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

FILED
MAY 27 1997
DEPARTMENT OF REAL ESTATE

By Sana B. Crane

DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of) No. H-2017 SA
)
COMMONWEALTH CAPITAL MORTGAGE)
CORPORATION, a Corporation and)
EDMOND ROOHINIA,)
individually, and as)
designated officers of)
COMMONWEALTH CAPITAL MORTGAGE)
Corporation)
)
Respondents.)

STIPULATION AND AGREEMENT IN SETTLEMENT AND ORDER

It is hereby stipulated by and between COMMONWEALTH CAPITAL MORTGAGE CORPORATION, and EDMOND ROOHINIA, individually, and as designated officer of COMMONWEALTH CAPITAL MORTGAGE CORPORATION (hereinafter referred to as Respondents) and the Complainant, acting by and through V. Ahda Sands, Counsel for the Department of Real Estate, as follows, for the purpose of settling and disposing of the Accusation filed on May 11, 1995, in this matter:

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

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

12 C. Heretofore, Respondents filed Notices of Defense
13 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 Notices of Defense. Respondents acknowledge that they
17 understand that by withdrawing said Notices of Defense,
18 Respondents will thereby waive Respondents' right to require
19 the Commissioner to prove the allegations in the Accusation at
20 a contested hearing held in accordance with the provisions of
21 the APA and that Respondents will waive other rights afforded
22 to Respondents in connection with the hearing such as the right
23 to present evidence in their defense and the right to cross
24 examination.

25 D. Respondents admit the factual allegations in the
26 Accusation and Stipulate, subject to the limitations set forth
27



1 below, that the Real Estate Commissioner shall not be required
2 to provide further evidence of such allegations.

3 E. It is understood by the parties that the Real
4 Estate Commissioner may adopt the Stipulation and Agreement in
5 Settlement and Order as his decision in this matter hereby
6 imposing the penalty and sanctions on Respondents' real estate
7 licenses and license rights as set forth in the "Order" below.
8 In the event that the Commissioner in his discretion does not
9 adopt the Stipulation and Agreement in Settlement and Order,
10 the Stipulation and Agreement in Settlement and Order shall be
11 void and of no effect, and Respondents shall retain the right
12 to a hearing and proceeding on the Accusation as Amended under
13 all the provisions of the APA and shall not be bound by an
14 admission or waiver made herein.

15 F. The Order or any subsequent Order of the Real
16 Estate Commissioner made pursuant to this Stipulation shall not
17 constitute an estoppel, merger or bar to any further
18 administrative or civil proceedings by the Department of Real
19 Estate with respect to any matters which were not specifically
20 alleged to be causes for Accusation in this proceeding.

21 II

22 DETERMINATION OF ISSUES

23 By reason of the foregoing stipulations, admissions and
24 waivers and solely for the purpose of settlement of the pending
25 Accusation without a hearing, it is stipulated and agreed that
26 the following Determination of Issues be made:

27 I

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

5 1. Any restricted real estate license issued to
6 Respondent EDMOND ROOHINIA and/or COMMONWEALTH CAPITAL MORTGAGE
7 CORPORATION pursuant to this Decision shall be suspended for 30
8 days from the date of issuance of said restricted license;
9 provided however, that if Respondents petition, said suspension
10 (or a portion thereof) shall be permanently stayed upon
11 condition that:

12 a. Respondent pays a monetary penalty
13 pursuant to Section 10175.2 of the Business and Professions
14 Code at the rate of \$83.33 for each day of the suspension for a
15 total monetary penalty of \$2,500.00 for **EACH** Respondent.

16 b. Said payment shall be in the form of a
17 cashier's check or certified check made payable to the Recovery
18 Account for the Real Estate Fund. Said check must be
19 delivered to the Department prior to the effective date of the
20 Decision in this matter.

21 c. If a Respondent fails to pay the monetary
22 penalty as provided above, prior to the effective date of this
23 Order, the stay of the suspension shall be vacated and the
24 order of suspension shall be immediately executed, in which
25 event the Respondent shall not be entitled to any repayment nor
26 credit, prorated or otherwise, for money paid to the Department
27 under the terms of this Decision.



