Respondent BENJAMIN was the
17 designated officer of Respondent DII.

18 IV

19 Source was licensed by the Department of Corporations
20 as a California Finance Lender from October 15, 2003 to
21 February 9, 2004.

22 V

23 Whenever reference is made in an allegation in this
24 Accusation to an act or omission of Respondent DII, such
25 allegation shall be deemed to mean that the officers, directors,
26 employees, agents and real estate licensees employed by or
27 associated with Respondent DII committed such act or omissions

1 while engaged in furtherance of the business or operation of
2 Respondent DII and while acting within the course and scope of
3 their corporate authority and employment.

4 VI

5 That at all times herein mentioned, Respondent DII,
6 engaged in the business of, acted in the capacity of,
7 advertised, or assumed to act as a real estate broker in the
8 State of California within the meaning of Section 10131(d) of
9 the Code by soliciting borrowers or lenders for or negotiating
10 loans or collecting payments or performing services for
11 borrowers or lenders or note owners in connection with loans
12 secured directly or collaterally by liens on real property or on
13 a business opportunity.

14 VII

15 Debra Keller (hereinafter "Keller") was employed by
16 Source for the period from on or about November 8, 2003 to
17 May 12, 2004. At no time during that period was Keller licensed
18 by the Department of Real Estate (hereinafter the "Department")
19 as a real estate salesperson or real estate broker.

20 VIII

21 During the period from February 10, 2004 through
22 May 12, 2004 Keller solicited borrowers, discussed interest
23 rates and loan fees, explained monthly mortgage payments and
24 completed loan applications for Dennis B. Allums, J. Villalobos,
25 Eleanor Roberts and Dennis Reeves for or in expectation of
26 compensation from Source. The activities described herein are
27 activities for which a real estate license is required. At no

1 time during the performance of these activities was Keller
2 licensed by the Department as either a real estate salesperson
3 or broker.

4 IX

5 At all times mentioned herein, Respondent BENJAMIN
6 failed to exercise reasonable supervision over the activities of
7 Respondent DII, and permitted, ratified and/or caused the
8 conduct described above. Respondent BENJAMIN failed to
9 reasonably or adequately review, oversee, inspect and manage the
10 personnel and activities of Respondent DII, and/or to establish
11 reasonable policies, rules, procedures and systems for such
12 review, oversight, inspection and management.

13 X

14 The acts and/or omissions of Respondents DII and
15 BENJAMIN described above are grounds for the revocation or
16 suspension of the licenses of Respondent DII under Section 10137
17 of the Code and 10177(d) of the Code in conjunction with
18 Sections 10130 and 10131(d) and are grounds for the revocation
19 or suspension of the licenses of Respondent BENJAMIN, only,
20 under Section 10177(h) of the Code and Section 10159.2 of the
21 Code and Section 2725, Title 10 California Code of Regulations
22 (hereinafter the "Regulations") both in conjunction with Section
23 10177(d) of the Code.

24 ///

25 ///

26 ///

27 ///

1
2
3
4
5
6
7
8
9
0
1
2
3
4
5
6
7
8
9
0
1
2
3
4
5
6
7

2

3
4
5
6
7

8

9
0
1
2
3

4

5
6
7
8
9
0
1
2
3

4

5
6
7

1 conduct described above. Respondent BENJAMIN failed to
2 reasonably or adequately review, oversee, inspect and manage the
3 personnel and activities of Respondent DII, and/or to establish
4 reasonable policies, rules, procedures and systems for such
5 review, oversight, inspection and management.

6 XV

7 The acts and/or omissions of Respondents DII and
8 BENJAMIN described in this Second Cause of Accusation are
9 grounds for the revocation or suspension of the licenses of
10 Respondent DII under Section 10137 of the Code and 10177(d) of
11 the Code in conjunction with Sections 10130 and 10131(d) and are
12 grounds for the revocation or suspension of the licenses of
13 Respondent BENJAMIN, only, under Section 10177(h) of the Code
14 and Section 10159.2 of the Code and Section 2725 of the
15 Regulations, both in conjunction with Section 10177(d) of the
16 Code.

17 THIRD CAUSE OF ACCUSATION

18 XVI

19 There is hereby incorporated in this third, separate
20 and distinct, Cause of Accusation all of the allegations
21 contained in Paragraphs I through X of the First Cause of
22 Accusation with the same force and effect as if herein fully set
23 forth.

