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FILED
JUL 14 1997
DEPARTMENT OF REAL ESTATE

By *Laurie A. Zier*

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)
MEHRDAD BAGHAI,) No. H-2245 SAC
Respondent.)

ORDER SUSPENDING RESTRICTED REAL ESTATE LICENSE

TO: MEHRDAD BAGHAI

On October 3, 1990, a restricted real estate broker license was issued by the Department of Real Estate to Respondent on the terms, conditions and restrictions set forth in the Real Estate Commissioner's Order of October 3, 1990, in Case Number H-2245 SAC. This Order granted the right to the issuance of a restricted real estate broker license subject to the provisions of Section 10156.7 of the Business and Professions Code and to enumerated additional terms, conditions and restrictions imposed under authority of Section 10156.6 of said Code.

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On May 23, 1997, in Case Number H-7465 SF, an Accusation by a Deputy Real Estate Commissioner of the State of California was filed charging Respondent with violation of Section 10177(k) of the Business and Professions Code of the State of California.

NOW, THEREFORE, IT IS ORDERED under authority of Section 10156.7 of the Business and Professions Code of the State of California that the restricted real estate broker license heretofore issued to Respondent and the exercise of any privileges thereunder is hereby suspended pending final determination made after the hearing on the aforesaid Accusation.

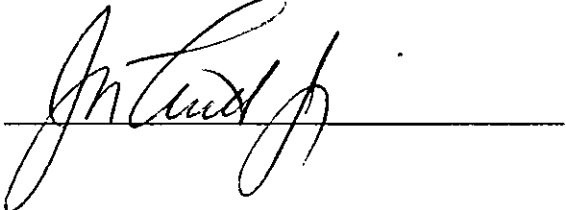
IT IS FURTHER ORDERED that all license certificates and identification cards issued by the Department of Real Estate which are in the possession of Respondent by immediately surrendered by personal delivery or by mailing in the enclosed self-addressed, stamped envelope:

DEPARTMENT OF REAL ESTATE
Attention: Flag Section
P. O. Box 187000
Sacramento, CA 95818-7000

This Order shall be effective immediately.

DATED: 6/11/97

JIM ANTT, JR.
Real Estate Commissioner



FILED
JUN 15 1995

DEPARTMENT OF REAL ESTATE

Lynda Montiel
Lynda Montiel

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)
MEHRDAD BAGHAI,) No. H-2245 SAC
Respondent.)

ORDER DENYING REINSTATEMENT OF LICENSE

On August 31, 1990, a Decision was rendered herein
revoking the real estate broker license of Respondent, but
granting Respondent the right to the issuance of a restricted real
estate broker license. A restricted real estate broker license
was issued to Respondent on October 3, 1990.

On March 3, 1993, Respondent petitioned for
reinstatement of said license and the Attorney General of the
State of California has been given notice of the filing of the
petition.

I have considered Respondent's petition and the evidence
and arguments in support thereof. Respondent has failed to
demonstrate to my satisfaction that he has undergone sufficient

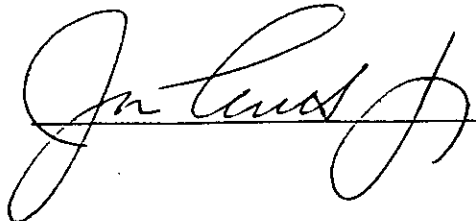
1 rehabilitation to warrant the reinstatement of his real estate
2 broker license in that as a condition of the Order granting
3 Respondent a restricted real estate broker license, Respondent was
4 required to submit on a quarterly basis, a Trust Fund Position
5 Statement setting forth certain information about trust funds
6 handled by Respondent and a written quarterly Report from
7 Respondent concerning his dealings as a real estate broker.
8 According to the records of the Department of Real Estate,
9 Respondent filed said Statement and Report only for the last
10 quarter of 1990. Thereafter, Respondent failed to file said
11 reports with the Department. Consequently, Respondent has
12 violated the terms and conditions of his restricted real estate
13 broker license. As a result, Respondent has not demonstrated
14 rehabilitation sufficient to warrant the issuance of an
15 unrestricted real estate broker license.

16 NOW, THEREFORE, IT IS ORDERED that Respondent's petition
17 for reinstatement of his real estate broker license is denied.

18 This Order shall be effective at 12 o'clock noon on
19 July 5th, 1995.

20 DATED: 6-13-95

21 JIM ANTT, JR.
22 Real Estate Commissioner

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FILED
SEP 23 1991
DEPARTMENT OF REAL ESTATE

By Laurie A. Zia

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	
JANET M. JORDAN,)	No. H-2245 SAC
Respondent.)	
<hr/>	

ORDER DENYING REINSTATEMENT OF LICENSE

On July 28, 1987, a Decision was rendered herein revoking the real estate salesperson license of Respondent.

On August 16, 1990, Respondent petitioned for reinstatement of said license and the Attorney General of the State of California has been given notice of the filing of the petition.

I have considered Respondent's petition and the evidence and arguments in support thereof. Respondent has failed to demonstrate to my satisfaction that Respondent has undergone sufficient rehabilitation to warrant the reinstatement of Respondent's real estate salesperson license, in that:

///

1 1. Respondent has operated her own real estate sales
2 business located in or near Folsom, California and in or near
3 Sacramento, California, as if Respondent was a licensed real
4 estate broker including but not limited to Respondent entering
5 into broker-salesperson agreements in which Respondent executed
6 said agreements as a real estate broker;

7 2. Respondent has accepted compensation for acts for
8 which a real estate license is required from persons other than
9 the broker under whom Respondent was employed; and

10 3. Respondent has employed and/or compensated directly
11 or indirectly, and not through the broker under whom Respondent
12 was licensed, real estate salespersons and/or brokers to perform
13 acts for which a real estate license is required.

14 NOW, THEREFORE, IT IS ORDERED that Respondent's petition
15 for reinstatement of Respondent's real estate salesperson license
16 is denied.

17 This Order shall be effective at 12 o'clock noon on
18 October 15, 1991.

19 DATED: September 13, 1991

20 CLARK WALLACE
21 Real Estate Commissioner

22 
23 Chief Deputy Commissioner

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27

FILED
SEP 13 1990
DEPARTMENT OF REAL ESTATE

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

Kathleen Contreras

* * *

In the Matter of the Accusation of)
HAMID HAFIZI,) NO. H-2245 SAC
MARYAM & DAVID, INC.,)
MEHRDAD BAGHI dba PARAMOUNT)
INVESTMENTS AND CASPIAN)
PROPERTIES,)
Respondents.)

DECISION

The Proposed Decision dated August 21, 1990
of Robert E. McCabe, Regional Manager, Department of Real Estate,
State of California, is hereby adopted as the Decision of the Real
Estate Commissioner in the above-entitled matter as to HAMID HAFIZI and
MARYAM & DAVID, INC.

The Decision shall become effective at 12 o'clock
noon on October 3, 1990.

IT IS SO ORDERED August 31, 1990.

JAMES A. EDMONDS, JR.
Real Estate Commissioner

John R. Liberator
By: JOHN R. LIBERATOR
Chief Deputy Commissioner

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)
)
HAMID HAFIZI,)
MARYAM & DAVID, INC.,)
MEHRDAD BAGHAI dba PARAMOUNT) NO. H-2245 SAC
INVESTMENTS AND CASPIAN)
PROPERTIES,)
)
)
Respondents.)

PROPOSED DECISION

This matter was presided over as an uncontested case by Robert E. McCabe, Regional Manager, Department of Real Estate, as the designee of the Real Estate Commissioner, in Sacramento, California, on August 20, 1990.

DAVID A. PETERS Counsel, represented the Complainant.

No appearance was made by or on behalf of respondents HAMID HAFIZI (hereinafter "respondent HAFIZI") and MARYAM & DAVID, INC., (hereinafter "respondent MARYAM & DAVID").

The matter was submitted upon written Stipulation of the respondent HAFIZI, respondent MARYAM & DAVID and the Department of Real Estate. Respondents HAFIZI and MARYAM & DAVID agree that this matter shall be submitted on the pleadings filed in these proceedings without admitting any of the allegations contained therein. Pursuant to the Stipulation, the following decision is proposed, certified and recommended for adoption:

FINDINGS OF FACT

FIRST CAUSE OF ACCUSATION

1.

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

2.

At all times herein mentioned, respondent HAFIZI is presently licensed and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) (hereinafter "Code") as a real estate broker.

3.

At all times herein mentioned, respondent MARYAM & DAVID is presently licensed and/or has license rights under the Code as a real estate broker corporation by and through respondent HAFIZI as designated broker-officer of said corporation.

4.

Each of the respondents at various times (as alleged herein) participated in and contributed to the unlawful acts and schemes complained of herein, and as such whenever reference is made to any act of a particular respondent with reference to a specific Cause of Accusation, such references shall be deemed to mean the act of each respondent named in the Cause of Accusation acting individually, jointly, and severally.

5.

Described hereinbelow are certain transactions involving the sale and purchase of various parcels of real property and the obtaining of loans secured by liens on said properties. Beginning on or before April 23, 1981, respondents and/or respondents' confederates acting as sellers, buyers, or agents entered into a plan and scheme with reference to said transactions, as fully set forth below, with the intent to substantially benefit themselves without regard to the injury their acts would cause to various lenders named hereinunder and without disclosing to said lenders the true facts and their true intentions with respect to the transactions described in the Causes of Accusation.

6.

The plan and scheme described in Paragraph 5., above contemplated with respect to each of the transactions, one or more of the following acts, omissions, or representations:

1. Respondents and/or respondents' confederates would purchase residential real properties located in or near Sacramento, California.

2. Respondents and/or respondents' confederates would transfer to each other title to said properties as a result of purported sales involving inflated sales prices.

3. Respondents and/or respondents' confederates posing as buyers of said properties would make application for and obtain purchase money loans secured by said properties without disclosing to the lenders the manner in which said properties were acquired and the true value of said properties. As a portion of said loan application, respondents and/or respondents' confederates would represent that they would occupy said properties.

4. Respondents and/or respondents' confederates would obtain said loans for their own benefit and not for the purposes represented to the lenders.

7.

At various times herein mentioned in this First Cause of Accusation, respondents MARYAM & DAVID and HAFIZI were performing acts requiring a real estate license for or in expectation of compensation.

8.

On or about January 5, 1981, respondent MARYAM & DAVID, acting by and through respondents' confederates (hereinafter "Buyer") purchased real property commonly known as 3501 37th Street, Sacramento, California (hereinafter "3501 property") from Moses Smith. The exact amount of said purchase price is unknown to complainant but well known to respondents MARYAM & DAVID and HAFIZI and is believed to be \$20,000 or less.

9.

On or about April 23, 1981, respondent MARYAM & DAVID in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., entered into an agreement in which Buyer agreed to buy the 3501 property from MARYAM & DAVID for a purported purchase price of \$45,000.

10.

On or about April 23, 1981, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., Buyer applied to California Federal Savings and Loan Association, 591 Watt Avenue, Sacramento, California (hereinafter "Cal Fed") for a loan in the amount of \$42,700 secured by a lien on the 3501 property.

11.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 5., and 6., respondent MARYAM & DAVID and Buyer falsely represented to Cal Fed that:

1. The sale by MARYAM & DAVID and purchase by Buyer of the 3501 property was a bona fide sale and purchase;

2. The loan proceeds obtained by Buyer would be used to purchase the 3501 property and that Buyer would occupy the 3501 property;

3. The fair market value of the 3501 property was \$45,000; and

4. Buyer would make payments on the \$42,700 loan described in Paragraph 10.

12.

In reliance on said representations Cal Fed loaned Buyer \$42,700 to be secured by a deed of trust on the 3501 property.

13.

On or about June 2, 1981, a grant deed was recorded transferring the 3501 property from respondent MARYAM & DAVID to Buyer. On or about June 2, 1981, the deed of trust described in Paragraph 12., was recorded.

14.

On or about June 2, 1981, respondent MARYAM & DAVID received a check from escrow in the amount of \$24,047.48.

15.

On or about October 1, 1983, MARYAM & DAVID, Buyer or their successors in interest ceased making payments on the loan secured by a deed of trust on the 3501 property.

SECOND CAUSE OF ACCUSATION

16.

There is hereby incorporated in this Second, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs 1., 2., 3., 4., 5., 6., and 7., of the First Cause of Accusation with the same force and effect as if herein fully set forth.

17.

At various times herein mentioned, respondent MARYAM & DAVID performed acts requiring a real estate license for or in expectation of compensation.

18.

On or about June 29, 1981, respondents' confederates (hereinafter "Buyers") purchased real property commonly known as 7640 Goes Parkway, Sacramento, California (hereinafter "7640 property") from Dale H. and Sharon L. Amos. The exact amount of said purchase price is unknown to complainant but well known to Buyers and is believed to be \$45,000 or less.

19.

On or about July 23, 1981, Buyers in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., entered into an agreement in which Buyers conveyed the 7640 property by grant deed to respondent MARYAM & DAVID.

20.

On or about July 23, 1981, Buyers by and through respondent MARYAM & DAVID and in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., entered into an agreement in which Buyers agreed to buy the 7640 property from respondent MARYAM & DAVID for a purported purchase price of \$82,500.

21.

On or about September 28, 1981, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., Buyers applied to Seafirst Real Estate Group, Seattle, Washington (hereinafter "Seafirst"), for a loan in the amount of \$66,000 secured by a lien on the 7640 property.

22.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 5., and 6., respondent MARYAM & DAVID, and Buyers falsely represented to Seafirst that:

1. The sale by respondent MARYAM & DAVID and purchase by Buyers of the 7640 property was a bona fide sale and purchase;
2. The loan proceeds obtained by Buyers would be used to purchase the 7640 property;
3. The fair market value of the 7640 property was \$82,500; and
4. Buyers would make payments on the loan described in Paragraph 21.

23.

In reliance on said representations Seafirst loaned Buyers \$66,000 to be secured by a deed of trust on the 7640 property.

24.

On or about November 5, 1981, a grant deed was recorded transferring the 7640 property from respondent MARYAM & DAVID to Buyers. On or about November 5, 1981, the deed of trust described in Paragraph 23., was recorded.

25.

On or about November 5, 1981, respondent MARYAM & DAVID received a check from escrow in the amount of \$38,786.11.

26.

On or about June 1, 1982, respondent MARYAM & DAVID, Buyers or their successors in interest ceased making payments on the loan secured by a deed of trust on the 7640 property.

THIRD CAUSE OF ACCUSATION

27.

There is hereby incorporated in this Third, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs 1., 2., 3., 4., 5., 6., and 7., of the First Cause of Accusation with the same force and effect as if herein fully set forth.

28.

At various times herein mentioned, respondents MARYAM & DAVID and HAFIZI were performing acts requiring a real estate license for or in expectation of a compensation.

29.

On or about March 3, 1982, respondent MARYAM & DAVID acting by and through respondent HAFIZI purchased real property commonly known as 3417 42nd Street, Sacramento, California (hereinafter "3417 property") from Charles R. and Kathleen F. Anderson. The exact amount of said purchase price is unknown to complainant but well known to respondents MARYAM & DAVID and HAFIZI and is believed to be \$24,500 or less.

30.

On or about April 1, 1982, respondents MARYAM & DAVID and HAFIZI in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., entered into an agreement in which respondents' confederate (hereinafter "Buyer") agreed to buy the 3417 property from respondent MARYAM & DAVID for a purported purchase price of \$45,000.

31.

On or about April 1, 1982, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., Buyers applied to Cal Fed for a loan in the amount of \$42,750 secured by a lien on the 3417 property.

32.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 5., and 6., respondents MARYAM & DAVID and HAFIZI, by and through Buyer falsely represented to Cal Fed that:

1. The sale by respondents MARYAM & DAVID and HAFIZI and purchase by Buyer of the 3417 property was a bona fide sale and purchase;

2. The loan proceeds obtained by Buyer would be used to purchase the 3417 property and that Buyer would occupy the 3417 property;

3. The fair market value of the 3417 property was \$45,000; and

4. Buyer would make payments on the loan described in Paragraph 31.

33.

In reliance on said representations Cal Fed loaned Buyer \$42,750 to be secured by a deed of trust on the 3417 property.

34.

On or about May 26, 1982, a grant deed was recorded transferring the 3417 property from respondent MARYAM & DAVID to Buyer. On or about May 26, 1982, the deed of trust described in Paragraph 33., was recorded.

35.

On or about May 26, 1982, respondent MARYAM & DAVID received a check from escrow in the amount of \$15,420.16.

36.

On or about February 25, 1983, a grant deed was recorded transferring the 3417 property from Buyer to Suburban Enterprises, Inc. The purchase price paid by Suburban Enterprises, Inc., is unknown to complainant but is believed to be \$1,000 or less.

37.

On or about March 1, 1983, respondent MARYAM & DAVID, Buyer, Suburban Enterprises, Inc., or their successors in interest ceased making payments on the loan secured by a deed of trust on the 3417 property.

FOURTH CAUSE OF ACCUSATION

38.

There is hereby incorporated in this Fourth, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs 1., 2., 3., 4., 5., 6., and 7., of the First Cause of Accusation with the same force and effect as if herein fully set forth.

39.

At various times herein mentioned, respondent MARYAM & DAVID was performing acts requiring a real estate license for or in expectation of a compensation.

40.

On or about March 3, 1982, respondent MARYAM & DAVID purchased real property commonly known as 3101 San Rafael Court, Sacramento, California (hereinafter "3101 property") from Charles R. and Kathleen F. Anderson. The exact amount of said purchase price is unknown to complainant but well known to respondent MARYAM & DAVID and is believed to be \$23,500 or less.

41.

On or about March 15, 1982, respondent MARYAM & DAVID, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., entered into an agreement in which respondents' confederates (hereinafter "Buyers") agreed to buy the 3101 property from MARYAM & DAVID for a purported purchase price of \$50,000.

42.

On or about March 15, 1982, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., Buyers applied to Cal Fed, for a loan in the amount of \$47,500 secured by a lien on the 3101 property.

43.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 5., and 6., respondent MARYAM & DAVID, by and through Buyers, falsely represented to Cal Fed that:

1. The sale by MARYAM & DAVID and purchase by Buyers of the 3101 property was a bona fide sale and purchase;
2. The loan proceeds obtained by Buyers would be used to purchase the 3101 property;

3. The fair market value of the 3101 property was \$50,000; and

4. Buyers would make payments on the loan described in Paragraph 41.

44.

In reliance on said representations Cal Fed loaned Buyers \$47,500 to be secured by a deed of trust on the 3101 property.

45.

On or about May 13, 1982, a grant deed was recorded transferring the 3101 property from respondent MARYAM & DAVID to Buyers. On or about May 13, 1982, the deed of trust described in Paragraph 44., was recorded.

46.

On or about May 13, 1982, respondent MARYAM & DAVID received a check from escrow in the amount of \$20,184.43.

47.

On or about April 1, 1984, MARYAM & DAVID, Buyers, or their successors in interest ceased making payments on the loan secured by a deed of trust on the 3101 property.

FIFTH CAUSE OF ACCUSATION

48.

There is hereby incorporated in this Fifth, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs 1., 2., 3., 4., 5., 6., and 7., of the First Cause of Accusation with the same force and effect as if herein fully set forth.

49.

At various times herein mentioned, respondents MARYAM & DAVID and HAFIZI were performing acts requiring a real estate license for or in expectation of a compensation.

50.

On or about April 1, 1982, respondents' confederate (hereinafter "Seller") acting by and through respondents HAFIZI and MARYAM & DAVID, purchased real property commonly known as 4401 13th Avenue, Sacramento, California (hereinafter "4401 property") from Douglas and Sally Ryno. The exact amount of said purchase price is unknown to complainant but well known to Buyer, HAFIZI and MARYAM & DAVID and is believed to be \$20,000 or less.

51.

On or about April 4, 1982, Seller, HAFIZI and MARYAM & DAVID, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., entered into an agreement in which respondents' confederate (hereinafter "Buyer") agreed to buy the 4401 property from Seller for a purported purchase price of \$40,000.

52.

On or about April 5, 1982, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., Buyer applied to Cal Fed, for a loan in the amount of \$38,000 secured by a lien on the 4401 property.

53.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 5., and 6., Seller, HAFIZI, MARYAM & DAVID and Buyer falsely represented to Cal Fed that:

1. The sale by Seller and purchase by Buyer of the 4401 property was a bona fide sale and purchase;

2. The loan proceeds obtained by Buyer would be used to purchase the 4401 property; and that Buyer would occupy the 4401 property;

3. The fair market value of the 4401 property was \$40,000; and

4. Buyer would make payments on the loan described in Paragraph 52.

54.