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2. That Respondent COMMONWEALTH CAPITAL MORTGAGE
CORP. and/or EDMOND ROOHINIA pays, within 45 days from receipt
of the invoice referred to in paragraph "3(a)" below, the
Commissioner's reasonable costs for an audit, not to exceed
\$3,000.00;

3. Respondent COMMONWEALTH CAPITAL MORTGAGE CORP.
and/or EDMOND ROOHINIA shall pay, pursuant to Section 10148 of
the Business and Professions Code, the Commissioner's
reasonable cost for an audit to determine if Respondents are in
compliance with the Real Estate Law. If COMMONWEALTH CAPITAL
MORTGAGE CORPORATION in no longer doing business, then the
audit and the audit costs shall pertain to all real estate
activity conducted by EDMOND ROOHINA, individually or doing
business as, except those real estate activities conducted by
EDMOND ROOHINA as an agent for another broker. In calculating
the amount of the Commissioner's reasonable cost, the
Commissioner may use the estimated average hourly salary for
all persons performing audits of real estate brokers, and shall
include an allocation for travel costs, including mileage, time
to and from the auditor's place of work and per diem.

(a) Respondent COMMONWEALTH CAPITAL MORTGAGE
CORP. And/or EDMOND ROOHINIA shall pay
such cost within 45 days of receiving an
invoice from Commissioner detailing the
activities performed during the audit and
the amount of time spent performing those
activities;

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(b) Notwithstanding the provisions of the
paragraphs herein, if Respondent
COMMONWEALTH CAPITAL MORTGAGE CORP. and/or
EDMOND ROOHINIA fails to pay, within 45
days from receipt of the invoice specified
above, the Commissioner's reasonable costs
for an audit to determine if Respondents
are in compliance with the Real Estate
Law. The Commissioner may order the
indefinite suspension of Respondent's real
estate license and license rights. The
suspension shall remain in effect until
payment is made in full, or until
Respondents enters into an agreement
satisfactory to the to provide for such
payment. The Commissioner may impose
further reasonable disciplinary terms and
conditions upon Respondent's real estate
license and license rights as part of any
such agreement.

4. Any restricted licenses issued to Respondents
may be suspended prior to hearing by Order of the Real Estate
Commissioner in the event of Respondents' conviction or plea of
nolo contendere to a crime which is substantially related to
Respondents' fitness or capacity as a real estate licensee.

5. Any restricted licenses issued to Respondents
may be suspended prior to hearing by Order of the Real Estate

1 Commissioner on evidence satisfactory to the Commissioner that
2 Respondents have violated provisions of the California Real
3 Estate Law, the Subdivided Lands Law, Regulations of the Real
4 Estate Commissioner or conditions attaching to the restricted
5 license.

6 6. Both Respondents EDMOND ROOHINIA and
7 COMMONWEALTH CAPITAL MORTGAGE CORPORATION shall not be eligible
8 to apply for the issuance of an unrestricted real estate
9 license nor for the removal of any of the conditions,
10 limitations or restrictions of a restricted license until five
11 years have elapsed from the effective date of this Decision.

12 7. Respondent EDMOND ROOHINIA shall, within nine
13 months from the effective date of this Decision, present
14 evidence satisfactory to the Real Estate Commissioner that
15 Respondent has, since the most recent issuance of an original
16 or renewal real estate license, taken and successfully
17 completed the continuing education requirement of Article 2.5
18 of Chapter 3 of the Real Estate Law for renewal of a real
19 estate license. If Respondent fails to satisfy this condition,
20 the Commissioner may order the suspension of the restricted
21 license until the Respondent presents such evidence. The
22 Commissioner shall afford Respondent the opportunity for a
23 hearing pursuant to the Administrative Procedure Act to
24 present such evidence.

25 8. Respondent EDMOND ROOHINIA cannot be a
26 designated officer for any corporation during the period in
27 which his license is restricted.



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IV

EXECUTION OF STIPULATION


We have read the Stipulation and Agreement in Settlement
and its terms are understood by me and are agreeable and
acceptable to me. We understand that we are waiving rights
given to us by the California Administrative Procedure Act
(including) but not limited to Sections 11506, 11508, 11509 and
11513 of the Government Code), and we willingly, intelligently
and voluntarily waive those rights, including the right of
requiring the Commissioner to prove the allegation in the
Accusation at a hearing at which we would have the right to
cross-examine witnesses against us and to present evidence in
defense and mitigation of charges.