24 XVII

25 Angel Longoria (hereinafter "Longoria") was employed
26 by Respondent DII starting on or about January 2, 2004. At no
27 time during that period from January 2, 2004 to May 18, 2004 was

1 Longoria licensed by the Department as a real estate salesperson
2 or real estate broker.

3 XVIII

4 During the period from April 23, 2004 through May 18,
5 2004 Longoria solicited borrowers, discussed interest rates and
6 loan fees, explained monthly mortgage payments and completed
7 loan applications for Jaime Garcia and Antonio Ramos for or in
8 expectation of compensation from Respondent DII. The activities
9 described herein are activities for which a real estate license
10 is required. At no time during the performance of these
11 activities was Longoria licensed by the Department as either a
12 real estate salesperson or broker.

13 XIX

14 At all times mentioned herein, Respondent BENJAMIN
15 failed to exercise reasonable supervision over the activities of
16 Respondent DII, and permitted, ratified and/or caused the
17 conduct described above. Respondent BENJAMIN failed to
18 reasonably or adequately review, oversee, inspect and manage the
19 personnel and activities of Respondent DII, and/or to establish
20 reasonable policies, rules, procedures and systems for such
21 review, oversight, inspection and management.

22 XX

23 The acts and/or omissions of Respondents DII and
24 BENJAMIN described in this Third Cause of Accusation are grounds
25 for the revocation or suspension of the licenses of Respondent
26 DII under Section 10137 of the Code and 10177(d) of the Code in
27 conjunction with Sections 10130 and 10131(d) and are grounds for

1 the revocation or suspension of the licenses of Respondent
2 BENJAMIN, only, under Section 10177(h) of the Code and Section
3 10159.2 of the Code and Section 2725 of the Regulations, both in
4 conjunction with Section 10177(d) of the Code.

5 FOURTH CAUSE OF ACCUSATION

6 XXI

7 There is hereby incorporated in this fourth, separate
8 and distinct, Cause of Accusation all of the allegations
9 contained in Paragraphs I through X of the First Cause of
10 Accusation with the same force and effect as if herein fully set
11 forth.

12 XXII

13 Sharon Dodson (hereinafter "Dodson") was employed by
14 Respondent DII starting in or about December 2003. At no time
15 during that period from December 2003 to April 12, 2004 was
16 Dodson licensed by the Department as a real estate salesperson
17 or real estate broker.

18 XXIII

19 During the period from March 5, 2004 through April 12,
20 2004, Dodson solicited borrowers, discussed interest rates and
21 loan fees, explained monthly mortgage payments and completed
22 loan applications for Noel Serrano and Jesse Ley for or in
23 expectation of compensation from Respondent DII. The activities
24 described herein are activities for which a real estate license
25 is required. At no time during the performance of these
26 activities was Longoria licensed by the Department as either a
27 real estate salesperson or broker.

1 XXIV

2 At all times mentioned herein, Respondent BENJAMIN
3 failed to exercise reasonable supervision over the activities of
4 Respondent DII, and permitted, ratified and/or caused the
5 conduct described above. Respondent BENJAMIN failed to
6 reasonably or adequately review, oversee, inspect and manage the
7 personnel and activities of Respondent DII, and/or to establish
8 reasonable policies, rules, procedures and systems for such
9 review, oversight, inspection and management.

10 XXV

11 The acts and/or omissions of Respondents DII and
12 BENJAMIN described in this Fourth Cause of Accusation are
13 grounds for the revocation or suspension of the licenses of
14 Respondent DII under Section 10137 of the Code and 10177(d) of
15 the Code in conjunction with Sections 10130 and 10131(d) and are
16 grounds for the revocation or suspension of the licenses of
17 Respondent BENJAMIN, only, under Section 10177(h) of the Code
18 and Section 10159.2 of the Code and Section 2725 of the
19 Regulations, both in conjunction with Section 10177(d) of the
20 Code.

21 FIFTH CAUSE OF ACCUSATION

22 XXVI

23 There is hereby incorporated in this fifth, separate
24 and distinct, Cause of Accusation all of the allegations
25 contained in Paragraphs I through X of the First Cause of
26 Accusation with the same force and effect as if herein fully set
27 forth.

1 XXVII

2 On or about June 18, 2004, Charles and Tonia Benjamin
3 (hereinafter "C and T Benjamin"), the parents of Respondent
4 BENJAMIN, applied for a loan with Respondent DII, for the
5 purpose of purchasing the property located at 4009 Lamarck
6 Avenue in Modesto, California.