In reliance on said representations Cal Fed loaned Buyer \$38,000 to be secured by a deed of trust on the 4401 property.

55.

On or about May 24, 1982, a grant deed was recorded transferring the 4401 property from Seller to Buyer. On or about May 24, 1982, the deed of trust described in Paragraph 54., was recorded.

56.

On or about May 24, 1982, Seller received a check from escrow in the amount of \$16,962.27.

57.

On or about November 1, 1983, Buyer or her successors in interest ceased making payments on the loan secured by a deed of trust on the 4401 property.

SIXTH CAUSE OF ACCUSATION

58.

There is hereby incorporated in this Sixth, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs 1., 2., 3., 4., 5., 6., and 7., of the First Cause of Accusation with the same force and effect as if herein fully set forth.

59.

At various times herein mentioned, respondents MARYAM & DAVID and HAFIZI were performing acts requiring a real estate license for or in expectation of a compensation.

60.

On or about March 3, 1982, respondent MARYAM & DAVID, acting by and through respondent HAFIZI, purchased real property commonly known as 3309 35th Street, Sacramento, California (hereinafter "3309 property"). The exact amount of said purchase price is unknown to complainant but well known to respondents MARYAM & DAVID and HAFIZI and is believed to be \$24,500 or less.

61.

On or about April 20, 1982, respondents MARYAM & DAVID and HAFIZI, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., entered into an agreement in which respondents' confederates (hereinafter "Buyers") agreed to buy the 3309 property from MARYAM & DAVID for a purported purchase price of \$50,000.

62.

On or about April 22, 1982, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., Buyers and respondents MARYAM & DAVID and HAFIZI applied to Cal Fed, for a loan in the amount of \$47,500 secured by a lien on the 3309 property.

63.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 5., and 6., respondents MARYAM & DAVID and HAFIZI falsely represented to Cal Fed that:

1. The sale by respondent MARYAM & DAVID and purchase by the Buyers of the 3309 property was a bona fide sale and purchase;

2. The loan proceeds obtained by the Buyers would be used to purchase the 3309 property; and that the Buyers would occupy the 3309 property;

3. The fair market value of the 3309 property was \$50,000; and

4. The Buyers would make payments on the loan described in Paragraph 62.

64.

In reliance on said representations Cal Fed loaned the Buyers \$47,500 to be secured by a deed of trust on the 3309 property.

65.

On or about June 3, 1982, a grant deed was recorded transferring the 3309 property from respondent MARYAM & DAVID to the Buyers. On or about June 3, 1982, the deed of trust described in Paragraph 64., was recorded.

66.

On or about June 3, 1982, respondents MARYAM & DAVID and HAFIZI received a check from escrow in the amount of \$19,876.59.

SEVENTH CAUSE OF ACCUSATION

67.

There is hereby incorporated in this Seventh, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs 1., 2., 3., 4., 5., 6., and 7., of the First Cause of Accusation with the same force and effect as if herein fully set forth.

68.

At various times herein mentioned, respondents MARYAM & DAVID and HAFIZI were performing acts requiring a real estate license for or in expectation of a compensation.

69.

On or about September 22, 1982, respondent MARYAM & DAVID, acting by and through respondent HAFIZI, purchased real property commonly known as 3410 10th Avenue, Sacramento, California (hereinafter "3410 property") from James and Ernestine Rosemond. The exact amount of said purchase price is unknown to complainant but well known to respondents MARYAM & DAVID and HAFIZI is believed to be \$26,000 or less.

70.

On or about February 15, 1983, respondents MARYAM & DAVID and HAFIZI, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., entered into an agreement in which respondents' confederates (hereinafter "Buyers") agreed to buy the 3410 property from respondent MARYAM & DAVID for a purported purchase price of \$50,000.

71.

On or about February 18, 1983, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., the Buyers applied to Mother Lode Savings, Sacramento, California (hereinafter "Mother Lode"), for a loan in the amount of \$21,000 secured by a lien on the 3410 property.

72.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 5., and 6., respondents MARYAM & DAVID and HAFIZI falsely represented to Mother Lode that:

1. The sale by respondent MARYAM & DAVID and purchase by the Buyers of the 3410 property was a bona fide sale and purchase;

2. The loan proceeds obtained by the Buyers would be used to purchase the 3410 property; and that the Buyers would occupy the 3410 property;

3. The fair market value of the 3410 property was \$50,000; and

4. The Buyers would make payments on the loan described in Paragraph 71.

73.

In reliance on said representations, Mother Lode loaned the Buyers \$21,000 to be secured by a deed of trust on the 3410 property.

74.

On or about March 30, 1983, a grant deed was recorded transferring the 3410 property from respondent MARYAM & DAVID to the Buyers. On or about March 30, 1983, the deed of trust described in Paragraph 73., was recorded.

75.

On or about March 30, 1983, respondent MARYAM & DAVID received a check from escrow in the amount of \$22,378.36.

76.

On or about January 1, 1987, the Buyers, or their successors in interest ceased making payments on the loan secured by a deed of trust on the 3410 property.

EIGHTH CAUSE OF ACCUSATION

77.

There is hereby incorporated in this Eighth, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs 1., 2., 3., 4., 5., 6., and 7., of the First Cause of Accusation with the same force and effect as if herein fully set forth.

78.

At various times herein mentioned, respondents MARYAM & DAVID, and HAFIZI were performing acts requiring a real estate license for or in expectation of a compensation.

79.

On or about October 21, 1982, respondent MARYAM & DAVID, acting by and through respondent HAFIZI, purchased real property commonly known as 4309 Howard Avenue, Sacramento, California (hereinafter "4309 property") from Granite Home Loans. The exact amount of said purchase price is unknown to complainant but well known to respondents MARYAM & DAVID and HAFIZI is believed to be \$16,000 or less.

80.

On or about March 1, 1983, respondents MARYAM & DAVID, HAFIZI and respondents' confederate (hereinafter "Buyer"), in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., entered into an agreement in which Buyer agrees to buy the 4309 property from respondent MARYAM & DAVID for a purported purchase price of \$47,500.

81.

On or about March 1, 1983, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., Buyer applied to Seafirst, for a loan in the amount of \$42,750 secured by a lien on the 4309 property.

82.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 5., and 6., respondents MARYAM & DAVID, HAFIZI, and Buyer, falsely represented to Seafirst that:

1. The sale by respondent MARYAM & DAVID and purchase by Buyer of the 4309 property was a bona fide sale and purchase;

2. The loan proceeds obtained by Buyer would be used to purchase the 4309 property; and that Buyer would occupy the 4309 property;

3. The fair market value of the 4309 property was \$47,500; and

4. Buyer would make payments on the loan described in Paragraph 81.

83.

In reliance on said representations, Seafirst loaned Buyer \$42,750 to be secured by a deed of trust on the 4309 property.

84.

On or about March 31, 1983, a grant deed was recorded transferring the 4309 property from respondent MARYAM & DAVID to Buyer. On or about March 31, 1983, the deed of trust described in Paragraph 83., was recorded.

85.

On or about March 31, 1983, respondent MARYAM & DAVID received a check from escrow in the amount of \$21,711.32.

86.

On or about December 1, 1984, Buyer, or her successors in interest ceased making payments on the loan secured by a deed of trust on the 4309 property.

NINTH CAUSE OF ACCUSATION

87.

There is hereby incorporated in this Ninth, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs 1., 2., 3., 4., 5., 6., and 7., of the First Cause of Accusation with the same force and effect as if herein fully set forth.

88.

At various times herein mentioned, respondents MARYAM & DAVID and HAFIZI were performing acts requiring a real estate license for or in expectation of a compensation.

89.

On or about November 30, 1982, respondent MARYAM & DAVID, acting by and through respondent HAFIZI, purchased real property commonly known as 3068 8th Avenue, Sacramento, California (hereinafter "3068 property") from John E. Williamson. The exact amount of said purchase price is unknown to complainant but well known to respondents MARYAM & DAVID and HAFIZI is believed to be \$30,000 or less.

90.

On or about February 16, 1983, respondents MARYAM & DAVID and HAFIZI, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., entered into an agreement in which respondents' confederate (hereinafter "Buyer") agreed to buy the 3068 property from respondent MARYAM & DAVID for a purported purchase price of \$65,000.

91.

On or about February 16, 1983, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., Buyer applied to Mother Lode, for a loan in the amount of \$24,000 secured by a lien on the 3068 property.

92.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 5., and 6., respondents MARYAM & DAVID, HAFIZI and respondents' confederate falsely represented to Mother Lode that:

1. The sale by respondent MARYAM & DAVID and purchase by Buyer of the 3068 property was a bona fide sale and purchase;
2. The loan proceeds obtained by Buyer would be used to purchase the 3068 property; and that Buyer would occupy the 3068 property;
3. The fair market value of the 3068 property was \$65,000; and
4. Buyer would make payments on the loan described in Paragraph 91.

93.

In reliance on said representations Mother Lode loaned Buyer \$24,000 to be secured by a deed of trust on the 3068 property.

94.

On or about April 1, 1983, a grant deed was recorded transferring the 3068 property from respondent MARYAM & DAVID to Buyer. On or about April 1, 1983, the deed of trust described in Paragraph 93., was recorded.

95.

On or about April 1, 1983, respondent MARYAM & DAVID received a check from escrow in the amount of \$20,770.

96.

On or about January 1, 1987, Buyer, or her successors in interest ceased making payments on the loan secured by a deed of trust on the 3068 property.

TENTH CAUSE OF ACCUSATION

98.

There is hereby incorporated in this Tenth, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs 1., 2., 3., 4., 5., 6., and 7., of the First Cause of Accusation with the same force and effect as if herein fully set forth.

99.

At various times herein mentioned, respondents MARYAM & DAVID, HAFIZI and respondents' confederates were performing acts requiring a real estate license for or in expectation of a compensation.

100.

On or about May 18, 1983, respondent MARYAM & DAVID, acting by and through respondent HAFIZI, purchased real property commonly known as 2815 Santa Cruz Way, Sacramento, California (hereinafter "2815 property") from Joann Eyvonne Jamison. The exact amount of said purchase price is unknown to complainant but well known to respondents MARYAM & DAVID and HAFIZI is believed to be \$24,000 or less.

101.

On or about May 10, 1983, respondents MARYAM & DAVID and HAFIZI, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., entered into an agreement in which respondents' confederate (hereinafter "Buyer") agreed to buy the 2815 property from respondent MARYAM & DAVID for a purported purchase price of \$50,000.

102.

On or about May 13, 1983, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., Buyer applied to Uni-Cal Mortgage Corp., Newport Beach, California (hereinafter "Uni-Cal"), for a loan in the amount of \$40,000 secured by a lien on the 2815 property.

103.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 5., and 6., respondents MARYAM & DAVID, HAFIZI and respondents' confederate falsely represented to Uni-Cal that:

1. The sale by respondent MARYAM & DAVID and purchase by Buyer of the 2815 property was a bona fide sale and purchase;

2. The loan proceeds obtained by Buyer would be used to purchase the 2815 property and that Buyer would occupy the 2815 property;

3. The fair market value of the 2815 property was \$50,000; and

4. Buyer would make payments on the loan described in Paragraph 102.

104.

In reliance on said representations Uni-Cal loaned Buyer \$40,000 to be secured by a deed of trust on the 2815 property.

105.

On or about July 5, 1983, a grant deed was recorded transferring the 2815 property from respondent MARYAM & DAVID to Buyer. On or about July 5, 1983, the deed of trust described in Paragraph 104., was recorded.

106.

On or about July 5, 1983, respondent MARYAM & DAVID received a check from escrow in the amount of \$24,283.47.

107.

On or about February 1, 1984, Buyer or her successors in interest ceased making payments on the loan secured by a deed of trust on the 2815 property.

ELEVENTH CAUSE OF ACCUSATION

108.

There is hereby incorporated in this Eleventh, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs 1., 2., 3., 4., 5., 6., and 7., of the First Cause of Accusation with the same force and effect as if herein fully set forth.

109.

At various times herein mentioned, respondents MARYAM & DAVID, HAFIZI and respondents' confederate were performing acts requiring a real estate license for or in expectation of a compensation.

110.

On or about March 1, 1983, Gregory Morton Cole (hereinafter "Cole"), acting by and through respondents MARYAM & DAVID and HAFIZI, purchased real property commonly known as 3336 20th Avenue, Sacramento, California (hereinafter "3336 property") from the US Department of Housing and Urban Development. The exact amount of said purchase price is unknown to complainant but well known to respondents MARYAM & DAVID and HAFIZI is believed to be \$17,000 or less.

111.

On or about May 1, 1983, respondents MARYAM & DAVID and HAFIZI, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., entered into an agreement in which respondents' confederate (hereinafter "Buyer") agreed to buy the 3336 property from Cole for a purported purchase price of \$48,000.

112.

On or about May 11, 1983, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., Buyer applied to Lincoln Savings, Phoenix, Arizona (hereinafter "Lincoln"), for a loan in the amount of \$38,400 secured by a lien on the 3336 property.

113.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 5., and 6., respondents MARYAM & DAVID, HAFIZI and respondents' confederate falsely represented to Lincoln that:

1. The sale of the 3336 property was a bona fide sale and purchase;

2. The loan proceeds obtained by Buyer would be used to purchase the 3336 property and that Buyer would occupy the 3336 property;

3. The fair market value of the 3336 property was \$48,000; and

4. Buyer would make payments on the loan described in Paragraph 112.

114.

In reliance on said representations Lincoln loaned Buyer \$38,400 to be secured by a deed of trust on the 3336 property.

115.

On or about July 5, 1983, a grant deed was recorded transferring the 3336 property to Buyer. On or about July 5, 1983, the deed of trust described in Paragraph 114., was recorded.

116.

On or about July 5, 1983, respondent MARYAM & DAVID received a check from escrow in the amount of \$19,692.55.

117.

On or about June 11, 1984, Buyer or his successors in interest ceased making payments on the loan secured by a deed of trust on the 3336 property.

TWELFTH CAUSE OF ACCUSATION

118.

There is hereby incorporated in this Twelfth, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs 1., 2., 3., 4., 5., 6., and 7., of the First Cause of Accusation with the same force and effect as if herein fully set forth.

119.

At various times herein mentioned, respondents MARYAM & DAVID, HAFIZI, and Baghai were performing acts requiring a real estate license for or in expectation of a compensation.

120.

On or about April 22, 1983, respondent MARYAM & DAVID, acting by and through respondent HAFIZI, purchased real property commonly known as 3743 4th Avenue, Sacramento, California (hereinafter "3743 property") from Jack A. and Sharon L. Mowbray. The exact amount of said purchase price is unknown to complainant but well known to respondents MARYAM & DAVID and HAFIZI is believed to be \$19,000 or less.

121.

On or about May 12, 1983, respondents MARYAM & DAVID and HAFIZI, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., entered into an agreement in which respondents' confederate (hereinafter "Buyer") agreed to buy the 3743 property from respondent MARYAM and DAVID for a purported purchase price of \$50,000.

122.

On or about May 12, 1983, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., the Buyers applied to Pacific Federal for a loan in the amount of \$40,000 secured by a lien on the 3743 property.

123.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 5., and 6., respondents MARYAM & DAVID and HAFIZI falsely represented to Pacific Federal that:

1. The sale by respondent MARYAM & DAVID and purchase by the Buyers of the 3743 property was a bona fide sale and purchase;

2. The loan proceeds obtained by the Buyers would be used to purchase the 3743 property and that the Buyers would occupy the 3743 property;

3. The fair market value of the 3743 property was \$50,000; and

4. The Buyers would make payments on the loan described in Paragraph 122.

124.

In reliance on said representations, Pacific Federal loaned the Buyers \$40,000 to be secured by a deed of trust on the 3743 property.

125.

On or about August 12, 1983, a grant deed was recorded transferring the 3743 property from respondent MARYAM & DAVID to the Buyers. On or about August 12, 1983, the deed of trust described in Paragraph 124., was recorded.

126.

On or about August 12, 1983, respondent MARYAM & DAVID received a check from escrow in the amount of \$27,320.03.

127.

On or about April 1, 1984, the Buyers or their successors in interest ceased making payments on the loan secured by a deed of trust on the 3743 property.

THIRTEENTH CAUSE OF ACCUSATION

128.

There is hereby incorporated in this Thirteenth, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs 1., 2., 3., 4., 5., 6., and 7., of the First Cause of Accusation with the same force and effect as if herein fully set forth.

129.

At various times herein mentioned, respondents MARYAM & DAVID, HAFIZI, and respondents' confederate were performing acts requiring a real estate license for or in expectation of a compensation.

130.

On or about June 30, 1983, respondents' confederate, acting by and through respondents MARYAM & DAVID and HAFIZI, purchased real property commonly known as 5131 15th Avenue, Sacramento, California (hereinafter "5131 property") from Robert F. Brown. The exact amount of said purchase price is unknown to complainant but well known to respondents' confederate, MARYAM & DAVID and HAFIZI is believed to be \$12,000 or less.

131.

On or about July 10, 1983, respondents MARYAM & DAVID, HAFIZI, and respondents' confederate in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., entered into an agreement in which respondents' confederate (hereinafter "Buyer") agreed to buy the 5131 property for a purported purchase price of \$46,000.

132.

On or about July 11, 1983, in furtherance of the plan and scheme alleged in Paragraphs 5., and 6., Buyer applied to Seafirst, for a loan in the amount of \$41,850 secured by a lien on the 5131 property.

133.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 5., and 6., respondents MARYAM & DAVID, HAFIZI, and respondents' confederate falsely represented to Seafirst that:

1. The sale and purchase by Buyer of the 5131 property was a bona fide sale and purchase;

2. The loan proceeds obtained by Buyer would be used to purchase the 5131 property and that Merrill would occupy the 5131 property;

3. The fair market value of the 5131 property was \$46,000; and

4. Buyer would make payments on the loan described in Paragraph 132.

134.

In reliance on said representations, Seafirst loaned Buyer \$41,850 to be secured by a deed of trust on the 5131 property.

135.

On or about August 22, 1983, a grant deed was recorded transferring the 5131 property to Buyer. On or about August 22, 1983, the deed of trust described in Paragraph 134., was recorded.

136.

On or about August 22, 1983, respondent MARYAM & DAVID received a check from escrow in the amount of \$5,000 and respondents' confederate received a check from escrow in the amount of \$24,344.10.

137.

On or about October 1, 1984, Buyer or her successors in interest ceased making payments on the loan secured by a deed of trust on the 5131 property.

DETERMINATION OF ISSUES

1.

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

2.

Cause for disciplinary action against respondent MARYAM & DAVID by reason of the Findings as to Causes of the Accusation, I, II, III, IV, V, VI, VII, VIII, IX, X, XI, XII and XIII pursuant to Business and Professions Code, Sections 10176(a), 10176(i) and 10177(j).

3.

Cause for disciplinary action against respondent HAFIZI by reason of the Findings as to Causes of Accusation, I, III, V, VI, VII, VIII, IX, X, XI, XII and XIII, pursuant to Business and Professions Code, Sections 10176(a), 10176(i), and 10177(j).

ORDER

1.

- A. The real estate corporation license and all license rights of respondent MARYAM & DAVID, INC., are hereby revoked.
- B. The real estate broker license and all license rights of respondent HAMID HAFIZI are hereby revoked.

DATED:

August 21, 1990



ROBERT E. McCABE
Regional Manager
Department of Real Estate

FILED
SEP 13 1990
DEPARTMENT OF REAL ESTATE

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

Kathleen Contreras

* * *

In the Matter of the Accusation of)
HAMID HAFIZI,) NO. H-2245 SAC
MARYAM & DAVID, INC.,)
MEHRDAD BAGHAI dba PARAMOUNT)
INVESTMENTS AND CASPIAN)
PROPERTIES,)
Respondents.)

DECISION

The Proposed Decision dated August 21, 1990
of Robert E. McCabe, Regional Manager, Department of Real Estate,
State of California, is hereby adopted as the Decision of the Real
Estate Commissioner in the above-entitled matter as to MEHRDAD BAGHAI.

The Decision shall become effective at 12 o'clock
noon on October 3, 19 90.

IT IS SO ORDERED August 31, 19 90.

JAMES A. EDMONDS, JR.
Real Estate Commissioner

John R. Liberator
by: JOHN R. LIBERATOR
Chief Deputy Commissioner

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	
HAMID HAFIZI,)	
MARYAM & DAVID, INC.,)	
MEHRDAD BAGHAI dba PARAMOUNT)	NO. H-2245 SAC
INVESTMENTS AND CASPIAN)	
PROPERTIES,)	
_____ Respondents.)	