COMMONWEALTH CAPITAL MORTGAGE
CORPORATION

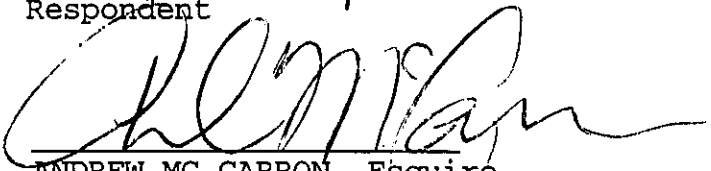
DATED: Feb. 10, 1997

by 
EDMOND ROOHINIA
Designated Officer


DATED: Feb. 10, 1997


EDMOND ROOHINIA
Respondent

DATED: 2/10/97


ANDREW MC CARRON, Esquire
Attorney for Respondents

DATED: 2/10/97


V. Ahda Sands, Counsel
Department of Real Estate

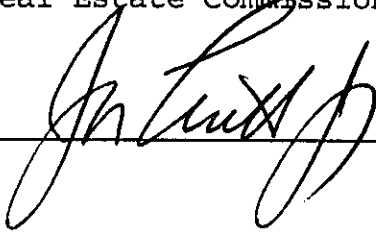
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The foregoing Stipulation and Agreement in Settlement
and Order is hereby adopted by the Real Estate Commissioner as
Decision and Order and shall become effective at 12 o'clock
noon on June 17, 1997.

IT IS SO ORDERED 5/20/97

JIM ANTT, JR.
Real Estate Commissioner



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Hwy*

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * *

FILED
JAN 17 1997
DEPARTMENT OF REAL ESTATE

In the Matter of the Accusation of)
COMMONWEALTH CAPITAL)
MORTGAGE CORP., ET AL.,)
Respondents.)

Case No. H-2017 SA)
OAH No. L-9506146)

By *James B. Orme*

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 FEBRUARY 18 & 19, 1997, 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.

Dated: 1/17/97

DEPARTMENT OF REAL ESTATE

By: *V. Ahda Sands*

V. AHDA SANDS, Counsel

cc: Commonwealth Capital Mortgage Corp.
Edmond Roohinia
Andrew McCarron, Esq.
Sacto.
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*Sacto
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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

FILE
JUL 25 1995
DEPARTMENT OF REAL ESTATE

In the Matter of the Accusation of)
COMMONWEALTH CAPITAL MORTGAGE)
et al.,)
Respondents.)

Case No. H-2017 SA
OAH No. L-9506146

By Janet B. Orton

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 23 & 24, 1996 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.

Dated: July 25, 1995

DEPARTMENT OF REAL ESTATE

By: V. Ahda Sands
V. AHDA SANDS, Counsel

cc: Commonwealth Capital Mortgage Corp.
Edmond Roohinia
Andrew McCarron, Esq.
Sacto.
OAH

Handwritten signature/initials

1 V. AHDA SANDS, Counsel
2 Department of Real Estate
3 107 South Broadway, Room 8107
4 Los Angeles, California 90012
5 (213) 897-3937

FILED
MAY 11 1995
DEPARTMENT OF REAL ESTATE

By *Jane B. Crane*

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DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

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In the Matter of the Accusation of) NO. H-2017 SA
)
COMMONWEALTH CAPITAL MORTGAGE) ACCUSATION
CORP. a corporation, and EDMOND)
ROOHINIA individually, and as)
Designated Officer of)
Commonwealth Capital Mortgage)
Corp.)
)
Respondents.)

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Complainant, Thomas Mc Crady a Deputy Real Estate
Commissioner of the State of California, as and for cause of
Accusation against COMMONWEALTH CAPITAL MORTGAGE CORP., a
corporation, and EDMOND ROOHINIA individually, and as Designated
officer of Commonwealth Capital Mortgage Corp., (herein
"Respondents") alleges as follows:

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The term "the Regulations" as used herein refers to
provisions of Chapter 6, Title 10, California Code of
Regulations.