7 XXVIII

8 Funding of the loan discussed in Paragraph XXVII above
9 sought through Loancity.com (hereinafter "Loancity"). As part
10 of the loan approval process, Loancity required that a letter be
11 provided from a CPA indicating that the borrower, C and T
12 Benjamin, had been self-employed for 5 years or more with the
13 same business and same location.

14 XXIX

15 Respondent DII caused to be delivered to Loancity a
16 document purported to be from Maria D. Lopez of Angel's
17 Bookkeeping/Tax Service, with CPA#005518, indicating, in part,
18 as follows:

19 "I have been preparing Charles Benjamin's taxes for
20 the past 5 years. He has been in business as a General
21 Contractor for the past 5 years. He has a very successful
22 business."

23 XXX

24 In truth and in fact, Maria D. Lopez did not know
25 Charles Benjamin, had never prepared his taxes, and was not a
26 CPA.

27 ///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

XXXI

In truth and in fact, C and T Benjamin did not know Maria D. Lopez, nor had they had their taxes prepared by her or Angel's Bookkeeping/Tax Service.

XXXII

The loan was funded using the fraudulent letter described hereinabove.

XXXIII

At all times mentioned herein, Respondent BENJAMIN failed to exercise reasonable supervision over the activities of Respondent DII, and permitted, ratified and/or caused the conduct described above. Respondent BENJAMIN failed to reasonably or adequately review, oversee, inspect and manage the personnel and activities of Respondent DII, and/or to establish reasonable policies, rules, procedures and systems for such review, oversight, inspection and management.

XXXIV

The acts and/or omissions of Respondents DII and BENJAMIN described in this Fifth Cause of Accusation are grounds for the revocation or suspension of the licenses of said Respondents under Section 10176(i) or 10177(j) of the Code and Section 10176(a) of the Code and are grounds for the revocation or suspension of the licenses of Respondent BENJAMIN, only, under Section 10177(h) of the Code and Section 10159.2 of the Code and Section 2725 of the Regulations, both in conjunction with Section 10177(d) of the Code.

///

1 SIXTH CAUSE OF ACCUSATION

2 XXXV

3 There is hereby incorporated in this sixth, separate
4 and distinct, Cause of Accusation all of the allegations
5 contained in Paragraphs I through X of the First Cause of
6 Accusation with the same force and effect as if herein fully set
7 forth.

8 XXXVI

9 On or about April 26, 2004, a Uniform Residential Loan
10 Application was purported to be signed by Nobella Masihi
11 (hereinafter "Masihi"), to obtain a loan through Respondent DII,
12 in the amount of \$750,000, on the real property located at 2585
13 Carriage Ct, Turlock.

14 XXXVII

15 The Application discussed in Paragraph XXXVI
16 immediately above, indicates that Masihi has been self-employed
17 for 3 years with Respondent DII as a commercial investment
18 specialist at a monthly salary of \$25,000.

19 XXXVIII

20 In truth and in fact, Masihi was never employed by
21 Respondent DII as a commercial investment specialist, nor was
22 she earning \$25,000 per month.

23 XXXIX

24 The loan was funded, with Respondent DII receiving a
25 commission of \$9290.00, using the fraudulent information
26 contained in the application described hereinabove.

27 ///

1 XXXX

2 At all times mentioned herein, Respondent BENJAMIN
3 failed to exercise reasonable supervision over the activities of
4 Respondent DII, and permitted, ratified and/or caused the
5 conduct described above. Respondent BENJAMIN failed to
6 reasonably or adequately review, oversee, inspect and manage the
7 personnel and activities of Respondent DII, and/or to establish
8 reasonable policies, rules, procedures and systems for such
9 review, oversight, inspection and management.

10 XXXXI

11 The acts and/or omissions of Respondents DII and
12 BENJAMIN described in this Sixth Cause of Accusation are grounds
13 for the revocation or suspension of the licenses of said
14 Respondents under Section 10176(i) or 10177(j) of the Code and
15 Section 10176(a) of the Code and are grounds for the revocation
16 or suspension of the licenses of Respondent BENJAMIN, only,
17 under Section 10177(h) of the Code and Section 10159.2 of the
18 Code and Section 2725 of the Regulations, both in conjunction
19 with Section 10177(d) of the Code.

20 SEVENTH CAUSE OF ACCUSATION

21 XXXXII

22 There is hereby incorporated in this seventh, separate
23 and distinct, Cause of Accusation all of the allegations
24 contained in Paragraphs I through X of the First Cause of
25 Accusation with the same force and effect as if herein fully set
26 forth.