PROPOSED DECISION

This matter was presided over as an uncontested case by Robert E. McCabe, Regional Manager, Department of Real Estate, as the designee of the Real Estate Commissioner, in Sacramento, California, on August 20, 1990.

DAVID A. PETERS Counsel, represented the Complainant.

No appearance was made by or on behalf of respondent MEHRDAD BAGHAI (hereinafter "respondent BAGHAI"). The matter was submitted upon written Stipulation of the parties and no hearing was held before the Office of Administrative Hearings.

Respondent BAGHAI and Complainant agree that this matter be submitted on the specified pleadings filed in this proceedings without admitting any of the allegations contained therein.

Further proof was not required of the Department to prove any of the allegations specified in this Proposed Decision.

Pursuant to the Stipulation this matter, the Findings of Fact, Determination of Issues, and Order are agreed to only for the purpose of this proceeding and any subsequent proceeding between Respondent BAGHAI and the Department. The parties hereto intend that the Decision not be given res judicata/collateral estoppel effect except as between them.

Pursuant to the Stipulation, the following decision is proposed, certified and recommended for adoption:

FINDINGS OF FACT

FIFTH CAUSE OF ACCUSATION

1.

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

2.

At all times herein mentioned, respondent Hafizi is presently licensed and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) (hereinafter "Code") as a real estate broker.

3.

At all times herein mentioned, respondent Maryam & David is presently licensed and/or has license rights under the Code as a real estate broker corporation by and through respondent Hafizi as designated broker-officer of said corporation.

4.

At all times herein mentioned, respondent BAGHAI is presently licensed and/or has license rights under the Code as a real estate broker.

5.

Each of the respondents at various times (as alleged herein) participated in and contributed to the unlawful acts and schemes complained of herein, and as such whenever reference is made to any act of a particular respondent with reference to a specific Cause of Accusation, such references shall be deemed to mean the act of each respondent named in the Cause of Accusation acting individually, jointly, and severally.

6.

Described hereinbelow are certain transactions involving the sale and purchase of various parcels of real property and the obtaining of loans secured by liens on said properties. Beginning on or before April 23, 1981, respondents and/or respondents' confederates acting as sellers, buyers, or agents entered into a plan and scheme with reference to said transactions, as fully set forth below, with the intent to substantially benefit themselves without regard to the injury their acts would cause to various lenders named hereinunder and without disclosing to said lenders the true facts and their true intentions with respect to the transactions described in the Causes of Accusation.

7.

The plan and scheme described in Paragraph 6., above contemplated with respect to each of the transactions, one or more of the following acts, omissions, or representations:

1. Respondents and/or respondents' confederates would purchase residential real properties located in or near Sacramento, California.

2. Respondents and/or respondents' confederates would transfer to each other title to said properties as a result of purported sales involving inflated sales prices.

3. Respondents and/or respondents' confederates posing as buyers of said properties would make application for and obtain purchase money loans secured by said properties without disclosing to the lenders the manner in which said properties were acquired and the true value of said properties. As a portion of said loan application, respondents and/or respondents' confederates would represent that they would occupy said properties.

4. Respondents and/or respondents' confederates would obtain said loans for their own benefit and not for the purposes represented to the lenders.

8.

On or about April 1, 1982, respondent BAGHAI, also known as Mehrdad Astaneh, acting by and through respondents Hafizi and Maryam & David, purchased real property commonly known as 4401 13th Avenue, Sacramento, California (hereinafter "4401 property") from Douglas and Sally Ryno. The exact amount of said purchase price is unknown to Complainant but well known to respondents BAGHAI, Hafizi, and Maryam & David and is believed to be \$20,000 or less.

9.

On or about April 4, 1982, respondents BAGHAI, Hafizi, and Maryam & David, in furtherance of the plan and scheme alleged in Paragraphs 6., and 7., entered into an agreement in which respondents' confederate (hereinafter "Buyer") agreed to buy the 4401 property from respondent BAGHAI for a purported purchase price of \$40,000.

10.

On or about April 5, 1982, in furtherance of the plan and scheme alleged in Paragraphs 6., and 7., Buyer applied to Cal Fed, for a loan in the amount of \$38,000 secured by a lien on the 4401 property.

11.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 6., and 7., respondents BAGHAI, Hafizi, Maryam & David and Buyer falsely represented to Cal Fed that:

1. The sale by respondent BAGHAI and purchase by Buyer of the 4401 property was a bona fide sale and purchase;
2. The loan proceeds obtained by Buyer would be used to purchase the 4401 property; and that Buyer would occupy the 4401 property;
3. The fair market value of the 4401 property was \$40,000; and
4. Buyer would make payments on the loan described in Paragraph 10.

12.

In reliance on said representations Cal Fed loaned Buyer \$38,000 to be secured by a deed of trust on the 4401 property.

13.

On or about May 24, 1982, a grant deed was recorded transferring the 4401 property from respondent BAGHAI to Buyer. On or about May 24, 1982, the deed of trust described in Paragraph 12., was recorded.

14.

On or about May 24, 1982, respondent BAGHAI received a check from escrow in the amount of \$16,962.27.

15.

On or about November 1, 1983, Buyer or her successors in interest ceased making payments on the loan secured by a deed of trust on the 4401 property.

EIGHTH CAUSE OF ACCUSATION

16.

There is hereby incorporated in this Eighth, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs 1., 2., 3., 4., 5., 6., and 7., of the Fifth Cause of Accusation with the same force and effect as if herein fully set forth.

17.

At various times herein mentioned, respondents Maryam & David, Hafizi and BAGHAI were performing acts requiring a real estate license for or in expectation of a compensation.

18.

On or about October 21, 1982, respondent Maryam & David, acting by and through respondent Hafizi, purchased real property commonly known as 4309 Howard Avenue, Sacramento, California (hereinafter "4309 property") from Granite Home Loans. The exact amount of said purchase price is unknown to complainant but well known to respondents Maryam & David and Hafizi is believed to be \$16,000 or less.

19.

On or about March 1, 1983, respondents Maryam & David, Hafizi and respondents' confederate (hereinafter "Buyer") in furtherance of the plan and scheme alleged in Paragraphs 6., and 7., entered into an agreement in which Buyer agreed to buy the 4309 property from respondent Maryam & David for a purported purchase price of \$47,500.

20.

On or about March 1, 1983, in furtherance of the plan and scheme alleged in Paragraphs 6., and 7., Buyer, acting through respondent BAGHAI applied to Seafirst, for a loan in the amount of \$42,750 secured by a lien on the 4309 property.

21.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 6., and 7., respondents Maryam & David, Hafizi, BAGHAI, and Buyer falsely represented to Seafirst that:

1. The sale by respondent Maryam & David and purchase by Buyer of the 4309 property was a bona fide sale and purchase;
2. The loan proceeds obtained by Buyer would be used to purchase the 4309 property; and that Buyer would occupy the 4309 property;
3. The fair market value of the 4309 property was \$47,500; and
4. Buyer would make payments on the loan described in Paragraph 20.

21.

In reliance on said representations, Seafirst loaned Buyer \$42,750 to be secured by a deed of trust on the 4309 property.

22.

On or about March 31, 1983, a grant deed was recorded transferring the 4309 property from respondent Maryam & David to Buyer. On or about March 31, 1983, the deed of trust described in Paragraph 21., was recorded.

23.

On or about March 31, 1983, respondents BAGHAI and Maryam & David received a check from escrow in the amount of \$21,711.32.

24.

On or about December 1, 1984, Buyer, or her successors in interest ceased making payments on the loan secured by a deed of trust on the 4309 property.

TENTH CAUSE OF ACCUSATION

26.

There is hereby incorporated in this Tenth, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs 1., 2., 3., 4., 5., 6., and 7., of the Fifth Cause of Accusation with the same force and effect as if herein fully set forth.

27.

At various times herein mentioned, respondents Maryam & David, Hafizi and BAGHAI were performing acts requiring a real estate license for or in expectation of a compensation.

28.

On or about May 18, 1983, respondent Maryam & David, acting by and through respondent Hafizi, purchased real property commonly known as 2815 Santa Cruz Way, Sacramento, California (hereinafter "2815 property") from Joann Eyvonne Jamison. The exact amount of said purchase price is unknown to Complainant but well known to respondents Maryam & David and Hafizi is believed to be \$24,000 or less.

29.

On or about May 10, 1983, respondents Maryam & David and Hafizi, in furtherance of the plan and scheme alleged in Paragraphs 6., and 7., entered into an agreement in which respondents' confederate (hereinafter "Buyer") agreed to buy the 2815 property from respondent Maryam & David for a purported purchase price of \$50,000.

30.

On or about May 13, 1983, in furtherance of the plan and scheme alleged in Paragraphs 6., and 7., Buyer applied to Uni-Cal Mortgage Corp., Newport Beach, California (hereinafter "Uni-Cal"), for a loan in the amount of \$40,000 secured by a lien on the 2815 property.

31.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 6., and 7., respondents Maryam & David, Hafizi and BAGHAI falsely represented to Uni-Cal that:

1. The sale by respondent Maryam & David and purchase by Buyer of the 2815 property was a bona fide sale and purchase;

2. The loan proceeds obtained by Buyer would be used to purchase the 2815 property and that Buyer would occupy the 2815 property;

3. The fair market value of the 2815 property was \$50,000; and

4. Buyer would make payments on the loan described in Paragraph 30.

32.

In reliance on said representations Uni-Cal loaned Buyer \$40,000 to be secured by a deed of trust on the 2815 property.

33.

On or about July 5, 1983, a grant deed was recorded transferring the 2815 property from respondent Maryam & David to Buyer. On or about July 5, 1983, the deed of trust described in Paragraph 32., was recorded.

34.

On or about July 5, 1983, respondent Maryam & David received a check from escrow in the amount of \$24,283.47.

35.

On or about February 1, 1984, Buyer or her successors in interest ceased making payments on the loan secured by a deed of trust on the 2815 property.

ELEVENTH CAUSE OF ACCUSATION

36.

There is hereby incorporated in this Eleventh, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs 1., 2., 3., 4., 5., 6., and 7., of the Fifth Cause of Accusation with the same force and effect as if herein fully set forth.

37.

At various times herein mentioned, respondents Maryam & David, Hafizi and BAGHAI were performing acts requiring a real estate license for or in expectation of a compensation.

38.

On or about March 1, 1983, respondents' confederate (hereinafter "Seller"), acting by and through respondents Maryam & David and Hafizi, purchased real property commonly known as 3336 20th Avenue, Sacramento, California (hereinafter "3336 property") from the US Department of Housing and Urban Development. The exact amount of said purchase price is unknown to Complainant but well known to respondents Maryam & David and Hafizi is believed to be \$17,000 or less.

39.

On or about May 1, 1983, respondents Maryam & David and Hafizi, in furtherance of the plan and scheme alleged in Paragraphs 7. and 8. entered into an agreement in which respondents' confederate (hereinafter "Buyer") agreed to buy the 3336 property from Seller for a purported purchase price of \$48,000.

40.

On or about May 11, 1983, in furtherance of the plan and scheme alleged in Paragraphs 6., and 7., Buyer applied to Lincoln Savings, Phoenix, Arizona (hereinafter "Lincoln"), for a loan in the amount of \$38,400 secured by a lien on the 3336 property.

41.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 6., and 7., respondents Maryam & David, Hafizi and BAGHAI falsely represented to Lincoln that:

1. The sale by Seller and purchase by Buyer of the 3336 property was a bona fide sale and purchase;

2. The loan proceeds obtained by Buyer would be used to purchase the 3336 property and that Buyer would occupy the 3336 property;

3. The fair market value of the 3336 property was \$48,000; and

4. Buyer would make payments on the loan described in Paragraph 40.

42.

In reliance on said representations Lincoln loaned Buyer \$38,400 to be secured by a deed of trust on the 3336 property.

43.

On or about July 5, 1983, a grant deed was recorded transferring the 3336 property from Seller to Buyer. On or about July 5, 1983, the deed of trust described in Paragraph 42., was recorded.

44.

On or about July 5, 1983, respondent Maryam & David and/or Seller received a check from escrow in the amount of \$19,692.55.

45.

On or about June 11, 1984, Buyer or his successors in interest ceased making payments on the loan secured by a deed of trust on the 3336 property.

TWELFTH CAUSE OF ACCUSATION

46.

There is hereby incorporated in this Twelfth, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs 1., 2., 3., 4., 5., 6., and 7., of the Fifth Cause of Accusation with the same force and effect as if herein fully set forth.

47.

At various times herein mentioned, respondents Maryam & David, Hafizi, and Baghai were performing acts requiring a real estate license for or in expectation of a compensation.

48.

On or about April 22, 1983, respondent Maryam & David, acting by and through respondent Hafizi, purchased real property commonly known as 3743 4th Avenue, Sacramento, California (hereinafter "3743 property") from Jack A. and Sharon L. Mowbray. The exact amount of said purchase price is unknown to Complainant but well known to respondents Maryam & David and Hafizi is believed to be \$19,000 or less.

49.

On or about May 12, 1983, respondents Maryam & David and Hafizi, in furtherance of the plan and scheme alleged in Paragraphs 6., and 7., entered into an agreement in which respondents' confederates (hereinafter "Buyers") agreed to buy the 3743 property from respondent Maryam and David for a purported purchase price of \$50,000.

50.

On or about May 12, 1983, in furtherance of the plan and scheme alleged in Paragraphs 6., and 7., the Buyers applied to Pacific Federal for a loan in the amount of \$40,000 secured by a lien on the 3743 property.

51.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 6., and 7., respondents Maryam & David, Hafizi and BAGHAI falsely represented to Pacific Federal that:

1. The sale by respondent Maryam & David and purchase by the Buyers of the 3743 property was a bona fide sale and purchase;

2. The loan proceeds obtained by the Buyers would be used to purchase the 3743 property and that the Buyers would occupy the 3743 property;

3. The fair market value of the 3743 property was \$50,000; and

4. Buyers would make payments on the loan described in Paragraph 50.

52.

In reliance on said representations, Pacific Federal loaned the Buyers \$40,000 to be secured by a deed of trust on the 3743 property.

53.

On or about August 12, 1983, a grant deed was recorded transferring the 3743 property from respondent Maryam & David to the Buyers. On or about August 12, 1983, the deed of trust described in Paragraph 52., was recorded.

54.

On or about August 12, 1983, respondent Maryam & David received a check from escrow in the amount of \$27,320.03.

55.

On or about April 1, 1984, the Buyers or their successors in interest ceased making payments on the loan secured by a deed of trust on the 3743 property.

THIRTEENTH CAUSE OF ACCUSATION

56.

There is hereby incorporated in this Thirteenth, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs 1., 2., 3., 4., 5., 6., and 7., of the Fifth Cause of Accusation with the same force and effect as if herein fully set forth.

57.

At various times herein mentioned, respondents Maryam & David, Hafizi, and BAGHAI were performing acts requiring a real estate license for or in expectation of a compensation.

58.

On or about June 30, 1983, respondent BAGHAI, acting by and through respondents Maryam & David and Hafizi, purchased real property commonly known as 5131 15th Avenue, Sacramento, California (hereinafter "5131 property") from Robert F. Brown. The exact amount of said purchase price is unknown to complainant but well known to respondents BAGHAI, Maryam & David and Hafizi is believed to be \$12,000 or less.

59.

On or about July 10, 1983, respondents Maryam & David, Hafizi and BAGHAI in furtherance of the plan and scheme alleged in Paragraphs 6., and 7., entered into an agreement in which respondents' confederate (hereinafter "Buyer") agreed to buy the 5131 property from respondent BAGHAI for a purported purchase price of \$46,000.

60.

On or about July 11, 1983, in furtherance of the plan and scheme alleged in Paragraphs 6., and 7., Buyer applied to Seafirst, for a loan in the amount of \$41,850 secured by a lien on the 5131 property.

61.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 6., and 7., respondents Maryam & David, Hafizi and BAGHAI falsely represented to Seafirst that:

1. The sale by respondent BAGHAI and purchase by Buyer of the 5131 property was a bona fide sale and purchase;

2. The loan proceeds obtained by Buyer would be used to purchase the 5131 property and that Buyer would occupy the 5131 property;

3. The fair market value of the 5131 property was \$46,000; and

4. Buyer would make payments on the loan described in Paragraph 60.

62.

In reliance on said representations, Seafirst loaned Buyer \$41,850 to be secured by a deed of trust on the 5131 property.

63.

On or about August 22, 1983, a grant deed was recorded transferring the 5131 property from respondent BAGHAI to Buyer. On or about August 22, 1983, the deed of trust described in Paragraph 62., was recorded.

64.

On or about August 22, 1983, respondent Maryam & David received a check from escrow in the amount of \$5,000.00 and respondents' confederate received a check from escrow in the amount of \$24,344.10.

65.

On or about October 1, 1984, Buyer or her successors in interest ceased making payments on the loan secured by a deed of trust on the 5131 property.

DETERMINATION OF ISSUES

1.

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

FIFTH CAUSE OF ACCUSATION

2.

Cause for disciplinary action against respondent BAGHAI exists pursuant to Business and Professions Code Section 10177(f).

EIGHTH, TENTH, ELEVENTH, TWELFTH AND THIRTEENTH
CAUSES OF ACCUSATION

3.

Cause for disciplinary action against respondent BAGHAI exists pursuant to Business and Professions Code Section 10177(g).

ORDER

1.

- A. The real estate broker license and all license rights of Respondent are hereby revoked.
- B. A restricted real estate broker license shall be issued to Respondent pursuant to Section 10156.5 of the Business and Professions Code if Respondent makes application therefor and pays to the Department of Real Estate the appropriate fee for said license within ninety (90) days from the effective date of the Decision herein.
- C. The restricted license issued to Respondent shall be subject to all the provisions of Section 10156.7 of the Business and Professions Code and to the following limitations, conditions and restrictions imposed under authority of Section 10156.6 of the Code:
 - (1) The license shall not confer any property right in the privileges to be exercised, and the Real Estate Commissioner may by appropriate order suspend the right to exercise any privileges granted under this restricted license in the event of:
 - (a) The conviction of Respondent (including a plea of nolo contendere) to a crime which bears a significant relation to Respondent's fitness or capacity as a real estate licensee; or

- (b) The receipt of evidence that Respondent has violated provisions of the California Real Estate Law, the Subdivided Lands Law, Regulations of the Real Estate Commissioner or conditions to this restricted license.
- (2) Respondent shall not be eligible to apply for the issuance of an unrestricted real estate license nor the removal of any of the conditions, limitations or restrictions attaching to the restricted license until two (2) years have elapsed from the date of issuance of the restricted license to Respondent.
- D. Respondent shall, within nine (9) months from the effective date of the Decision, present evidence satisfactory to the Real Estate Commissioner that he has, since the most recent issuance of an original or renewal real estate license, taken and successfully completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a real estate license. If Respondent fails to satisfy this condition, the Commissioner may order the suspension of the restricted license until Respondent presents such evidence. The Commissioner shall afford Respondent the opportunity for a hearing pursuant to the Administrative Procedure Act to present such evidence.
- E. Respondent shall, within six (6) months from the effective date of the restricted license, take and pass the Professional Responsibility Examination administered by the Department including the payment of the appropriate examination fee. If Respondent fails to satisfy this condition, the Commissioner may order suspension of the restricted license until Respondent passes the examination.
- F. Any restricted real estate broker license issued to Respondent pursuant to this Decision shall be suspended for one hundred eighty (180) days from the effective date of the issuance of said restricted license, however, one hundred forty (140) days of said suspension shall be stayed upon the following terms and conditions:
- (1) Respondent shall obey all laws, rules and regulations governing the rights, duties and responsibilities of a real estate licensee in the State of California; and
- (2) That no final subsequent determination be made, after hearing or upon Stipulation, that cause for disciplinary action occurred within one (1) year of the effective date of this Decision. Should such a determination be made, the Commissioner may, in his discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed suspension. Should no such determination be made, the stay imposed herein shall become permanent.

G. The remaining forty (40) days of said suspension shall be stayed upon the following terms and conditions:

- (1) Respondent petitions in writing pursuant to Section 10175.2 of the Business and Professions Code and pays a monetary penalty pursuant to Section 10175.2 of the Business and Professions Code at a rate of \$250.00 for each day of the forty (40) days of said suspension for a total monetary penalty of \$10,000.00. Said payment shall stay the suspension;
- (2) Said payment shall be in the form of a cashier's check or certified check made payable to the Recovery Account of the Real Estate Fund. Said check must be delivered to the Department prior to the effective date of the Decision in this matter. If Respondent fails to pay the monetary penalty in accordance with the terms and conditions of the Decision, the Commissioner may, without a hearing, order the immediate execution of all or any part of the stayed suspension in which event the Respondent shall not be entitled to any repayment nor credit, prorated or otherwise, for money paid to the Department under the terms of this Decision; and
- (3) If Respondent pays the monetary penalty and if no further cause for disciplinary action against the real estate license of Respondent occurs within one (1) year from the effective date of the Decision, the stay hereby granted shall become permanent.