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

3

Respondents are presently licensed and/or have license rights under the Real Estate Law, Part 1 of Division 4 of the Business and Professions Code (herein "the Code").

4

At all times mentioned herein, Respondent COMMONWEALTH CAPITAL MORTGAGE CORPORATION (herein "CCMC"), a corporation, doing business as Commonwealth Capital Realty Services, was and now is licensed by the Department of Real Estate of the State of California (herein "the Department") as a corporate real estate broker.

5

At all times mentioned herein CCMC was and now is licensed as a corporate real estate broker by and through EDMOND ROOHINIA (herein "ROOHINIA") as the officer and broker responsible pursuant to the provisions of Section 10159.2(a) of the Code for supervising the activities requiring a real estate license conducted on behalf of CCMC by CCMC's officers and employees.

6

At all times mentioned herein Respondent ROOHINIA was licensed by the Department as an individual real estate broker and as an officer of CCMC.

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All further references herein to "Respondents" include the parties identified in Paragraphs 4, 5 and 6, above, and also include the officers, directors, employees, agents and real estate licensees employed by or associated with said parties and who at all times herein mentioned were engaged in the furtherance of the business or operations of said parties and who were acting within the course and scope of their authority and employment.

At all times herein mentioned, Respondents engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers for others in the State of California within the meaning of Code Section 10131(d) of the Code, including the operation and conduct of a mortgage loan activity with the public wherein, on behalf of others and for compensation or in expectation of compensation, Respondent solicited lenders and borrowers for loans secured directly or collaterally by a lien on real property, arranged, negotiated, processed, and consummated said loans.

In connection with the aforesaid real estate broker activities, Respondents accepted or received funds in trust (hereinafter "trust funds") from or on behalf of borrowers and lenders or buyers or sellers and thereafter made disbursements of such funds. Respondents deposited certain of said funds into the following accounts (herein "said accounts"):

1 (1) Account No. 042-002-70344- the "Commonwealth
2 Capital Mortgage Corp. Escrow Division Trust Account", at the
3 Guardian Bank, California.

4 (2) Account No. 204-240839 the "Commonwealth Capital
5 Mortgage Corp. Trust Account", at the Bank of California,
6 California.

7 FIRST CAUSE OF ACCUSATION

8 AUDIT VIOLATIONS

9 10

10 On March 24, 1994, the Department concluded its
11 examination of Respondents' books and records pertaining to the
12 real estate broker activities described in Paragraph 8, above,
13 for the three month period ending January 31, 1994, which
14 examination revealed violations of the Code and of the
15 Regulations as set forth in the following paragraphs:

16 11

17 In connection with the trust funds referred to in
18 Paragraph 9, above, Respondents acted in violation of the Code
19 and the Regulations in that Respondents:

20 (a) Violated Section 2832.1 of the Regulations and
21 10145 of the Code by disbursing or causing or allowing the
22 disbursement of trust funds from the Trust Account # 1, wherein
23 the disbursement of said funds reduced the funds in the said
24 account to an amount which, on January 31, 1994, was
25 approximately \$2,042 less than the existing aggregate trust fund
26 liability to all owners of said funds, without first obtaining
27

1 the prior written consent of every principal who was an owner of
2 said funds.

3 (b) Violated Section 2832.1 of the Regulations and
4 10145 of the Code by disbursing or causing or allowing the
5 disbursement of trust funds from the Trust Account # 2, wherein
6 the disbursement of said funds reduced the funds in the said
7 account to an amount which, on January 31, 1994, was
8 approximately \$179.00 less than the existing aggregate trust fund
9 liability to all owners of said funds, without first obtaining
10 the prior written consent of every principal who was an owner of
11 said funds.

12 (c) Commingled at least \$4,254.52 of broker's funds
13 in the said account. The funds remained in said account for over
14 six months, in violation of Code Section 10176(e).

15 (d) Employed and compensated Melba L. Blake and
16 Kristine N. Banuelos, persons who were not licensed by the
17 Department and known to Respondents not to be licensed by the
18 Department, to perform acts requiring a real estate license for
19 and in the name of CCMC in 1993 and 1994 for others in
20 expectation of compensation. In employing Melba L. Blake and
21 Kristine N. Banuelos Respondents violated Section 10137 of the
22 Code. Each said violation constitutes cause for suspension or
23 revocation of all real estate licenses and license rights of
24 Respondent pursuant to the provisions of Section 10137 of the
25 Code.