27 ///

1 XXXXIII

2 On or about June 3, 2004, a Uniform Residential Loan
3 Application was purported to be signed by Nobella Masihi
4 (hereinafter "Masihi"), to obtain a loan through Respondent DII,
5 in the amount of \$500,000, on the real property located at 2585
6 Carriage Ct, Turlock.

7 XXXXIV

8 The Application discussed in Paragraph XXXXIII
9 immediately above, indicates that Masihi has been self-employed
10 for 3 years with Respondent DII as a commercial investment
11 specialist at a monthly salary of \$25,000.

12 XXXXV

13 In truth and in fact, Masihi was never employed by
14 Respondent DII as a commercial investment specialist, nor was
15 she earning \$25,000 per month.

16 XXXXVI

17 The loan was funded, with Respondent DII receiving a
18 commission of \$6590.00, using the fraudulent information
19 contained in the application described hereinabove.

20 XXXXVII

21 At all times mentioned herein, Respondent BENJAMIN
22 failed to exercise reasonable supervision over the activities of
23 Respondent DII, and permitted, ratified and/or caused the
24 conduct described above. Respondent BENJAMIN failed to
25 reasonably or adequately review, oversee, inspect and manage the
26 personnel and activities of Respondent DII, and/or to establish

27 ///

1 reasonable policies, rules, procedures and systems for such
2 review, oversight, inspection and management.

3 XXXXVIII

4 The acts and/or omissions of Respondents DII and
5 BENJAMIN described in this Seventh Cause of Accusation are
6 grounds for the revocation or suspension of the licenses of said
7 Respondents under Section 10176(i) or 10177(j) of the Code and
8 Section 10176(a) of the Code and are grounds for the revocation
9 or suspension of the licenses of Respondent BENJAMIN, only,
10 under Section 10177(h) of the Code and Section 10159.2 of the
11 Code and Section 2725 of the Regulations, both in conjunction
12 with Section 10177(d) of the Code.

13 EIGHTH CAUSE OF ACCUSATION

14 XXXXIX

15 There is hereby incorporated in this eighth, separate
16 and distinct, Cause of Accusation all of the allegations
17 contained in Paragraphs I through X of the First Cause of
18 Accusation with the same force and effect as if herein fully set
19 forth.

20 L

21 That at all times mentioned herein, Respondent DII
22 accepted or received funds in trust (hereafter trust funds) from
23 and on behalf of its principals.

24 LI

25 From December 20, 2004 through April 13, 2005
26 investigative audits were performed by the Department of the
27 records and bank records of Respondent DII (Audit# FR 04-0032

1 and FR 04-0048) for the period from February 1, 2002 through
2 February 1, 2005, as said records related to its activities as a
3 real estate broker.

4 LII

5 During the period covered by the audits discussed in
6 Paragraph LI above, Respondent DII failed to forward trust funds
7 to the escrow company or otherwise distribute such funds within
8 three business days following receipt of said funds in
9 compliance with Section 2832 of the Regulations.

10 LIII

11 Respondent DII failed to maintain a record of trust
12 funds received but not placed in a trust account in violation of
13 Section 2831 of the Regulations.

14 LIV

15 Respondent DII failed to maintain a signed Mortgage
16 Loan Disclosure Statement in the file of all borrowers during
17 the period covered by the audits in violation of Section 10240
18 of the Code.

19 LV

20 At all times mentioned herein, Respondent BENJAMIN
21 failed to exercise reasonable supervision over the activities of
22 Respondent DII, and permitted, ratified and/or caused the
23 conduct described above. Respondent BENJAMIN failed to
24 reasonably or adequately review, oversee, inspect and manage the
25 personnel and activities of Respondent DII, and/or to establish
26 reasonable policies, rules, procedures and systems for such
27 review, oversight, inspection and management.

LVI

The acts and/or omissions of Respondents DII and BENJAMIN described above are grounds for the revocation or suspension of the licenses of Respondent DII under Section 10177(d) of the Code in conjunction with Section 10240 of the Code and Section 2831 and 2832 of the Regulations and are grounds for the revocation or suspension of the licenses of Respondent BENJAMIN, only, under Section 10177(h) of the Code and Section 10159.2 of the Code and Section 2725 of the Regulations both in conjunction with Section 10177(d) of the Code.

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 all licenses and license rights of Respondents 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 provisions of law.


JOHN SWEENEY
Deputy Real Estate Commissioner

Dated at Fresno, California,
this 2nd day of August, 2005.