H. The restricted license may be suspended or revoked for a violation by Respondent of any of the conditions attaching to the restricted license.

I. Respondent shall submit to the Real Estate Commissioner a Trust Fund Position Statement as of the last day of each calendar quarter (the accounting date) for so long as said restricted license shall remain in effect.

The Position Statement shall consist of the following:

- (1) A schedule of trust fund accountability with the following information for each transaction in which Respondent is accountable as agent or trustee to the owner of funds:
 - (a) Account number;
 - (b) Type of transaction (purchase and sale, property management, loan negotiation or collection);
 - (c) Name of principal or beneficiary;
 - (d) Description of real property; and
 - (e) Trust fund liability.

- (2) A report of trust funds in the custody and control of Respondent as of the accounting date consisting of:
 - (a) A copy of Respondent's trust account bank statement showing the balance of funds in the account as of the accounting date; and
 - (b) A schedule of uncleared checks drawn on the account adjusting the account to its true balance as of the accounting date.
- (3) A statement explaining any discrepancy between the total liability shown under (1) above and the adjusted trust account balance shown under (2) above.

The Trust Fund Position Statement shall be submitted by Respondent to the Sacramento Office of the Department of Real Estate not later than thirty (30) days after each accounting date. If Respondent has no trust fund liability as of an accounting date, his report to the Department shall so state.

Respondent shall certify the completeness and accuracy of each Position Statement to the best of his knowledge and belief.

J. Respondent shall regularly report in writing to the Real Estate Commissioner all of his dealings in real estate undertaken as a broker, which reports shall set forth the following information for each such transaction:


- (a) the nature of the transaction and a brief description of the property or loan involved;
- (b) the name and address of each party to the transaction;
- (c) the date of execution of the agreement and date of the closing of the transaction;
- (d) the name and address of the escrow agent, if any;
- (e) the purchase price of the property or the amount of the loan or other consideration involved;
- (f) an accounting of the receipt and disposition of funds received by Respondent as agent in the transaction; and
- (g) the amount of commission received.

Such reports shall be submitted quarterly to the Sacramento Office of the Real Estate Commissioner prior to the fifteenth day of each January, April, July and October for so long as said restricted license shall be in effect, and each report shall contain the information hereinabove specified for the calendar quarter immediately preceding the submission of each such report.

If Respondent engages in no real estate transactions as a real estate broker during the calendar quarter in question, his report shall so state.

DATED:

August 21, 1990



ROBERT E. McCABE
Regional Manager
Department of Real Estate

FILED
 JUN - 5 1990
 DEPARTMENT OF REAL ESTATE

Laurie A. Gas

BEFORE THE DEPARTMENT OF REAL ESTATE
 STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)
 VIRGINIA SABEDRA, et al.,) NO. H-2245 SAC
 Respondents.)

ORDER GRANTING REINSTATEMENT OF LICENSE

On September 7, 1988, a Decision was rendered herein
 revoking the real estate salesperson license of Respondent, but
 granting Respondent the right to the issuance of a restricted real
 estate salesperson license. A restricted real estate salesperson
 license was issued to Respondent on October 6, 1988, and
 Respondent has operated as a restricted licensee without cause for
 disciplinary action against Respondent since that time.

On November 17, 1989, Respondent petitioned for
 reinstatement of said real estate salesperson license and the
 Attorney General of the State of California has been given notice
 of the filing of said petition.

///

1 I have considered the petition of Respondent and the
2 evidence and arguments in support thereof including Respondent's
3 record as a restricted licensee. Respondent has demonstrated to
4 my satisfaction that Respondent meets the requirements of law for
5 the issuance to Respondent of an unrestricted real estate
6 salesperson license and that it would not be against the public
7 interest to issue said license to Respondent.

8 NOW, THEREFORE, IT IS ORDERED that Respondent's petition
9 for reinstatement is granted and that a real estate salesperson
10 license be issued to Respondent if Respondent satisfies the
11 following conditions within six (6) months from the date of this
12 Order:

- 13 1. Submittal of a completed application and payment of
14 the fee for a real estate salesperson license.
- 15 2. Submittal of evidence of having, since the most
16 recent issuance of an original or renewal real estate license,
17 taken and successfully completed the continuing education
18 requirements of Article 2.5 of Chapter 3 of the Real Estate Law
19 for renewal of a real estate license.

20 This Order shall be effective immediately.

21 DATED: May 29, 1990

JAMES A. EDMONDS, JR.
Real Estate Commissioner

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25 by: John R. Liberator
JOHN R. LIBERATOR
26 Chief Deputy Commissioner
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FILED
MAR 23 1990
DEPARTMENT OF REAL ESTATE

Laurie A. Zain
By

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)
))
KAREN ELIZABETH ESTRELLA,) NO. H-2245 SAC
))
Respondent.))
_____)

ORDER GRANTING REINSTATEMENT OF LICENSE

On June 17, 1988, a Decision was rendered herein revoking the real estate broker license of Respondent, but granting Respondent the right to the issuance of a restricted real estate broker license. A restricted real estate broker license was issued to Respondent on July 15, 1988, and Respondent has operated as a restricted licensee without cause for disciplinary action against Respondent since that time.

On August 28, 1989, 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.

///

1 I have considered the petition of Respondent and the
2 evidence and arguments in support thereof including Respondent's
3 record as a restricted licensee. Respondent has demonstrated to
4 my satisfaction that Respondent meets the requirements of law for
5 the issuance to Respondent of an unrestricted real estate broker
6 license and that it would not be against the public interest to
7 issue said license to Respondent.

8 NOW, THEREFORE, IT IS ORDERED that Respondent's petition
9 for reinstatement is granted and that a real estate broker license
10 be issued to Respondent if Respondent satisfies the following
11 condition within six (6) months from the date of this Order:

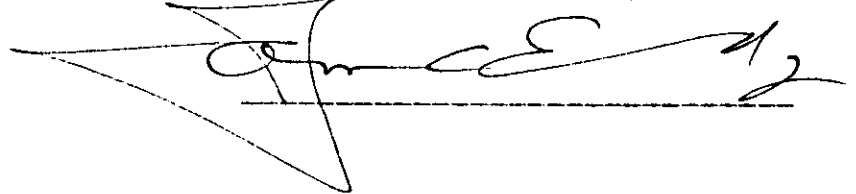
12 1. Submittal of a completed application and payment of
13 the fee for a real estate broker license.

14 2. Submittal of evidence of having, since the most
15 recent issuance of an original or renewal real estate license,
16 taken and successfully completed the continuing education
17 requirements of Article 2.5 of Chapter 3 of the Real Estate Law
18 for renewal of a real estate license.

19 This Order shall be effective immediately.

20 DATED: 3-21-90

21 JAMES A. EDMONDS, JR.
22 Real Estate Commissioner

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FILED
MAR - 2 1990
DEPARTMENT OF REAL ESTATE

Laurie A. Zain

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	
)	NO. H-2245 SAC
DOUGLAS C. COVILL, et al.,)	
)	
Respondent.)	
)	

ORDER GRANTING RECONSIDERATION

AND

GRANTING REINSTATEMENT OF LICENSE

On January 5, 1990, an Order was rendered in the above-entitled matter denying Respondent's Petition for Reinstatement of his real estate salesperson license. The Order is to become effective on March 2, 1990.

On January 26, 1990, Respondent petitioned for reconsideration of said Order.

I find that there is good cause to reconsider the Order of January 5, 1990. Reconsideration is hereby granted and the Order of January 5, 1990 is hereby modified as follows:

///

1 I have considered the petition of Respondent and the
2 evidence and arguments in support thereof including Respondent's
3 record as a restricted licensee. Respondent has demonstrated to
4 my satisfaction that Respondent meets the requirements of law for
5 the issuance to Respondent of an unrestricted real estate
6 salesperson license and that it would not be against the public
7 interest to issue said license to Respondent.

8 NOW, THEREFORE, IT IS ORDERED that Respondent's petition
9 for reinstatement is granted and that a real estate salesperson
10 license be issued to Respondent if Respondent satisfies the
11 following conditions within six (6) months from the date of this
12 Order:

- 13 1. Submittal of a completed application and payment of
14 the fee for a real estate salesperson license.
- 15 2. Submittal of evidence of having, since the most
16 recent issuance of an original or renewal real estate license,
17 taken and successfully completed the continuing education
18 requirements of Article 2.5 of Chapter 3 of the Real Estate Law
19 for renewal of a real estate license.

20 This Order shall be effective immediately.

21 DATED: February 28, 1990

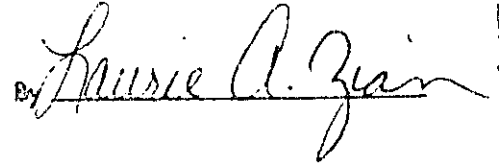
22 JAMES A. EDMONDS, JR.
23 Real Estate Commissioner

24 by: John R. Liberator
25 JOHN R. LIBERATOR
26 Chief Deputy Commissioner
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FILED
JAN 30 1990

DEPARTMENT OF REAL ESTATE



BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)
))
12 DOUGLAS C. COVILL, et al.,) NO. H-2245 SAC
))
13 Respondents.))
14 _____

ORDER STAYING EFFECTIVE DATE

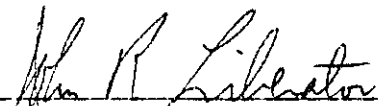
On January 5, 1990, an Order Denying Reinstatement of License as to respondent DOUGLAS C. COVILL was rendered in the above-entitled matter to become effective January 31, 1990.

IT IS HEREBY ORDERED that the effective date of the Order of January 5, 1990 is stayed for a period of thirty (30) days.

The Order of January 5, 1990 shall become effective at 12 o'clock noon on March 2, 1990.

DATED: January 30, 1990

JAMES A. EDMONDS, JR.
Real Estate Commissioner

By:  _____
JOHN R. LIBERATOR
Chief Deputy Comissioner

FILED
JAN 10 1990
DEPARTMENT OF REAL ESTATE

By *Lucie A. Zain*

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)
DOUGLAS C. COVILL, et al.,) NO. H-2245 SAC
Respondents.)

ORDER DENYING REINSTATEMENT OF LICENSE

On April 18, 1988, a Decision was rendered herein
revoking the real estate salesperson license of Respondent, but
granting the Respondent the right to the issuance of a restricted
real estate salesperson license. A restricted real estate
salesperson license was issued to Respondent on May 16, 1988.

On June 12, 1989, Respondent petitioned for
reinstatement of said license and the Attorney General of the
State of California has been given notice of the filing of the
petition.

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1 I have considered Respondent's petition and the evidence
2 and arguments in support thereof. Respondent has failed to
3 demonstrate to my satisfaction that Respondent has undergone
4 sufficient rehabilitation to warrant the reinstatement of
5 Respondent's real estate salesperson license, in that the
6 underlying disciplinary action in this matter was based upon an
7 alleged conspiracy, involving Respondent in two transactions, in
8 which false representations were made to or material facts
9 concealed from a lender. Respondent admits that he provided false
10 information about his employment and income in an application for
11 a mortgage loan on property known as 3982 - 12th Street,
12 Sacramento, California.

13 Respondent characterizes the 3982 - 12th Street
14 transaction as an attempt to get an equity loan on the property at
15 a time when lenders were not making equity loans. Respondent
16 arranged for his fiancée to purchase 3982 - 12th Street on
17 June 23, 1981 for approximately \$16,000.00. Respondent
18 purportedly purchased the property from his fiancée on August 24,
19 1981 for \$42,000.00 and obtained a mortgage loan for \$39,000.00.
20 After paying the costs of his fiancée's purchase of the property,
21 Respondent pocketed approximately \$23,000.00 from the loan
22 proceeds. Respondent continues to assert that the transaction
23 described above was not designed to defraud the lender, but merely
24 an attempt to get an "equity loan" on the property.

25 ///

26 ///

27 ///

1 In spite of how Respondent chooses to characterize the
2 transaction, it is apparent that:

3 1) Respondent knew that the lender would not make
4 "equity" loans;

5 2) Respondent wanted to obtain an "equity" loan;

6 3) Respondent, acting in concert with his fiancée,
7 created a sham transaction for no other apparent purpose than to
8 mislead the lender;

9 4) Respondent did not disclose all these material facts
10 to the lender; and

11 5) Respondent pocketed a substantial portion of the
12 loan proceeds.

13 This conduct amounts to fraud upon a lender and
14 Respondent's failure to appreciate the nature of his acts raises
15 substantial questions concerning Respondent's fitness to operate
16 under an unrestricted license.

17 NOW, THEREFORE, IT IS ORDERED that Respondent's petition
18 for reinstatement of Respondent's real estate salesperson license
19 is denied.

20 This Order shall be effective at 12 o'clock noon on
21 January 31, 1990.

22 DATED: January 5, 1990

23 JAMES A. EDMONDS, JR.
24 Real Estate Commissioner

25 John R. Liberator
26 BY: John R. Liberator
27 Chief Deputy Commissioner

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

FILED
FEB 15 1990
DEPARTMENT OF REAL ESTATE

By Laurie A. Zain

In the Matter of the Accusation of

HAMID HAFIZI; MARYAM &
DAVID, INC.; et al.,

Case No. H-2245 SAC

OAH No. N-30761

Respondent(s)

FOURTH AMENDED
NOTICE OF HEARING ON ACCUSATION

To the above named respondent:

You are hereby notified that a hearing will be held before the Department of Real Estate at the Office
of Administrative Hearings, 501 J Street, Suite 220 (Second Floor Hearing Rooms),
Sacramento, CA 95814
on the 6 - 30 day of August, 19 90, at the hour of 9:00 AM, or as soon thereafter
as the matter can be heard, upon the charges made in the Accusation served upon you.

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

You may present any relevant evidence and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the production of books, documents or other things by applying to the Department of Real Estate.

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

DEPARTMENT OF REAL ESTATE

Dated: February 15, 1990

By David A. Peters
DAVID A. PETERS Counsel

FILED
AUG 11 1989

DEPARTMENT OF REAL ESTATE

By Laurie A. Ryan

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)
NANCI E. GILBERT; HAMID HAFIZI;) NO. H-2245 SAC
MARYAM & DAVID, INC.; et al.,)
Respondents.)

DECISION

The Proposed Decision dated August 9, 1989 of Robert E. McCabe, Regional Manager, Department of Real Estate, State of California, as to respondent NANCI E. GILBERT only is hereby adopted as the Decision of the Real Estate Commissioner in the above-entitled matter.

The Decision shall become effective at 12 o'clock noon on September 1, 1989.

IT IS SO ORDERED August 11, 1989.

JAMES A. EDMONDS, JR.
Real Estate Commissioner

By:

John R. Liberator
JOHN R. LIBERATOR
Chief Deputy Commissioner

III

Respondent and/or Respondent's confederates acting as sellers, buyers or agents entered into a plan and scheme involving the sale and purchase of various parcels of real property and the obtaining of loans secured by liens on said properties. Respondent and/or Respondent's confederates acting as sellers, buyers or agents entered into a plan and scheme with reference to said transactions, as fully set forth below, with the intent to substantially benefit themselves without regard to the injury their acts would cause to various lenders named hereinunder and without disclosing to said lenders the true facts and their true intentions with respect to the transactions described herein.

IV

The plan and scheme described in Paragraph III above, contemplated with respect to each of the transactions, one or more of the following acts, omissions or representations:

1. Respondent and/or Respondent's confederates would purchase residential real properties located in or near Sacramento, California.
2. Respondent and/or Respondent's confederates would transfer to each other title to said properties as a result of purported sales involving inflated sales prices.
3. Respondent and/or Respondent's confederates posing as buyers of said properties would make application for and obtain purchase money loans secured by said properties without disclosing to the lenders the manner in which said properties were acquired and the true value of said properties. As a portion of said loan application, Respondent and/or Respondent's confederates would represent that they would occupy said properties.
4. Respondent and/or Respondent's confederates would obtain said loans for their own benefit and not for the purposes represented to the lenders.

V

On or about October 21, 1982, Maryam & David, Inc., acting by and through Hamid Hafizi, purchased real property commonly known as 4309 Howard Avenue, Sacramento, California (hereinafter "4309 property") from Granite Home Loans. The amount of said purchase price was \$16,000.00 or less.

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VI

On or about March 1, 1983, respondent GILBERT, in furtherance of the plan and scheme described in Paragraphs III and IV, entered into an agreement in which respondent GILBERT agreed to buy the 4309 property from Maryam & David, Inc. for a purported purchase price of \$47,500.00.

VII

On or about March 1, 1983, in furtherance of the plan and scheme described in Paragraphs III and IV, respondent GILBERT applied to Seafirst Real Estate Group, Seattle, Washington (hereinafter "Seafirst"), for a loan in the amount of \$42,750.00 secured by a lien on the 4309 property.

VIII

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs III and IV, respondent GILBERT falsely represented to Seafirst that:

1. The sale by Maryam & David, Inc. and purchase by respondent GILBERT of the 4309 property was a bona fide sale and purchase;

2. The loan proceeds obtained by respondent GILBERT would be used to purchase the 4309 property; and that respondent GILBERT would occupy the 4309 property.

3. The fair market value of the 4309 property was \$47,500.00; and

4. Respondent GILBERT would make payments on the loan described in Paragraph VI.

IX

In reliance on said representations, Seafirst loaned respondent GILBERT \$42,750.00 to be secured by a deed of trust on the 4309 property.

X

On or about March 31, 1983, a grant deed was recorded transferring the 4309 property from Maryam & David, Inc. to respondent GILBERT. On or about March 31, 1983, the deed of trust described in Paragraph VIII was recorded.

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XI

On or about December 1, 1984, respondent GILBERT, or her successors in interest ceased making payments on the loans secured by a deed of trust on the 4309 property.

THIRTEENTH CAUSE OF ACCUSATION

XII

At various times herein mentioned, respondent GILBERT was performing acts requiring a real estate license for or in expectation of a compensation.

XIII

On or about June 30, 1983, Mehrdad Baghai, acting by and through respondents Maryam & David, Inc. and Hamid Hafizi, purchased real property commonly known as 5131 15th Avenue, Sacramento, California (hereinafter "5131 property") from Robert F. Brown. The amount of said purchase price was \$12,000.00 or less.

XIX

On or about July 10, 1983, respondent GILBERT in furtherance of the plan and scheme described in Paragraphs III and VI, entered into an agreement in which Marcia Merrill agreed to buy the 5131 property for a purported purchase price of \$46,000.00.

XX

On or about July 11, 1983, in furtherance of the plan and scheme described in Paragraphs III and IV, Marcia Merrill applied to Seafirst for a loan in the amount of \$41,850.00 secured by a lien on the 5131 property.

XXI

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs III and IV, respondent GILBERT falsely represented to Seafirst that:

1. The sale and purchase by Marcia Merrill of the 5131 property was a bona fide sale and purchase;
2. The loan proceeds obtained by Marcia Merrill would be used to purchase the 5131 property and that Marcia Merrill would occupy the 5131 property;
3. The fair market value of the 5131 property was \$46,000.00; and

4. Marcia Merrill would make payments on the loan described in Paragraph XIII.

XXII

In reliance on said representations, Seafirst loaned Marcia Merrill \$41,850.00 to be secured by a deed of trust on the 5131 property.

XXIII

On or about August 22, 1983, a grant deed was recorded transferring the 5131 property to Marcia Merrill. On or about August 22, 1983, the deed of trust described in Paragraph XX was recorded.

XXIV

On or about August 22, 1983, Maryam & David, Inc. received a check from escrow in the amount of \$5,000.00 and respondent GILBERT received a check from escrow in the amount of \$24,344.10.

XXV

On or about October 1, 1984, Marcia Merrill or her successors in interest ceased making payments on the loan secured by a deed of trust on the 5131 property.

DETERMINATION OF ISSUES

I

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

EIGHTH CAUSE OF ACCUSATION

II

Cause for disciplinary action against Respondent exists pursuant to Business and Professions Code Section 10177(j).

THIRTEENTH CAUSE OF ACCUSATION

III

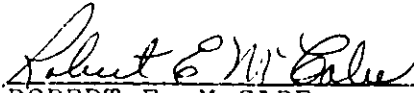
Cause for disciplinary action against Respondent exists pursuant to Business and Professions Code Sections 10176(a), 10176(i) and 10177(j).