26 (e) Failed to notify the Department that licensed
27 real estate salespersons Bruce Barnes; Enrique Fierro and Farrokh

1 Pourmirzaie entered into the employ of Respondents and thereafter
2 solicited borrowers and lenders in the name of CCMC for mortgage
3 loans to be arranged by CCMC, in violation of Code Section
4 10161.8(a) and Regulation Section 2752.

5 (f) ROOHINIA failed to review and initial instruments
6 prepared or signed by real estate salespersons employed by
7 Respondent in connection with transactions for which a real
8 estate license is required, which instruments may have a material
9 effect upon the rights or obligations of a party to the
10 transaction, in violation Section 2725 of the Regulations.

11 12

12 The acts and omissions of Respondents CCMC and/or
13 ROOHINIA, described in Paragraph 11, above, violated the Code and
14 the Regulations as set forth below:

15	<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>	
16	11(a), (b)	Sec. 2832.1	of the Regulations;
		Sec. 10145	of the Code;
17	11(d)	Sec. 10137	of the Code;
	11(e)	Sec. 10161.8(a), 2752	of the Regulations;
	11(f)	Sec. 2725	of the Regulations;

18 Each of the foregoing violations separately constitutes
19 cause for the suspension or revocation of all licenses and
20 license rights of Respondents CCMC and ROOHINIA, pursuant to the
21 provisions of Section 10177(d) of the Code.

22 SECOND CAUSE OF ACCUSATION

23 LACK OF SUPERVISION

24 13

25 The conduct, acts and omissions of Respondents CCMC and
26 ROOHINIA, as described in Paragraph 12, above, independently and
27 collectively constitute failure on the part of ROOHINIA as

1 officer designated by a corporate broker licensee to exercise the
2 reasonable supervision and control over the licensed activities
3 of CCMC required by Section 10159 of the Code and is cause for
4 the suspension or revocation of all real estate licenses and
5 license rights of ROOHINIA pursuant to the provisions of Section
6 10177(h) of the Code.

7 THIRD CAUSE OF ACCUSATION

8 COMMINGLING

9 14

10 The conduct, acts and omissions of Respondents ROOHINIA
11 and CCMC, as described in Paragraph 11(a) constitutes commingling
12 and is cause for the suspension or revocation of all real estate
13 licenses and license rights of CCMC and ROOHINIA pursuant to the
14 provisions of Section 10176(e) of the Code.

15 PRIOR DISCIPLINE

16 15

17 In aggravation, on July 7, 1992, the Department issued
18 CCMC and ROOHINIA an Order to Desist and Refrain (H-1402 SA)
19 from: commingling Respondent's funds with client trust funds;
20 employing and compensating unlicensed loan representatives to
21 perform acts requiring a license; failing to file quarterly trust
22 fund status reports; failing to provide borrowers with department
23 approved mortgage loan disclosure statements; failing to put
24 trust accounts in broker's name as trustee; failing to perform
25 monthly reconciliations of trust funds; failing to initial and
26 date documents prepared by employees within five working days of
27 preparation of the documents. It should be noted that four of

1 the current violations are the same as the July 7, 1992, Desist
2 and Refrain Order. Recurring violations are in violation of
3 Section 10086 of the Code and are cause to revoke or suspend the
4 licenses and license rights of Respondents per Section 10177(d)
5 of the Code. The Desist and Refrain Order was acknowledged by the
6 Respondents.

7 WHEREFORE, Complainant prays that a hearing be
8 conducted on the allegations of this Accusation and that upon
9 proof thereof a decision be rendered imposing disciplinary action
10 against all licenses and license rights of Respondents under the
11 Real Estate Law (Part 1 of Division 4 of the Business and
12 Professions Code) and for such other and further relief as may be
13 proper under other applicable provisions of law.

14 Dated at Santa Ana, California

15 this 11th day of May, 1995.

16 **THOMAS McCRADY**

17 Deputy Real Estate Commissioner

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25 Commonwealth Capital Corporation
26 cc: Edmond Roohinia.
27 Sacto.
 OAH
 DKB
 VAS