///

ORDER

All licenses and licensing rights of respondent
NANCI E. GILBERT under the provisions of Part 1 of Division 4 of
the Business and Professions Code are hereby revoked.

DATED: August 9, 1989



ROBERT E. McCABE
Regional Manager
Department of Real Estate

FILED
SEP 15 1989

**BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA**

DEPARTMENT OF REAL ESTATE

Laurie A. Gysin

In the Matter of the Accusation of

HAMID HAFIZI; MARYAM &
DAVID, INC.; et al.

}

Case No. H-2245 SAC

OAH No. N-30761

Respondent(s)

**THIRD AMENDED
NOTICE OF HEARING ON ACCUSATION**

To the above named respondent:

You are hereby notified that a hearing will be held before the Department of Real Estate at the Office
of Administrative Hearings, 501 J Street, Suite 220 (Second Floor Hearing Rooms),
Sacramento, CA 95814 on the 19th day of March, 1990 through
the 6th day of April, 1990, at the hour of 9:00 AM, or as soon thereafter
as the matter can be heard, upon the charges made in the Accusation served upon you.

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

You may present any relevant evidence and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the production of books, documents or other things by applying to the Department of Real Estate.

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

DEPARTMENT OF REAL ESTATE

Dated: 09/15/89

By *David A. Peters*
DAVID A. PETERS Counsel

FILED
MAY - 1 1989

**BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA**

DEPARTMENT OF REAL ESTATE

Laurie A. Zhan
By _____

In the Matter of the Accusation of

HAMID HAFIZI; MARYAM & DAVID,
INC.; et al.,

} _____

Case No. H-2245 SAC

OAH No. N-30761

Respondent(s)

SECOND CONTINUED STATUTE OF LIMITATIONS'

NOTICE OF HEARING ON ACCUSATION

To the above named respondent:

You are hereby notified that a hearing will be held before the Department of Real Estate at the Office
of Administrative Hearings, 501 J Street, Suite 220 (Second Floor Hearing Rooms),
Sacramento, CA 95814 on 15th of May, 1989 through
the 24th day of May, 19 89, at the hour of 9:00 AM, or as soon thereafter
as the matter can be heard, upon the charges made in the Accusation served upon you.

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

You may present any relevant evidence and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the production of books, documents or other things by applying to the Department of Real Estate.

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

DEPARTMENT OF REAL ESTATE

Dated: 05/01/89

By *David G. Peters*
DAVID A. PETERS *Counsel*

FILED
MAR 31 1989

**BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA**

DEPARTMENT OF REAL ESTATE

By Laurie A. Zean

In the Matter of the Accusation of

HAMID HAFIZI; MARYAM & DAVID,
INC., et al.

}

Case No. H-2245 SAC

OAH No. N-30761

Respondent(s)

**CONTINUED STATUTE OF LIMITATIONS'
NOTICE OF HEARING ON ACCUSATION**

To the above named respondent:

You are hereby notified that a hearing will be held before the Department of Real Estate at the Office
of Administrative Hearings, 501 J Street, Suite 220 (Second Floor Hearing Rooms),
Sacramento, CA 95814 on April 18, 1989 through April 21, 1989 and
on the 28th day of April, 19 89, at the hour of 9:00 AM, or as soon thereafter
as the matter can be heard, upon the charges made in the Accusation served upon you.

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

You may present any relevant evidence and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the production of books, documents or other things by applying to the Department of Real Estate.

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

DEPARTMENT OF REAL ESTATE

Dated: 03/31/89

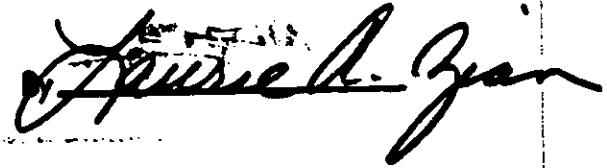
By David A. Peters
DAVID A. PETERS *Counsel*

1 DAVID A. PETERS, Counsel
2 Department of Real Estate
3 P. O. Box 187000
4 Sacramento, CA 95818-7000

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8 (916) 739-3607

FILED
NOV 21 1988

DEPARTMENT OF REAL ESTATE



9 BEFORE THE DEPARTMENT OF REAL ESTATE

10 STATE OF CALIFORNIA

11 * * *

12 In the Matter of the Accusation of)
13 HAMID HAFIZI; MARYAM & DAVID,)
14 INC.; MEHRDAD BAGHAI, dba)
15 Paramount Investments and)
16 Caspian Properties; and)
17 NANCI E. GILBERT,)
18 Respondents.)

NO. H-2245 SAC
FIRST AMENDED
ACCUSATION

19 The complainant, Charles W. Koenig, a Deputy Real Estate
20 Commissioner of the State of California, for cause of Accusation
21 against HAMID HAFIZI (hereinafter "respondent Hafizi"); MARYAM &
22 DAVID, INC. (hereinafter "respondent Maryam & David"); MEHRDAD
23 BAGHAI, dba Paramount Investments and Caspian Properties (herein-
24 after "respondent Baghai"); and NANCI E. GILBERT (hereinafter
25 "respondent Gilbert") is informed and alleges as follows:

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FIRST CAUSE OF ACCUSATION

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1.

The complainant, Charles W. Koenig, a Deputy Real Estate Commissioner of the State of California, makes this accusation in his official capacity.

2.

At all times herein mentioned, respondent Hafizi is presently licensed and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code)(hereinafter "Code") as a real estate broker.

3.

At all times herein mentioned, respondent Maryam & David is presently licensed and/or has license rights under the Code as a real estate broker corporation by and through respondent Hafizi as designated officer of said corporation.

4.

At all times herein mentioned, respondent Baghai is presently licensed and/or has license rights under the Code as a real estate broker.

5.

At all times herein mentioned, respondent Gilbert is presently licensed and/or has license rights under the Code as a real estate broker.

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6.

Each of the respondents at various times (as alleged herein) participated in and contributed to the unlawful acts and schemes complained of herein, and as such whenever reference is made to any act of a particular respondent with reference to a specific cause of accusation such references shall be deemed to mean the act of each respondent named in the cause of accusation acting individually, jointly and severally.

7.

Described herein below are certain transactions involving the sale and purchase of various parcels of real property and the obtaining of loans secured by liens on said properties. Beginning on or before April 23, 1981, respondents and/or respondents' confederates acting as sellers, buyers or agents entered into a plan and scheme with reference to said transactions, as fully set forth below, with the intent to substantially benefit themselves without regard to the injury their acts would cause to various lenders named hereinunder and without disclosing to said lenders the true facts and their true intentions with respect to the transactions described in the following causes of accusation.

8.

The plan and scheme described in Paragraph 7. above, contemplated with respect to each of the transactions, one or more of the following acts, omissions or representations:

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1 1. Respondents and/or respondents' confederates would
2 purchase residential real properties located in or near
3 Sacramento, California.

4 2. Respondents and/or respondents' confederates would
5 transfer to each other title to said properties as a result of
6 purported sales involving inflated sales prices.

7 3. Respondents and/or respondents' confederates posing
8 as buyers of said properties would make application for and obtain
9 purchase money loans secured by said properties without disclosing
10 to the lenders the manner in which said properties were acquired
11 and the true value of said properties. As a portion of said loan
12 application, respondents and/or respondents' confederates would
13 represent that they would occupy said properties.

14 4. Respondents and/or respondents' confederates would
15 obtain said loans for their own benefit and not for the purposes
16 represented to the lenders.

17 9.

18 At various times herein mentioned in this First Cause of
19 Accusation, respondents Maryam & David and Hafizi were performing
20 acts requiring a real estate license for or in expectation of
21 compensation.

22 10.

23 On or about January 5, 1981, respondent Maryam & David,
24 acting by and through respondent Hafizi purchased real property
25 commonly known as 3501 37th Street, Sacramento, California
26 (hereinafter "3501 property") from Moses Smith. The exact amount
27 of said purchase price is unknown to complainant but well known to

1 respondents Maryam & David and Hafizi and is believed to be
2 \$20,000 or less.

3 11.

4 On or about April 23, 1981, respondent Maryam & David in
5 furtherance of the plan and scheme alleged in Paragraphs 7. and 8.
6 entered into an agreement in which Homeyra Hafizi agreed to buy
7 the 3501 property from Maryam & David for a purported purchase
8 price of \$45,000.

9 12.

10 On or about April 23, 1981, in furtherance of the plan
11 and scheme alleged in Paragraphs 7. and 8., Homeyra Hafizi applied
12 to California Federal Savings and Loan Association, 591 Watt
13 Avenue, Sacramento, California (hereinafter "Cal Fed") for a
14 loan in the amount of \$42,700 secured by a lien on the 3501
15 property.

16 13.

17 In connection with said loan application and in
18 furtherance of the plan and scheme described in Paragraphs 7. and
19 8., respondent Maryam & David and Homeyra Hafizi falsely
20 represented to Cal Fed that:

21 1. The sale by Maryam & David and purchase by Homeyra
22 Hafizi of the 3501 property was a bona fide sale and purchase;

23 2. The loan proceeds obtained by Homeyra Hafizi would be
24 used to purchase the 3501 property and that Homeyra Hafizi would
25 occupy the 3501 property;

26 3. The fair market value of the 3501 property was
27 \$45,000; and

1 4. Homeyra Hafizi would make payments on the \$42,700
2 loan described in Paragraph 12.

3 14.

4 In reliance on said representations Cal. Fed loaned
5 Homeyra Hafizi \$42,700 to be secured by a deed of trust on the
6 3501 property.

7 15.

8 On or about June 2, 1981, a grant deed was recorded
9 transferring the 3501 property from respondent Maryam & David to
10 Homeyra Hafizi. On or about June 2, 1981, the deed of trust
11 described in Paragraph 14. was recorded.

12 16.

13 On or about June 2, 1981, respondent Maryam & David
14 received a check from escrow in the amount of \$24,047.48.

15 17.

16 On or about October 1, 1983, Maryam & David,
17 Homeyra Hafizi or their successors in interest ceased making
18 payments on the loan secured by a deed of trust on the 3501
19 property.

20 18.

21 The violations alleged in this First Cause of Accusation
22 were not discovered until on or about May 20, 1986, by Deputy Real
23 Estate Commissioner Les Bettencourt of the California Department
24 of Real Estate. No aggrieved party as the result of said
25 violations and no law enforcement or regulatory agency chargeable

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1 with the investigation and/or prosecution of said violations had
2 actual or constructive knowledge of said violations prior to said
3 discovery date within the meaning of Section 10101 of the Code.

4 Deputy Commissioner Bettencourt received information
5 concerning other transactions which implied that Maryam and David,
6 Inc. and certain individuals had conspired to defraud various
7 lenders.

8 Said fraud or misrepresentation was not discoverable by
9 Deputy Commissioner Bettencourt in the exercise of reasonable
10 diligence until he conducted a review of computer printouts of
11 title company documents related to said property provided by
12 Federal National Mortgage Association (hereinafter "Fannie Mae")
13 for the purpose of finding transactions wherein individuals acting
14 as buyers and sellers may have been connected with Maryam and
15 David, Inc.

16 On or about June 24, 1986, Deputy Commissioner
17 Bettencourt informed Philbert E. Seals, General Counsel for Cal
18 Fed that the loan on the 3501 property was a suspect transaction.

19 Cal Fed, as the lender and the aggrieved party in this
20 transaction, was unable in the exercise of reasonable diligence to
21 discover the fraud and/or misrepresentations alleged in this cause
22 of accusation prior to June 24, 1986 because Respondents and the
23 unlicensed persons mentioned in this cause of accusation actively
24 concealed from Cal Fed the true nature of the transaction and
25 induced Cal Fed to believe that the transaction was legitimate.

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27 ///

1 Prior to the dates mentioned above, the Department of
2 Real Estate did not have knowledge of any of the facts concerning
3 the fraud and/or misrepresentations or of the plan and scheme as
4 it relates to the 3501 property and had no reasonable means of
5 knowledge or notice which would have led to the discovery of said
6 fraud and/or misrepresentations or of the plan and scheme at an
7 earlier time.

8 19.

9 The acts and omissions of respondents Maryam & David and
10 Hafizi set forth in this First Cause of Accusation constitute the
11 making of substantial misrepresentations and fraud or dishonest
12 dealing and are cause under Sections 10176(a), 10176(i) and
13 10177(j) of the Code for suspension or revocation of all licenses
14 and/or license rights of respondents under the real estate law.

15 SECOND CAUSE OF ACCUSATION

16 20.

17 There is hereby incorporated in this second, separate
18 and distinct cause of accusation, all of the allegations contained
19 in Paragraphs 1., 2., 3., 6., 7., and 8. of the First Cause of
20 Accusation with the same force and effect as if herein fully set
21 forth.

22 21.

23 At various times herein mentioned, respondent Maryam &
24 David performed acts requiring a real estate license for or in
25 expectation of compensation.

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1 22.

2 On or about June 29, 1981, Janet Jordan and Paul Jordan
3 purchased real property commonly known as 7640 Goes Parkway,
4 Sacramento, California (hereinafter "7640 property") from Dale H.
5 and Sharon L. Amos. The exact amount of said purchase price is
6 unknown to complainant but well known to Janet Jordan and Paul
7 Jordan and is believed to be \$45,000 or less.

8 23.

9 On or about July 23, 1981, Janet Jordan and Paul Jordan
10 in furtherance of the plan and scheme alleged in Paragraphs 7. and
11 8., entered into an agreement in which Janet Jordan and Paul
12 Jordan conveyed the 7640 property by grant deed to respondent
13 Maryam & David.

14 24.

15 On or about July 23, 1981, Janet Jordan and Paul Jordan
16 by and through respondent Maryam & David and in furtherance of the
17 plan and scheme alleged in Paragraphs 7. and 8., entered into an
18 agreement in which respondents Janet Jordan and Paul Jordan agreed
19 to buy the 7640 property from respondent Maryam & David for a
20 purported purchase price of \$82,500.

21 25.

22 On or about September 28, 1981, in furtherance of the
23 plan and scheme alleged in Paragraphs 7. and 8., Janet Jordan and
24 Paul Jordan applied to Seafirst Real Estate Group, Seattle,
25 Washington (hereinafter "Seafirst"), for a loan in the amount of
26 \$66,000 secured by a lien on the 7640 property.

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26.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 7. and 8., respondent Maryam & David, and Janet Jordan and Paul Jordan falsely represented to Seafirst that:

1. The sale by respondent Maryam & David and purchase by Janet Jordan and Paul Jordan of the 7640 property was a bona fide sale and purchase;

2. The loan proceeds obtained by Janet Jordan and Paul Jordan would be used to purchase the 7640 property;

3. The fair market value of the 7640 property was \$82,500; and

4. Janet Jordan and Paul Jordan would make payments on the loan described in Paragraph 25.

27.

In reliance on said representations Seafirst loaned Janet Jordan and Paul Jordan \$66,000 to be secured by a deed of trust on the 7640 property.

28.

On or about November 5, 1981, a grant deed was recorded transferring the 7640 property from respondent Maryam & David to Janet Jordan and Paul Jordan. On or about November 5, 1981, the deed of trust described in Paragraph 27. was recorded.

29.

On or about November 5, 1981, respondent Maryam & David received a check from escrow in the amount of \$38,786.11.

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1 30.

2 On or about June 1, 1982, respondents Maryam & David,
3 Janet Jordan and Paul Jordan or their successors in interest
4 ceased making payments on the loan secured by a deed of trust on
5 the 7640 property.

6 31.

7 The violations alleged in this Second Cause of
8 Accusation were not discovered until on or about June 4, 1986, by
9 Deputy Real Estate Commissioner Les Bettencourt of the California
10 Department of Real Estate. No aggrieved party as the result of
11 said violations and no law enforcement or regulatory agency
12 chargeable with the investigation and/or prosecution of said
13 violations had actual or constructive knowledge of said violations
14 prior to said discovery date within the meaning of Section 10101
15 of the Code.

16 Deputy Commissioner Bettencourt received information
17 concerning other transactions which implied that Maryam and David,
18 Inc. and certain individuals had conspired to defraud various
19 lenders. In the course of searching the Sacramento County
20 Official Records, Commissioner Bettencourt discovered that the
21 transaction alleged in this cause of accusation was included among
22 transactions listed in said records under the names of the said
23 individuals.

24 Said fraud or misrepresentation was not discoverable by
25 Deputy Commissioner Bettencourt in the exercise of reasonable
26 diligence until he conducted a search of the grantor-grantee
27 general index at the Sacramento County Recorder's Office for the

1 purpose of finding transactions wherein individuals acting as
2 buyers and sellers may have been connected with Maryam and David,
3 Inc.

4 On or about June 17, 1986, Deputy Commissioner
5 Bettencourt informed Mary F. Coon, Vice President and Manager of
6 Seafirst and Kathy Tillich, Property Disposition Representative,
7 Fannie Mae that the loan on the 7640 property was a suspect
8 transaction.

9 Seafirst, as the lender and the aggrieved party in this
10 transaction, was unable in the exercise of reasonable diligence to
11 discover the fraud and/or misrepresentations alleged in this cause
12 of accusation prior to June 17, 1986 because Respondents and the
13 unlicensed persons mentioned in this cause of accusation actively
14 concealed from Seafirst the true nature of the transaction and
15 induced Seafirst to believe that the transaction was legitimate.

16 Even if Seafirst had reason to believe that Respondents
17 and the unlicensed persons mentioned in this cause of accusation
18 were involved in fraud and/or misrepresentations, Respondents or
19 the unlicensed persons mentioned in this cause of accusation
20 caused the underlying loan to be assumed by Bonnie and Cassandra
21 Riley on May 1, 1982. Therefore, said loan was not listed in
22 Seafirst's records under the original borrower's name, but rather
23 under the name of Bonnie and Cassandra Riley.

24 Prior to the dates mentioned above, the Department of
25 Real Estate did not have knowledge of any of the facts concerning
26 the fraud and/or misrepresentations or of the plan and scheme as
27 it relates to the 7640 property and had no reasonable means of

1 knowledge or notice which would have led to the discovery of said
2 fraud and/or misrepresentations or of the plan and scheme at an
3 earlier time.

4 32.

5 The acts and omissions of respondent Maryam & David
6 set forth in this Second Cause of Accusation constitute the making
7 of substantial misrepresentations and fraud or dishonest dealing
8 and are cause under Sections 10176(a), 10176(i) and 10177(j) of
9 the Code for suspension or revocation of all licenses and/or
10 license rights of respondents under the Real Estate Law.

11 THIRD CAUSE OF ACCUSATION

12 33.

13 There is hereby incorporated in this third, separate and
14 distinct cause of accusation, all of the allegations contained in
15 Paragraphs 1., 2., 3., 6., 7., and 8. of the First Cause of
16 Accusation with the same force and effect as if herein fully set
17 forth.

18 34.

19 At various times herein mentioned, respondents Maryam &
20 David and Hafizi were performing acts requiring a real estate
21 license for or in expectation of a compensation.

22 35.

23 On or about March 3, 1982, respondents Maryam & David
24 acting by and through respondent Hafizi purchased real property
25 commonly known as 3417 42nd Street, Sacramento, California
26 (hereinafter "3417 property") from Charles R. and Kathleen F.
27 Anderson. The exact amount of said purchase price is unknown to

1 complainant but well known to respondents Maryam & David and
2 Hafizi and is believed to be \$24,500 or less.

3 36.

4 On or about April 1, 1982, respondents Maryam & David
5 and Hafizi in furtherance of the plan and scheme alleged in
6 Paragraphs 7. and 8. entered into an agreement in which Sherilyn
7 L. Scott agreed to buy the 3417 property from respondent Maryam &
8 David for a purported purchase price of \$45,000.

9 37.

10 On or about April 1, 1982, in furtherance of the plan
11 and scheme alleged in Paragraphs 7. and 8., Sherilyn L. Scott
12 applied to Cal Fed for a loan in the amount of \$42,750 secured by
13 a lien on the 3417 property.

14 38.

15 In connection with said loan application and in
16 furtherance of the plan and scheme described in Paragraphs 7. and
17 8., respondents Maryam & David and Hafizi, by and through Sherilyn
18 L. Scott falsely represented to Cal Fed that:

19 1. The sale by respondents Maryam & David and Hafizi and
20 purchase by Sherilyn L. Scott of the 3417 property was a bona fide
21 sale and purchase;

22 2. The loan proceeds obtained by Sherilyn L. Scott would
23 be used to purchase the 3417 property and that Sherilyn L. Scott
24 would occupy the 3417 property;

25 3. The fair market value of the 3417 property was
26 \$45,000; and

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1 4. Sherilyn L. Scott would make payments on the loan
2 described in Paragraph 37.

3 39.

4 In reliance on said representations Cal Fed loaned
5 Sherilyn L. Scott \$42,750 to be secured by a deed of trust on the
6 3417 property.

7 40.

8 On or about May 26, 1982, a grant deed was recorded
9 transferring the 3417 property from respondent Maryam & David to
10 Sherilyn L. Scott. On or about May 26, 1982, the deed of trust
11 described in Paragraph 39. was recorded.

12 41.

13 On or about May 26, 1982, respondent Maryam & David
14 received a check from escrow in the amount of \$15,420.16.

15 42.

16 On or about February 25, 1983, a grant deed was recorded
17 transferring the 3417 property from Sherilyn L. Scott to Suburban
18 Enterprises, Inc. The purchase price paid by Suburban
19 Enterprises, Inc. is unknown to complainant but is believed to be
20 \$1,000 or less.

21 43.

22 On or about March 1, 1983, respondent Maryam & David,
23 Sherilyn L. Scott, Suburban Enterprises, Inc., or their successors
24 in interest ceased making payments on the loan secured by a deed
25 of trust on the 3417 property.

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 2 The violations alleged in this Third Cause of Accusation
 3 were not discovered until on or about June 5, 1986, by Deputy Real
 4 Estate Commissioner Les Bettencourt of the California Department
 5 of Real Estate. No aggrieved party as the result of said
 6 violations and no law enforcement or regulatory agency chargeable
 7 with the investigation and/or prosecution of said violations had
 8 actual or constructive knowledge of said violations prior to said
 9 discovery date within the meaning of Section 10101 of the Code.

10 Deputy Commissioner Bettencourt received information
 11 concerning other transactions which implied that Maryam and David,
 12 Inc. and certain individuals had conspired to defraud various
 13 lenders. In the course of searching the Sacramento County
 14 Official Records, Commissioner Bettencourt discovered that the
 15 transaction alleged in this cause of accusation was included among
 16 transactions listed in said records under the names of the said
 17 individuals.

18 Said fraud or misrepresentation was not discoverable by
 19 Deputy Commissioner Bettencourt in the exercise of reasonable
 20 diligence until he conducted a search of the grantor-grantee
 21 general index at the Sacramento County Recorder's Office for the
 22 purpose of finding transactions wherein individuals acting as
 23 buyers and sellers may have been connected with Maryam and David,
 24 Inc.

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1 On or about June 24, 1986, Deputy Commissioner
2 Bettencourt informed Philbert E. Seals, General Counsel for Cal
3 Fed that the loan on the 3417 property was a suspect transaction.

4 Cal Fed, as the lender and the aggrieved party in this
5 transaction, was unable in the exercise of reasonable diligence to
6 discover the fraud and/or misrepresentations alleged in this cause
7 of accusation prior to June 24, 1986 because Respondents and the
8 unlicensed persons mentioned in this cause of accusation actively
9 concealed from Cal Fed the true nature of the transaction and
10 induced Cal Fed to believe that the transaction was legitimate.

11 Prior to the dates mentioned above, the Department of
12 Real Estate did not have knowledge of any of the facts concerning
13 the fraud and/or misrepresentations or of the plan and scheme as
14 it relates to the 3417 property and had no reasonable means of
15 knowledge or notice which would have led to the discovery of said
16 fraud and/or misrepresentations or of the plan and scheme at an
17 earlier time.

18 45.

19 The acts and omissions of respondents Maryam & David and
20 Hafizi set forth in this Third Cause of Accusation constitute the
21 making of substantial misrepresentations and fraud or dishonest
22 dealing and are cause under Sections 10176(a), 10176(i) and
23 10177(j) of the Code for suspension or revocation of all licenses
24 and/or license rights of respondents under the Real Estate Law.

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1 FOURTH CAUSE OF ACCUSATION

2 46.

3 There is hereby incorporated in this fourth, separate
4 and distinct cause of accusation, all of the allegations contained
5 in Paragraphs 1., 2., 3., 6., 7., and 8. of the First Cause of
6 Accusation with the same force and effect as if herein fully set
7 forth.

8 47.

9 At various times herein mentioned, respondent Maryam &
10 David was performing acts requiring a real estate license for or
11 in expectation of a compensation.

12 48.

13 On or about March 3, 1982, respondent Maryam & David
14 purchased real property commonly known as 3101 San Rafael Court,
15 Sacramento, California (hereinafter "3101 property") from Charles
16 R. and Kathleen F. Anderson. The exact amount of said purchase
17 price is unknown to complainant but well known to respondent
18 Maryam & David and is believed to be \$23,500 or less.

19 49.

20 On or about March 15, 1982, respondent Maryam & David,
21 in furtherance of the plan and scheme alleged in Paragraphs 7. and
22 8., entered into an agreement in which John J. Watson and Thomas
23 A. Schmidt agreed to buy the 3101 property from Maryam & David for
24 a purported purchase price of \$50,000.

25 50.

26 On or about March 15, 1982, in furtherance of the plan
27 and scheme alleged in Paragraphs 7. and 8., John J. Watson and

1 Thomas A. Schmidt applied to Cal Fed, for a loan in the amount of
2 \$47,500 secured by a lien on the 3101 property.

3 51.

4 In connection with said loan application and in
5 furtherance of the plan and scheme described in Paragraphs 7. and
6 8., respondent Maryam & David by and through John J. Watson and
7 Thomas A. Schmidt falsely represented to Cal Fed that:

8 1. The sale by Maryam & David and purchase by John J.
9 Watson and Thomas A. Schmidt of the 3101 property was a bona fide
10 sale and purchase;

11 2. The loan proceeds obtained by John J. Watson and
12 Thomas A. Schmidt would be used to purchase the 3101 property;

13 3. The fair market value of the 3101 property was
14 \$50,000; and

15 4. John J. Watson and Thomas A. Schmidt would make
16 payments on the loan described in Paragraph 49.

17 52.

18 In reliance on said representations Cal Fed loaned John
19 J. Watson and Thomas A. Schmidt \$47,500 to be secured by a deed of
20 trust on the 3101 property.

21 53.

22 On or about May 13, 1982, a grant deed was recorded
23 transferring the 3101 property from respondent Maryam & David to
24 John J. Watson and Thomas A. Schmidt. On or about May 13, 1982,
25 the deed of trust described in Paragraph 52. was recorded.

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54.

On or about May 13, 1982, respondent Maryam & David received a check from escrow in the amount of \$20,184.43.

55.

On or about April 1, 1984, Maryam & David, John J. Watson and Thomas A. Schmidt, or their successors in interest ceased making payments on the loan secured by a deed of trust on the 3101 property.

56.

The violations alleged in this Fourth Cause of Accusation were not discovered until on or about May 13, 1986, by Deputy Real Estate Commissioner Les Bettencourt of the California Department of Real Estate. No aggrieved party as the result of said violations and no law enforcement or regulatory agency chargeable with the investigation and/or prosecution of said violations had actual or constructive knowledge of said violations prior to said discovery date within the meaning of Section 10101 of the Code.

Deputy Commissioner Bettencourt received information concerning other transactions which implied that Maryam and David, Inc. and certain individuals had conspired to defraud various lenders.

Said fraud or misrepresentation was not discoverable by Deputy Commissioner Bettencourt in the exercise of reasonable diligence until he conducted a review of computer printouts of title company documents related to said property provide by Fannie Mae for the purpose of finding transactions wherein individuals

1 acting as buyers and sellers may have been connected with Maryam
2 and David, Inc.

3 On or about June 24, 1986, Deputy Commissioner
4 Bettencourt informed Philbert E. Seals, General Counsel for Cal
5 Fed that the loan on the 3101 property was a suspect transaction.

6 Cal Fed, as the lender and the aggrieved party in this
7 transaction, was unable in the exercise of reasonable diligence to
8 discover the fraud and/or misrepresentations alleged in this cause
9 of accusation prior to June 24, 1986 because Respondents and the
10 unlicensed persons mentioned in this cause of accusation actively
11 concealed from Cal Fed the true nature of the transaction and
12 induced Cal Fed to believe that the transaction was legitimate.

13 Prior to the dates mentioned above, the Department of
14 Real Estate did not have knowledge of any of the facts concerning
15 the fraud and/or misrepresentations or of the plan and scheme as
16 it relates to the 3101 property and had no reasonable means of
17 knowledge or notice which would have led to the discovery of said
18 fraud and/or misrepresentations or of the plan and scheme at an
19 earlier time.

20 56.

21 The acts and omissions of respondent Maryam & David set
22 forth in this Fourth Cause of Accusation constitute the making of
23 substantial misrepresentations and fraud or dishonest dealing and
24 are cause under Sections 10176(a), 10176(i) and 10177(j) of the
25 Code for suspension or revocation of all licenses and/or license
26 rights of respondents under the Real Estate Law.

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1 FIFTH CAUSE OF ACCUSATION

2 58.

3 There is hereby incorporated in this fifth, separate and
4 distinct cause of accusation, all of the allegations contained in
5 Paragraphs 1., 2., 3., 4., 6., 7., and 8. of the First Cause of
6 Accusation with the same force and effect as if herein fully set
7 forth.

8 59.

9 At various times herein mentioned, respondents Maryam &
10 David and Hafizi were performing acts requiring a real estate
11 license for or in expectation of a compensation.

12 60.

13 On or about April 1, 1982, respondent Baghai, also known
14 as Mehrdad Astaneh, acting by and through respondents Hafizi and
15 Maryam & David, purchased real property commonly known as
16 4401 13th Avenue, Sacramento, California (hereinafter "4401
17 property") from Douglas and Sally Ryno. The exact amount of said
18 purchase price is unknown to complainant but well known to
19 respondents Baghai, Hafizi and Maryam & David and is believed to
20 be \$20,000 or less.

21 61.

22 On or about April 4, 1982, respondents Baghai, Hafizi
23 and Maryam & David, in furtherance of the plan and scheme alleged
24 in Paragraphs 7. and 8., entered into an agreement in which
25 Beverly K. Crawford (hereinafter "Crawford") agreed to buy the
26 4401 property from respondent Baghai for a purported purchase
27 price of \$40,000.

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62.

On or about April 5, 1982, in furtherance of the plan and scheme alleged in Paragraphs 7. and 8., Crawford applied to Cal Fed, for a loan in the amount of \$38,000 secured by a lien on the 4401 property.

63.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 7. and 8., respondents Baghai, Hafizi, Maryam & David and Crawford falsely represented to Cal Fed that:

1. The sale by respondent Baghai and purchase by Crawford of the 4401 property was a bona fide sale and purchase;
2. The loan proceeds obtained by Crawford would be used to purchase the 4401 property; and that Crawford would occupy the 4401 property;
3. The fair market value of the 4401 property was \$40,000; and
4. Crawford would make payments on the loan described in Paragraph 62.

64.

In reliance on said representations Cal Fed loaned Crawford \$38,000 to be secured by a deed of trust on the 4401 property.

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1 65.

2 On or about May 24, 1982, a grant deed was recorded
3 transferring the 4401 property from respondent Baghai to
4 Crawford. On or about May 24, 1982, the deed of trust described
5 in Paragraph 64. was recorded.

6 66.

7 On or about May 24, 1982, respondent Baghai received a
8 check from escrow in the amount of \$16,962.27.

9 67.

10 On or about November 1, 1983, Crawford or her successors
11 in interest ceased making payments on the loan secured by a deed
12 of trust on the 4401 property.

13 68

14 The violations alleged in this Fifth Cause of Accusation
15 were not discovered until on or about May 13, 1986, by Deputy Real
16 Estate Commissioner Les Bettencourt of the California Department
17 of Real Estate. No aggrieved party as the result of said
18 violations and no law enforcement or regulatory agency chargeable
19 with the investigation and/or prosecution of said violations had
20 actual or constructive knowledge of said violations prior to said
21 discovery date within the meaning of Section 10101 of the Code.

22 Deputy Commissioner Bettencourt received information
23 concerning other transactions which implied that Maryam and David,
24 Inc. and certain individuals had conspired to defraud various
25 lenders.

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1 Said fraud or misrepresentation was not discoverable by
2 Deputy Commissioner Bettencourt in the exercise of reasonable
3 diligence until he conducted a review of computer printouts of
4 title company documents related to said property provided by
5 Fannie Mae for the purpose of finding transactions wherein
6 individuals acting as buyers and sellers may have been connected
7 with Maryam and David, Inc.

8 On or about June 24, 1986, Deputy Commissioner
9 Bettencourt informed Philbert E. Seals, General Counsel for Cal
10 Fed that the loan on the 4401 property was a suspect transaction.

11 Cal Fed, as the lender and the aggrieved party in this
12 transaction, was unable in the exercise of reasonable diligence to
13 discover the fraud and/or misrepresentations alleged in this cause
14 of accusation prior to June 24, 1986 because Respondents and the
15 unlicensed persons mentioned in this cause of accusation actively
16 concealed from Cal Fed the true nature of the transaction and
17 induced Cal Fed to believe that the transaction was legitimate.

18 Prior to the dates mentioned above, the Department of
19 Real Estate did not have knowledge of any of the facts concerning
20 the fraud and/or misrepresentations or of the plan and scheme as
21 it relates to the 4401 property and had no reasonable means of
22 knowledge or notice which would have led to the discovery of said
23 fraud and/or misrepresentations or of the plan and scheme at an
24 earlier time.

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69.

The acts and omissions of respondents Hafizi and Maryam & David set forth in this Fifth Cause of Accusation constitute the making of substantial misrepresentations and fraud or dishonest dealing and are cause under Sections 10176(a), 10176(i) and 10177(j) of the Code for suspension or revocation of all licenses and/or license rights of respondents under the Real Estate Law.

70.

The acts and omissions of respondent Baghai set forth in this Fifth Cause of Accusation constitute fraud or dishonest dealing and are cause under Section 10177(j) of the Code for suspension or revocation of all licenses and/or license rights of respondent Baghai under the Real Estate Law.

SIXTH CAUSE OF ACCUSATION

71.

There is hereby incorporated in this sixth, separate and distinct cause of accusation, all of the allegations contained in Paragraphs 1., 2., 3., 6., 7., and 8. of the First Cause of Accusation with the same force and effect as if herein fully set forth.

72.

At various times herein mentioned, respondents Maryam & David and Hafizi were performing acts requiring a real estate license for or in expectation of a compensation.

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73.

On or about March 3, 1982, respondents Maryam & David, acting by and through respondent Hafizi, purchased real property commonly known as 3309 35th Street, Sacramento, California (hereinafter "3309 property"). The exact amount of said purchase price is unknown to complainant but well known to respondents Maryam & David and Hafizi and is believed to be \$24,500 or less.

74.

On or about April 20, 1982, respondents Maryam & David and Hafizi, in furtherance of the plan and scheme alleged in Paragraphs 7. and 8., entered into an agreement in which Robert C. and Nancy L. Matthews (hereinafter "Matthews") agreed to buy the 3309 property from Maryam & David for a purported purchase price of \$50,000.

75.

On or about April 22, 1982, in furtherance of the plan and scheme alleged in Paragraphs 7. and 8., the Matthews, and respondents Maryam & David and Hafizi applied to Cal Fed, for a loan in the amount of \$47,500 secured by a lien on the 3309 property.

76.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 7. and 8., respondents Maryam & David and Hafizi falsely represented to Cal Fed that:

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1 1. The sale by respondent Maryam & David and purchase by
2 the Matthews of the 3309 property was a bona fide sale and
3 purchase;

4 2. The loan proceeds obtained by the Matthews would be
5 used to purchase the 3309 property; and that the Matthews would
6 occupy the 3309 property;

7 3. The fair market value of the 3309 property was
8 \$50,000; and

9 4. The Matthews would make payments on the loan
10 described in Paragraph 75.

11 77.

12 In reliance on said representations Cal Fed loaned the
13 Matthews \$47,500 to be secured by a deed of trust on the 3309
14 property.

15 78.

16 On or about June 3, 1982, a grant deed was recorded
17 transferring the 3309 property from respondent Maryam & David to
18 the Matthews. On or about June 3, 1982, the deed of trust
19 described in Paragraph 77. was recorded.

20 79.

21 On or about June 3, 1982, respondents Maryam & David and
22 Hafizi received a check from escrow in the amount of \$19,876.59.

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The violations alleged in this Sixth Cause of Accusation were not discovered until on or about June 5, 1986, by Deputy Real Estate Commissioner Les Bettencourt of the California Department of Real Estate. No aggrieved party as the result of said violations and no law enforcement or regulatory agency chargeable with the investigation and/or prosecution of said violations had actual or constructive knowledge of said violations prior to said discovery date within the meaning of Section 10101 of the Code.

Deputy Commissioner Bettencourt received information concerning other transactions which implied that Maryam and David, Inc. and certain individuals had conspired to defraud various lenders. In the course of searching the Sacramento County Official Records, Commissioner Bettencourt discovered that the transaction alleged in this cause of accusation was included among transactions listed in said records under the names of the said individuals.

Said fraud or misrepresentation was not discoverable by Deputy Commissioner Bettencourt in the exercise of reasonable diligence until he conducted a search of the grantor-grantee general index at the Sacramento County Recorder's Office for the purpose of finding transactions wherein individuals acting as buyers and sellers may have been connected with Maryam and David, Inc.

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1 On or about June 24, 1986, Deputy Commissioner
2 Bettencourt informed Philbert E. Seals, General Counsel for Cal
3 Fed that the loan on the 3309 property was a suspect transaction.

4 Cal Fed, as the lender and the aggrieved party in this
5 transaction, was unable in the exercise of reasonable diligence to
6 discover the fraud and/or misrepresentations alleged in this cause
7 of accusation prior to June 24, 1986 because Respondents and the
8 unlicensed persons mentioned in this cause of accusation actively
9 concealed from Cal Fed the true nature of the transaction and
10 induced Cal Fed to believe that the transaction was legitimate.

11 Prior to the dates mentioned above, the Department of
12 Real Estate did not have knowledge of any of the facts concerning
13 the fraud and/or misrepresentations or of the plan and scheme as
14 it relates to the 3309 property and had no reasonable means of
15 knowledge or notice which would have led to the discovery of said
16 fraud and/or misrepresentations or of the plan and scheme at an
17 earlier time.

18 81.

19 The acts and omissions of respondents Maryam & David and
20 Hafizi set forth in this Sixth Cause of Accusation constitute the
21 making of substantial misrepresentations and fraud or dishonest
22 dealing and are cause under Sections 10176(a), 10176(i) and
23 10177(j) of the Code for suspension or revocation of all licenses
24 and/or license rights of respondents under the Real Estate Law.

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SEVENTH CAUSE OF ACCUSATION

82.

There is hereby incorporated in this seventh, separate and distinct cause of accusation, all of the allegations contained in Paragraphs 1., 2., 3., 6., 7., and 8. of the First Cause of Accusation with the same force and effect as if herein fully set forth.

83.

At various times herein mentioned, respondents Maryam & David and Hafizi were performing acts requiring a real estate license for or in expectation of a compensation.

84.

On or about September 22, 1982, respondent Maryam & David, acting by and through respondent Hafizi, purchased real property commonly known as 3410 10th Avenue, Sacramento, California (hereinafter "3410 property") from James and Ernestine Rosemond. The exact amount of said purchase price is unknown to complainant but well known to respondents Maryam & David and Hafizi is believed to be \$26,000 or less.

85.

On or about February 15, 1983, respondents Maryam & David and Hafizi, in furtherance of the plan and scheme alleged in Paragraphs 7. and 8., entered into an agreement in which Robert C. and Nancy L. Matthews (hereinafter "Matthews") agreed to buy the 3410 property from respondent Maryam & David for a purported purchase price of \$50,000.

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86.

On or about February 18, 1983, in furtherance of the plan and scheme alleged in Paragraphs 7. and 8., the Matthews applied to Mother Lode Savings, Sacramento, California (hereinafter "Mother Lode"), for a loan in the amount of \$21,000 secured by a lien on the 3410 property.

87.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 7. and 8., respondents Maryam & David and Hafizi falsely represented to Mother Lode that:

1. The sale by respondent Maryam & David and purchase by the Matthews of the 3410 property was a bona fide sale and purchase;
2. The loan proceeds obtained by the Matthews would be used to purchase the 3410 property; and that the Matthews would occupy the 3410 property;
3. The fair market value of the 3410 property was \$50,000; and
4. the Matthews would make payments on the loan described in Paragraph 86.

88.

In reliance on said representations, Mother Lode loaned the Matthews \$21,000 to be secured by a deed of trust on the 3410 property.

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89.

On or about March 30, 1983, a grant deed was recorded transferring the 3410 property from respondent Maryam & David to the Matthews. On or about March 30, 1983, the deed of trust described in Paragraph 88. was recorded.

90.

On or about March 30, 1983, respondent Maryam & David received a check from escrow in the amount of \$22,378.36.

91.

On or about January 1, 1987, the Matthews, or their successors in interest ceased making payments on the loan secured by a deed of trust on the 3410 property.

92.

The violations alleged in this Seventh Cause of Accusation were not discovered until on or about June 6, 1986, by Deputy Real Estate Commissioner Les Bettencourt of the California Department of Real Estate. No aggrieved party as the result of said violations and no law enforcement or regulatory agency chargeable with the investigation and/or prosecution of said violations had actual or constructive knowledge of said violations prior to said discovery date within the meaning of Section 10101 of the Code.

Deputy Commissioner Bettencourt received information concerning other transactions which implied that Maryam and David, Inc. and certain individuals had conspired to defraud various lenders. In the course of searching the Sacramento County Official Records, Commissioner Bettencourt discovered that the

1 transaction alleged in this cause of accusation was included among
2 transactions listed in said records under the names of the said
3 individuals.

4 Said fraud or misrepresentation was not discoverable by
5 Deputy Commissioner Bettencourt in the exercise of reasonable
6 diligence until he conducted a search of the grantor- grantee
7 general index at the Sacramento County Recorder's Office for the
8 purpose of finding transactions wherein individuals acting as
9 buyers and sellers may have been connected with Maryam and David,
10 Inc.

11 On or about July 30, 1986, Deputy Commissioner
12 Bettencourt informed Thomas Murphy, Vice President of Real Estate
13 for Mother Lode Savings Bank that the loan on the 3410 property
14 was a suspect transaction.

15 Mother Lode, as the lender and the aggrieved party in
16 this transaction, was unable in the exercise of reasonable
17 diligence to discover the fraud and/or misrepresentations alleged
18 in this cause of accusation prior to July 30, 1986 because
19 Respondents and the unlicensed persons mentioned in this cause of
20 accusation actively concealed from Mother Lode the true nature of
21 the transaction and induced Mother Lode to believe that the
22 transaction was legitimate.

23 Prior to July 30, 1986, Mother Lode had no reason to
24 connect the name(s) of said borrower(s) to any fraud and/or
25 misrepresentations.

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1 Prior to the dates mentioned above, the Department of
2 Real Estate did not have knowledge of any of the facts concerning
3 the fraud and/or misrepresentations or of the plan and scheme as
4 it relates to the 3410 property and had no reasonable means of
5 knowledge or notice which would have led to the discovery of said
6 fraud and/or misrepresentations or of the plan and scheme at an
7 earlier time.

8 93.

9 The acts and omissions of respondents Maryam & David and
10 Hafizi set forth in this Seventh Cause of Accusation constitute
11 the making of substantial misrepresentations and fraud or
12 dishonest dealing and are cause under Sections 10176(a), 10176(i)
13 and 10177(j) of the Code for suspension or revocation of all
14 licenses and/or license rights of respondents under the Real
15 Estate Law.

16 EIGHTH CAUSE OF ACCUSATION

17 94.

18 There is hereby incorporated in this eighth, separate
19 and distinct cause of accusation, all of the allegations contained
20 in Paragraphs 1., 2., 3., 4., 5., 6., 7., and 8. of the First
21 Cause of Accusation with the same force and effect as if herein
22 fully set forth.

23 95.

24 At various times herein mentioned, respondents Maryam &
25 David, Hafizi and Baghai were performing acts requiring a real
26 estate license for or in expectation of a compensation.

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96.

On or about October 21, 1982, respondent Maryam & David, acting by and through respondent Hafizi, purchased real property commonly known as 4309 Howard Avenue, Sacramento, California (hereinafter "4309 property") from Granite Home Loans. The exact amount of said purchase price is unknown to complainant but well known to respondents Maryam & David and Hafizi is believed to be \$16,000 or less.

97.

On or about March 1, 1983, respondents Maryam & David, Hafizi and Gilbert, in furtherance of the plan and scheme alleged in Paragraphs 7. and 8., entered into an agreement in which respondent Gilbert agreed to buy the 4309 property from respondent Maryam & David for a purported purchase price of \$47,500.

98.

On or about March 1, 1983, in furtherance of the plan and scheme alleged in Paragraphs 7. and 8., respondent Gilbert, acting through respondent Baghai applied to Seafirst, for a loan in the amount of \$42,750 secured by a lien on the 4309 property.

99.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 7. and 8., respondents Maryam & David, Hafizi, Gilbert and Baghai falsely represented to Seafirst that:

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1 1. The sale by respondent Maryam & David and purchase by
2 respondent Gilbert of the 4309 property was a bona fide sale and
3 purchase;

4 2. The loan proceeds obtained by respondent Gilbert
5 would be used to purchase the 4309 property; and that Gilbert
6 would occupy the 4309 property;

7 3. The fair market value of the 4309 property was
8 \$47,500; and

9 4. Respondent Gilbert would make payments on the loan
10 described in Paragraph 98.

11 100.

12 In reliance on said representations, Seafirst loaned
13 respondent Gilbert \$42,750 to be secured by a deed of trust on the
14 4309 property.

15 101.

16 On or about March 31, 1983, a grant deed was recorded
17 transferring the 4309 property from respondent Maryam & David to
18 respondent Gilbert. On or about March 31, 1983, the deed of trust
19 described in Paragraph 100. was recorded.

20 102.

21 On or about March 31, 1983, respondents Baghai and
22 Maryam & David received a check from escrow in the amount of
23 \$21,711.32.

24 103.

25 On or about December 1, 1984, respondent Gilbert, or her
26 successors in interest ceased making payments on the loan secured
27 by a deed of trust on the 4309 property.

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2 The violations alleged in this Eighth Cause of
3 Accusation were not discovered until on or about October 14, 1986,
4 by Deputy Real Estate Commissioner Les Bettencourt of the
5 California Department of Real Estate. No aggrieved party as the
6 result of said violations and no law enforcement or regulatory
7 agency chargeable with the investigation and/or prosecution of
8 said violations had actual or constructive knowledge of said
9 violations prior to said discovery date within the meaning of
10 Section 10101 of the Code.

11 Deputy Commissioner Bettencourt received information
12 concerning other transactions which implied that Maryam and David,
13 Inc. and certain individuals had conspired to defraud various
14 lenders. In the course of searching the Sacramento County
15 Official Records, Commissioner Bettencourt discovered that the
16 transaction alleged in this cause of accusation was included among
17 transactions listed in said records under the names of the said
18 individuals.

19 Said fraud or misrepresentation was not discoverable by
20 Deputy Commissioner Bettencourt in the exercise of reasonable
21 diligence until on or about October 14, 1986, when he was notified
22 by Kathy Tillich, Property Disposition Representative for Fannie
23 Mae of the transaction alleged in the Eighth Cause of Accusation
24 and he conducted a search of the grantor-grantee general index at
25 the Sacramento County Recorder's Office for the purpose of finding
26 transactions wherein individuals acting as buyers and sellers may
27 have been connected with Maryam & David, Inc.

1 On or about October 20, 1986, Deputy Commissioner
2 Bettencourt informed Carol Claassen, Manager for Seafirst that the
3 loan on the 4309 property was a suspect transaction.

4 Seafirst, as the lender and the aggrieved party in this
5 transaction, was unable in the exercise of reasonable diligence to
6 discover the fraud and/or misrepresentations alleged in this cause
7 of accusation prior to October 20, 1986 because Respondents and
8 the unlicensed persons mentioned in this cause of accusation
9 actively concealed from Seafirst the true nature of the
10 transaction and induced Seafirst to believe that the transaction
11 was legitimate.

12 Prior to October 20, 1986, Seafirst had no reason to
13 connect the name(s) of said borrower(s) to any fraud and/or
14 misrepresentations.

15 Prior to the dates mentioned above, the Department of
16 Real Estate did not have knowledge of any of the facts concerning
17 the fraud and/or misrepresentations or of the plan and scheme as
18 it relates to the 4309 property and had no reasonable means of
19 knowledge or notice which would have led to the discovery of said
20 fraud and/or misrepresentations or of the plan and scheme at an
21 earlier time.

22 105.

23 The acts and omissions of respondents Maryam & David,
24 Hafizi and Baghai set forth in this Eighth Cause of Accusation
25 constitute the making of substantial misrepresentations and fraud
26 or dishonest dealing and are cause under Sections 10176(a),
27 10176(i) and 10177(j) of the Code for suspension or revocation

1 of all licenses and/or license rights of respondents under the
2 Real Estate Law.

3 106.

4 The acts and omissions of respondent Gilbert set forth
5 in this Eighth Cause of Accusation constitute fraud or dishonest
6 dealing and are cause under Section 10177(j) of the Code for
7 suspension or revocation of all licenses and/or license rights of
8 respondent Gilbert under the Real Estate Law.

9 NINTH CAUSE OF ACCUSATION

10 107.

11 There is hereby incorporated in this ninth, separate and
12 distinct cause of accusation, all of the allegations contained in
13 Paragraphs 1., 2., 3., 6., 7., and 8. of the First Cause of
14 Accusation with the same force and effect as if herein fully set
15 forth.

16 108.

17 At various times herein mentioned, respondents Maryam &
18 David and Hafizi were performing acts requiring a real estate
19 license for or in expectation of a compensation.

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109.

On or about November 30, 1982, respondent Maryam & David, acting by and through respondent Hafizi, purchased real property commonly known as 3068 8th Avenue, Sacramento, California (hereinafter "3068 property") from John E. Williamson. The exact amount of said purchase price is unknown to complainant but well known to respondents Maryam & David and Hafizi is believed to be \$30,000 or less.

110.

On or about February 16, 1983, respondents Maryam & David and Hafizi, in furtherance of the plan and scheme alleged in Paragraphs 7. and 8., entered into an agreement in which Homeyra Hafizi agreed to buy the 3068 property from respondent Maryam & David for a purported purchase price of \$65,000.

111.

On or about February 16, 1983, in furtherance of the plan and scheme alleged in Paragraphs 7. and 8., Homeyra Hafizi applied to Mother Lode, for a loan in the amount of \$24,000 secured by a lien on the 3068 property.

112.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 7. and 8., respondents Maryam & David, Hafizi and Karen Estrella falsely represented to Mother Lode that:

1. The sale by respondent Maryam & David and purchase by Homeyra Hafizi of the 3068 property was a bona fide sale and purchase;

1 2. The loan proceeds obtained by Homeyra Hafizi would be
2 used to purchase the 3068 property; and that Homeyra Hafizi would
3 occupy the 3068 property;

4 3. The fair market value of the 3068 property was
5 \$65,000; and

6 4. Homeyra Hafizi would make payments on the loan
7 described in Paragraph 111.

8 113.

9 In reliance on said representations Mother Lode loaned
10 Homeyra Hafizi \$24,000 to be secured by a deed of trust on the
11 3068 property.

12 114.

13 On or about April 1, 1983, a grant deed was recorded
14 transferring the 3068 property from respondent Maryam & David to
15 Homeyra Hafizi. On or about April 1, 1983, the deed of trust
16 described in Paragraph 113. was recorded.

17 115.

18 On or about April 1, 1983, respondent Maryam & David
19 received a check from escrow in the amount of \$20,770.

20 116.

21 On or about January 1, 1987, Homeyra Hafizi, or her
22 successors in interest ceased making payments on the loan secured
23 by a deed of trust on the 3068 property.

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1 On or about July 30, 1986, Deputy Commissioner
2 Bettencourt informed Thomas Murphy, Vice President of Real Estate
3 for Mother Lode Savings Bank that the loan on the 3068 property
4 was a suspect transaction.

5 Mother Lode, as the lender and the aggrieved party in
6 this transaction, was unable in the exercise of reasonable
7 diligence to discover the fraud and/or misrepresentations alleged
8 in this cause of accusation prior to July 30, 1986 because
9 Respondents and the unlicensed persons mentioned in this cause of
10 accusation actively concealed from Mother Lode the true nature of
11 the transaction and induced Mother Lode to believe that the
12 transaction was legitimate.

13 Prior to July 30, 1986, Mother Lode had no reason to
14 connect the name(s) of said borrower(s) to any fraud and/or
15 misrepresentations.

16 Prior to the dates mentioned above, the Department of
17 Real Estate did not have knowledge of any of the facts concerning
18 the fraud and/or misrepresentations or of the plan and scheme as
19 it relates to the 3068 property and had no reasonable means of
20 knowledge or notice which would have led to the discovery of said
21 fraud and/or misrepresentations or of the plan and scheme at an
22 earlier time.

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118.

The acts and omissions of respondents Maryam & David and Hafizi set forth in this Ninth Cause of Accusation constitute the making of substantial misrepresentations and fraud or dishonest dealing and are cause under Sections 10176(a), 10176(i) and 10177(j) of the Code for suspension or revocation of all licenses and/or license rights of respondents under the Real Estate Law.

TENTH CAUSE OF ACCUSATION

119.

There is hereby incorporated in this tenth, separate and distinct cause of accusation, all of the allegations contained in Paragraphs 1., 2., 3., 4., 6., 7., and 8. of the First Cause of Accusation with the same force and effect as if herein fully set forth.

120.

At various times herein mentioned, respondents Maryam & David, Hafizi and Baghai were performing acts requiring a real estate license for or in expectation of a compensation.

121.

On or about May 18, 1983, respondent Maryam & David, acting by and through respondent Hafizi, purchased real property commonly known as 2815 Santa Cruz Way, Sacramento, California (hereinafter "2815 property") from Joann Eyvonne Jamison. The exact amount of said purchase price is unknown to complainant but well known to respondents Maryam & David and Hafizi is believed to be \$24,000 or less.

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1 122.

2 On or about May 10, 1983, respondents Maryam & David and
3 Hafizi, in furtherance of the plan and scheme alleged in
4 Paragraphs 7. and 8., entered into an agreement in which Jerri A.
5 Villanueva aka Jerri A. Hafizi (hereinafter "Villanueva") agreed
6 to buy the 2815 property from respondent Maryam & David for a
7 purported purchase price of \$50,000.

8 123.

9 On or about May 13, 1983, in furtherance of the plan and
10 scheme alleged in Paragraphs 7. and 8., Villanueva applied to
11 Uni-Cal Mortgage Corp., Newport Beach, California (hereinafter
12 "Uni-Cal"), for a loan in the amount of \$40,000 secured by a lien
13 on the 2815 property.

14 124.

15 In connection with said loan application and in
16 furtherance of the plan and scheme described in Paragraphs 7. and
17 8., respondents Maryam & David, Hafizi and Baghai falsely
18 represented to Uni-Cal that:

19 1. The sale by respondent Maryam & David and purchase by
20 Villanueva of the 2815 property was a bona fide sale and
21 purchase;

22 2. The loan proceeds obtained by Villanueva would be
23 used to purchase the 2815 property and that Villanueva would
24 occupy the 2815 property;

25 3. The fair market value of the 2815 property was
26 \$50,000; and

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1 4. Villanueva would make payments on the loan described
2 in Paragraph 123.

3 125.

4 In reliance on said representations Uni-Cal loaned
5 Villanueva \$40,000 to be secured by a deed of trust on the 2815
6 property.

7 126.

8 On or about July 5, 1983, a grant deed was recorded
9 transferring the 2815 property from respondent Maryam & David to
10 Villanueva. On or about July 5, 1983, the deed of trust described
11 in Paragraph 125. was recorded.

12 127.

13 On or about July 5, 1983, respondent Maryam & David
14 received a check from escrow in the amount of \$24,283.47.

15 128.

16 On or about February 1, 1984, Villanueva or her
17 successors in interest ceased making payments on the loan secured
18 by a deed of trust on the 2815 property.

19 129.

20 The violations alleged in this Tenth Cause of Accusation
21 were not discovered until on or about May 23, 1986, by Deputy Real
22 Estate Commissioner Les Bettencourt of the California Department
23 of Real Estate. No aggrieved party as the result of said
24 violations and no law enforcement or regulatory agency chargeable
25 with the investigation and/or prosecution of said violations had
26 actual or constructive knowledge of said violations prior to said
27 discovery date within the meaning of Section 10101 of the Code.

1 Deputy Commissioner Bettencourt received information
2 concerning other transactions which implied that Maryam and David,
3 Inc. and certain individuals had conspired to defraud various
4 lenders.

5 Said fraud or misrepresentation was not discoverable by
6 Deputy Commissioner Bettencourt in the exercise of reasonable
7 diligence until he conducted a review of title company computer
8 printouts documents related to said property provided by Fannie
9 Mae for the purpose of finding transactions wherein individuals
10 acting as buyers and sellers may have been connected with Maryam
11 and David, Inc.

12 On or about August 5, 1986, Deputy Commissioner
13 Bettencourt informed Melvin E. Smith, President of Uni-Cal
14 Mortgage Corporation that the loan on the 2815 property was a
15 suspect transaction.

16 On or about July 25, 1986, Deputy Commissioner
17 Bettencourt informed Michael Wagner, President of Signal Savings &
18 Loan Association (hereinafter "Signal") that the loan on the 2815
19 property was a suspect transaction.

20 Uni-Cal, as the original lender and Signal the purchaser
21 of said loan and the aggrieved party in this transaction, was
22 unable in the exercise of reasonable diligence to discover the
23 fraud and/or misrepresentations alleged in this cause of
24 accusation as to Uni-Cal prior to August 5, 1986 and as to Signal
25 prior to July 25, 1986 because Respondents and the unlicensed
26 persons mentioned in this cause of accusation actively concealed

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1 from Uni-Cal the true nature of the transaction and induced
2 Uni-Cal to believe that the transaction was legitimate.

3 Prior to August 5, 1986, Uni-Cal had no reason to
4 connect the name(s) of said borrower(s) to any fraud and/or
5 misrepresentations.

6 Prior to July 25, 1986, Signal had no reason to connect
7 the name(s) of said borrower(s) to any fraud and/or
8 misrepresentations.

9 Prior to the dates mentioned above, the Department of
10 Real Estate did not have knowledge of any of the facts concerning
11 the fraud and/or misrepresentations or of the plan and scheme as
12 it relates to the 2815 property and had no reasonable means of
13 knowledge or notice which would have led to the discovery of said
14 fraud and/or misrepresentations or of the plan and scheme at an
15 earlier time.

16 130.

17 The acts and omissions of respondents Maryam & David,
18 Hafizi and Baghai set forth in this Tenth Cause of Accusation
19 constitute the making of substantial misrepresentations and fraud
20 or dishonest dealing and are cause under Sections 10176(a),
21 10176(i) and 10177(j) of the Code for suspension or revocation of
22 all licenses and/or license rights of respondents under the Real
23 Estate Law.

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1 ELEVENTH CAUSE OF ACCUSATION

2 131.

3 There is hereby incorporated in this eleventh, separate
4 and distinct cause of accusation, all of the allegations contained
5 in Paragraphs 1., 2., 3., 4., 6., 7., and 8. of the First Cause of
6 Accusation with the same force and effect as if herein fully set
7 forth.

8 132.

9 At various times herein mentioned, respondents Maryam &
10 David, Hafizi and Baghai were performing acts requiring a real
11 estate license for or in expectation of a compensation.

12 133.

13 On or about March 1, 1983, Gregory Morton Cole
14 (hereinafter "Cole"), acting by and through respondents Maryam &
15 David and Hafizi, purchased real property commonly known as 3336
16 20th Avenue, Sacramento, California (hereinafter "3336 property")
17 from the US Department of Housing and Urban Development. The
18 exact amount of said purchase price is unknown to complainant but
19 well known to respondents Maryam & David and Hafizi is believed to
20 be \$17,000 or less.

21 134.

22 On or about May 1, 1983, respondents Maryam & David and
23 Hafizi, in furtherance of the plan and scheme alleged in
24 Paragraphs 7. and 8. entered into an agreement in which Edwardo
25 Perez (hereinafter "Perez") agreed to buy the 3336 property from
26 Cole for a purported purchase price of \$48,000.

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135.

On or about May 11, 1983, in furtherance of the plan and scheme alleged in Paragraphs 7. and 8., Perez applied to Lincoln Savings, Phoenix, Arizona (hereinafter "Lincoln"), for a loan in the amount of \$38,400 secured by a lien on the 3336 property.

136.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 7. and 8., respondents Maryam & David, Hafizi and Baghai falsely represented to Lincoln that:

1. The sale by Cole and purchase by Perez of the 3336 property was a bona fide sale and purchase;

2. The loan proceeds obtained by Perez would be used to purchase the 3336 property and that Perez would occupy the 3336 property;

3. The fair market value of the 3336 property was \$48,000; and

4. Perez would make payments on the loan described in Paragraph 135.

137.

In reliance on said representations Lincoln loaned Perez \$38,400 to be secured by a deed of trust on the 3336 property.

138.

On or about July 5, 1983, a grant deed was recorded transferring the 3336 property from Cole to Perez. On or about July 5, 1983, the deed of trust described in Paragraph 137. was recorded.

1 139.

2 On or about July 5, 1983, respondent Maryam & David
3 and/or Cole received a check from escrow in the amount of
4 \$19,692.55.

5 140.

6 On or about June 11, 1984, Perez or his successors in
7 interest ceased making payments on the loan secured by a deed of
8 trust on the 3336 property.

9 141.

10 The violations alleged in this Eleventh Cause of
11 Accusation were not discovered until on or about May 22, 1986, by
12 Deputy Real Estate Commissioner Les Bettencourt of the California
13 Department of Real Estate. No aggrieved party as the result of
14 said violations and no law enforcement or regulatory agency
15 chargeable with the investigation and/or prosecution of said
16 violations had actual or constructive knowledge of said violations
17 prior to said discovery date within the meaning of Section 10101
18 of the Code.

19 Deputy Commissioner Bettencourt received information
20 concerning other transactions which implied that Maryam and David,
21 Inc. and certain individuals had conspired to defraud various
22 lenders.

23 Said fraud or misrepresentation was not discoverable by
24 Deputy Commissioner Bettencourt in the exercise of reasonable
25 diligence until he conducted a review of title company computer
26 printouts of documents related to said property provided by Fannie
27 Mae for the purpose of finding transactions wherein individuals

1 acting as buyers and sellers may have been connected with Maryam
2 and David, Inc.

3 On or about July 21, 1986, Deputy Commissioner
4 Bettencourt informed Rob Symes, Executive Vice President and
5 Managing Officer for Lincoln Savings & Loan Association that the
6 loan on the 3336 property was a suspect transaction.

7 Lincoln, as the lender and the aggrieved party in this
8 transaction, was unable in the exercise of reasonable diligence to
9 discover the fraud and/or misrepresentations alleged in this cause
10 of accusation prior to July 21, 1986 because Respondents and the
11 unlicensed persons mentioned in this cause of accusation actively
12 concealed from Lincoln the true nature of the transaction and
13 induced Lincoln to believe that the transaction was legitimate.

14 Prior to July 21, 1986, Lincoln had no reason to connect
15 the name(s) of said borrower(s) to any fraud and/or
16 misrepresentations.

17 Prior to the dates mentioned above, the Department of
18 Real Estate did not have knowledge of any of the facts concerning
19 the fraud and/or misrepresentations or of the plan and scheme as
20 it relates to the 3336 property and had no reasonable means of
21 knowledge or notice which would have led to the discovery of said
22 fraud and/or misrepresentations or of the plan and scheme at an
23 earlier time.

24 142.

25 The acts and omissions of respondents Maryam & David,
26 Hafizi and Baghai set forth in this Eleventh Cause of Accusation
27 constitute the making of substantial misrepresentations and fraud

1 or dishonest dealing and are cause under Sections 10176(a),
2 10176(i) and 10177(j) of the Code for suspension or revocation of
3 all licenses and/or license rights of respondents under the Real
4 Estate Law.

5 TWELFTH CAUSE OF ACCUSATION

6 143.

7 There is hereby incorporated in this twelfth, separate
8 and distinct cause of accusation, all of the allegations contained
9 in Paragraphs 1., 2., 3., 4., 6., 7., and 8. of the First Cause of
10 Accusation with the same force and effect as if herein fully set
11 forth.

12 144.

13 At various times herein mentioned, respondents Maryam &
14 David, Hafizi, and Baghai were performing acts requiring a real
15 estate license for or in expectation of a compensation.

16 145.

17 On or about April 22, 1983, respondent Maryam & David,
18 acting by and through respondent Hafizi, purchased real property
19 commonly known as 3743 4th Avenue, Sacramento, California
20 (hereinafter "3743 property") from Jack A. and Sharon L. Mowbray.
21 The exact amount of said purchase price is unknown to complainant
22 but well known to respondents Maryam & David and Hafizi is
23 believed to be \$19,000 or less.

24 146.

25 On or about May 12, 1983, respondents Maryam & David and
26 Hafizi, in furtherance of the plan and scheme alleged in
27 Paragraphs 7. and 8., entered into an agreement in which James

1 and Linda Schwartz (hereinafter "Schwartzes") agreed to buy the
2 3743 property from respondent Maryam and David for a purported
3 purchase price of \$50,000.

4 147.

5 On or about May 12, 1983, in furtherance of the plan and
6 scheme alleged in Paragraphs 7. and 8., the Schwartzes applied to
7 Pacific Federal for a loan in the amount of \$40,000 secured by a
8 lien on the 3743 property.

9 148.

10 In connection with said loan application and in
11 furtherance of the plan and scheme described in Paragraphs 7. and
12 8., respondents Maryam & David, Hafizi and Baghai falsely
13 represented to Pacific Federal that:

14 1. The sale by respondent Maryam & David and purchase by
15 the Schwartzes of the 3743 property was a bona fide sale and
16 purchase;

17 2. The loan proceeds obtained by the Schwartzes would be
18 used to purchase the 3743 property and that the Schwartzes would
19 occupy the 3743 property;

20 3. The fair market value of the 3743 property was
21 \$50,000; and

22 4. The Schwartzes would make payments on the loan
23 described in Paragraph 147.

24 149.

25 In reliance on said representations, Pacific Federal
26 loaned the Schwartzes \$40,000 to be secured by a deed of trust on
27 the 3743 property.

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150.

On or about August 12, 1983, a grant deed was recorded transferring the 3743 property from respondent Maryam & David to the Schwartzes. On or about August 12, 1983, the deed of trust described in Paragraph 149. was recorded.

151.

On or about August 12, 1983, respondent Maryam & David received a check from escrow in the amount of \$27,320.03.

152.

On or about April 1, 1984, the Schwartzes or their successors in interest ceased making payments on the loan secured by a deed of trust on the 3743 property.

153.

The violations alleged in this Twelfth Cause of Accusation were not discovered until on or about May 22, 1986, by Deputy Real Estate Commissioner Les Bettencourt of the California Department of Real Estate. No aggrieved party as the result of said violations and no law enforcement or regulatory agency chargeable with the investigation and/or prosecution of said violations had actual or constructive knowledge of said violations prior to said discovery date within the meaning of Section 10101 of the Code.

Deputy Commissioner Bettencourt received information concerning other transactions which implied that Maryam and David, Inc. and certain individuals had conspired to defraud various lenders.

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1 Said fraud or misrepresentation was not discoverable by
2 Deputy Commissioner Bettencourt in the exercise of reasonable
3 diligence until he conducted a review of title company computer
4 printouts of documents related to said property provided by Fannie
5 Mae for the purpose of finding transactions wherein individuals
6 acting as buyers and sellers may have been connected with Maryam
7 and David, Inc.

8 On or about July 3, 1986, Deputy Commissioner
9 Bettencourt informed Joseph Gillespie, Senior Vice President for
10 Pacific Federal that the loan on the 3743 property was a suspect
11 transaction.

12 Pacific Federal, as the lender and the aggrieved party
13 in this transaction, was unable in the exercise of reasonable
14 diligence to discover the fraud and/or misrepresentations alleged
15 in this cause of accusation prior to July 3, 1986 because
16 Respondents and the unlicensed persons mentioned in this cause of
17 accusation actively concealed from Pacific Federal the true nature
18 of the transaction and induced Pacific Federal to believe that the
19 transaction was legitimate.

20 Prior to July 3, 1986, Pacific Federal had no reason to
21 connect the name(s) of said borrower(s) to any fraud and/or
22 misrepresentations.

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1 Prior to the dates mentioned above, the Department of
2 Real Estate did not have knowledge of any of the facts concerning
3 the fraud and/or misrepresentations or of the plan and scheme as
4 it relates to the 3743 property and had no reasonable means of
5 knowledge or notice which would have led to the discovery of said
6 fraud and/or misrepresentations or of the plan and scheme at an
7 earlier time.

8 154.

9 The acts and omissions of respondents Maryam & David,
10 Hafizi and Baghai set forth in this Twelfth Cause of Accusation
11 constitute the making of substantial misrepresentations and fraud
12 or dishonest dealing and are cause under Sections 10176(a),
13 10176(i) and 10177(j) of the Code for suspension or revocation of
14 all licenses and/or license rights of respondents under the Real
15 Estate Law.

16 THIRTEENTH CAUSE OF ACCUSATION

17 155.

18 There is hereby incorporated in this thirteenth,
19 separate and distinct cause of accusation, all of the allegations
20 contained in Paragraphs 1., 2., 3., 4., 5., 6., 7., and 8. of the
21 First Cause of Accusation with the same force and effect as if
22 herein fully set forth.

23 156.

24 At various times herein mentioned, respondents Maryam &
25 David, Hafizi, Baghai and Gilbert were performing acts requiring a
26 real estate license for or in expectation of a compensation.

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157.

On or about June 30, 1983, respondent Baghai, acting by and through respondents Maryam & David and Hafizi, purchased real property commonly known as 5131 15th Avenue, Sacramento, California (hereinafter "5131 property") from Robert F. Brown. The exact amount of said purchase price is unknown to complainant but well known to respondents Baghai, Maryam & David and Hafizi is believed to be \$12,000 or less.

158.

On or about July 10, 1983, respondents Maryam & David, Hafizi, Baghai and Gilbert in furtherance of the plan and scheme alleged in Paragraphs 7. and 8., entered into an agreement in which Marcia Merrill (hereinafter "Merrill") agreed to buy the 5131 property from respondent Baghai for a purported purchase price of \$46,000.

159.

On or about July 11, 1983, in furtherance of the plan and scheme alleged in Paragraphs 7. and 8., Merrill applied to Seafirst, for a loan in the amount of \$41,850 secured by a lien on the 5131 property.

160.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 7. and 8., respondents Maryam & David, Hafizi, Baghai and Gilbert falsely represented to Seafirst that:

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2 The violations alleged in this Thirteenth Cause of
3 Accusation were not discovered until on or about October 14, 1986,
4 by Kathy Tillich, Property Disposition Representative for Fannie
5 Mae. No aggrieved party as the result of said violations and no
6 law enforcement or regulatory agency chargeable with the
7 investigation and/or prosecution of said violations had actual or
8 constructive knowledge of said violations prior to said discovery
9 date within the meaning of Section 10101 of the Code.

10 Fannie Mae was unable in the exercise of reasonable
11 diligence to discover the fraud and/or misrepresentations alleged
12 in this cause of accusation prior to October 14, 1986 because
13 Respondents and the unlicensed persons mentioned in this cause of
14 accusation actively concealed the true nature of the transaction.

15 Said fraud or misrepresentation was not discoverable by
16 Deputy Commissioner Bettencourt in the exercise of reasonable
17 diligence until on or about October 14, 1986 when he was notified
18 by Kathy Tillich, Property Disposition Representative for Fannie
19 Mae of said transaction.

20 On or about October 20, 1986, Deputy Commissioner
21 Bettencourt informed Carol Claassen, Manager for Seafirst that the
22 loan on the 5131 property was a suspect transaction.

23 Seafirst, as the lender and the aggrieved party in this
24 transaction, was unable in the exercise of reasonable diligence to
25 discover the fraud and/or misrepresentations alleged in this cause
26 of accusation prior to October 20, 1986 because Respondents and
27 the unlicensed persons mentioned in this cause of accusation

1 actively concealed from Seafirst the true nature of the
2 transaction and induced Seafirst to believe that the transaction
3 was legitimate.

4 Prior to October 20, 1986, Seafirst had no reason to
5 connect the name(s) of said borrower(s) to any fraud and/or
6 misrepresentations.

7 Prior to the dates mentioned above, the Department of
8 Real Estate did not have knowledge of any of the facts concerning
9 the fraud and/or misrepresentations or of the plan and scheme as
10 it relates to the 5131 property and had no reasonable means of
11 knowledge or notice which would have led to the discovery of said
12 fraud and/or misrepresentations or of the plan and scheme at an
13 earlier time.

14 166.

15 The acts and omissions of respondents Maryam & David,
16 Hafizi, Baghai and Gilbert set forth in this Thirteenth Cause of
17 Accusation constitute the making of substantial misrepresentations
18 and fraud or dishonest dealing and are cause under Sections
19 10176(a), 10176(i) and 10177(j) of the Code for suspension or
20 revocation of all licenses and/or license rights of respondents
21 under the Real Estate Law.

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

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CHARLES W. KOENIG
Deputy Real Estate Commissioner

11 Dated at Sacramento, California
12 this 18th day of November, 1988.

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FILED
SEP 15 1988

DEPARTMENT OF REAL ESTATE

By Laurie A. Bryan

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)
VIRGINIA SABEDRA; HAMID)
HAFIZI; MARYAM & DAVID, INC.;)
et al.,)
Respondents.)

NO. H-2245 SAC

DECISION AFTER RECONSIDERATION

On August 9, 1988, a Decision was rendered herein by the Real Estate Commissioner which revoked the real estate salesperson license and license rights of Respondent VIRGINIA SABEDRA with the right to apply for a restricted real estate salesperson license. Said Decision was to become effective on October 7, 1988.

On August 24, 1988, Respondent petitioned for reconsideration of said Decision. I have considered the petition of Respondent and have concluded that good cause has been presented for reconsideration of the Decision of August 9, 1988 for the limited purpose of modifying language contained in the Decision.

1 I have reconsidered said Decision and it is hereby
2 ordered that the Decision is modified to read as follows:

3 FINDINGS OF FACT

4 I

5 VIRGINIA SABEDRA (hereinafter "Respondent SABEDRA") is
6 presently licensed and/or has license rights under the Real Estate
7 Law (Part 1 of Division 4 of the Business and Professions Code)
8 (hereinafter "Code"). At all times herein mentioned, Respondent
9 SABEDRA was licensed as a real estate salesperson.

10 II

11 The Complainant, Charles W. Koenig, a Deputy Real Estate
12 Commissioner of the State of California, makes this Accusation in
13 his official capacity.

14 III

15 On or about June 23, 1981, Respondent SABEDRA purchased
16 real property commonly known as 3982 12th Avenue, Sacramento,
17 California (hereinafter "3982 property") from J. W. Stone and
18 Mildred M. Stone.

19 IV

20 On or about August 24, 1981, Respondent SABEDRA entered
21 into an agreement in which DOUGLAS C. COVILL (COVILL) agreed to
22 buy the 3982 property from Respondent SABEDRA for a purported
23 purchase price of \$42,000.

24 V

25 On or before August 24, 1981, COVILL applied to Coastal
26 for a loan in the amount of \$39,000 secured by a lien on the 3982
27 property.

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VI

In connection with said loan application, Respondent SABEDRA negligently represented to Coastal that:

1. The sale by Respondent SABEDRA and purchase by COVILL of the 3982 property was a bona fide sale and purchase;
2. The loan proceeds obtained by COVILL would be used to purchase the 3982 property, and that COVILL would occupy the 3982 property; and
3. The sales price of the 3982 property was \$42,000.

VII

In reliance on said representations, Coastal loaned COVILL \$39,000 to be secured by a deed of trust on the 3982 property.

VIII

On or about August 24, 1981, a grant deed was recorded transferring the 3982 property from Respondent SABEDRA to COVILL. On or about August 24, 1981, the deed of trust described in Paragraph VII was recorded.

IX

On or about October 1, 1982, COVILL's successors in interest ceased making payments on the loan secured by a deed of trust on the 3982 property.

X

Respondent SABEDRA first received her real estate license on December 16, 1980.

At the time the events described above took place, Respondent had been licensed for less than one (1) year.

1 DETERMINATION OF ISSUES

2 I

3 Cause for disciplinary action against Respondent SABEDRA
4 exists pursuant to Business and Professions Code Section 10177(g).

5 II

6 The standard of proof applied at the hearing was clear
7 and convincing proof of a reasonable certainty.

8 ORDER

9 Respondent VIRGINIA SABEDRA's real estate salesperson
10 license is revoked. However, a restricted real estate salesperson
11 license shall be issued to respondent pursuant to Business and
12 Professions Code Section 10156.5, if respondent makes application
13 therefor and pays to the Department the appropriate fee for said
14 license within 60 days of the effective date of his decision upon
15 the terms and conditions contained herein.

16 A. Respondent shall not be eligible to apply for the
17 issuance of an unrestricted real estate license, nor the removal
18 of any of the restrictions of the restricted license, until one
19 (1) year has elapsed from the date of issuance of the restricted
20 license.

21 B. Respondent shall submit, with her application for
22 licensure under an employing broker or her application for
23 transfer to a new employing broker, a statement signed by the
24 prospective employing broker which shall certify:

- 25 (1) That the broker has read the decision of the
26 Commissioner which granted the right to restricted
27 license to respondent and

1 (2) That the broker will exercise close supervision over
2 the performance by the restricted licensee of
3 activities for which a real estate license is
4 required.

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

16 D. Respondent shall, within six (6) months from the
17 effective date of the restricted license, take and pass the
18 Professional Responsibility Examination administered by the
19 Department including the payment of the appropriate examination
20 fee. If respondent fails to satisfy this condition, the
21 Commissioner may order suspension of the restricted license until
22 respondent passes the examination.

23 E. Any restricted license issued to respondent may be
24 suspended prior to hearing by order of the Commissioner in the
25 event that respondent is convicted, including a conviction of nolo
26 contendere, of any crime which bears a substantial relationship

27 ///


1 to respondent's fitness to be a real estate licensee or as
2 otherwise provided by law.

3 F. Respondent shall comply with all of the laws to
4 which she is subject, including all the provisions of the
5 California Real Estate Law, the Subdivided Lands Law and all
6 Regulations of the Real Estate Commissioner.

7 G. The restricted license may be suspended or revoked
8 for a violation by respondent of any of the conditions attaching
9 to this restricted license.

10 As hereby modified and amended, the Decision of
11 August 9, 1988, shall become effective at 12 o'clock noon on
12 October 6, 1988 .

13 IT IS SO ORDERED 9-7-88

14 JAMES A. EDMONDS, JR.
15 Real Estate Commissioner
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FILED
AUG 26 1988

DEPARTMENT OF REAL ESTATE

By: *[Signature]*

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)
)
12 VIRGINIA SABEDRA; HAMID HAFIZI;) NO. H-2245 SAC
13 MARYAM & DAVID, INC.; et al.,)
)
14 Respondents.)

ORDER STAYING EFFECTIVE DATE

On August 9, 1988, a Decision was rendered in the
above-entitled matter to become effective September 7, 1988.

IT IS HEREBY ORDERED that the effective date of the
Decision of August 9, 1988 is stayed for a period of thirty (30)
days.

The Decision of August 9, 1988 shall become effective at
12 o'clock noon on October 7, 1988.

DATED: August 26, 1988

JAMES A. EDMONDS, JR.
Real Estate Commissioner

By: *[Signature]*
JOHN R. LIBERATOR
Chief Deputy Commissioner

FILED
AUG 17 1988

DEPARTMENT OF REAL ESTATE

Laurie A. Ryan

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	
VIRGINIA SABEDRA; HAMID)	NO. H-2245 SAC
HAFIZI; MARYAM & DAVID, INC.;)	
et al.,)	
Respondent.)	

DECISION

The Proposed Decision dated August 4, 1988,
of Robert E. McCabe, Regional Manager, Department of Real Estate,
State of California, is hereby adopted as the Decision of the Real
Estate Commissioner in the above-entitled matter.

The Decision shall become effective at 12 o'clock
noon on September 7, 19 88.

IT IS SO ORDERED 8-9, 1988.

JAMES A. EDMONDS, JR.
Real Estate Commissioner

[Handwritten Signature]

1 FINDINGS OF FACT

2 I

3 VIRGINIA SABEDRA (hereinafter "Respondent SABEDRA") is
4 presently licensed and/or has license rights under the Real Estate
5 Law (Part 1 of Division 4 of the Business and Professions Code)
6 (hereinafter "Code"). At all times herein mentioned, Respondent
7 SABEDRA was licensed as a real estate salesperson.

8 II

9 The Complainant, Charles W. Koenig, a Deputy Real Estate
10 Commissioner of the State of California, makes this Accusation in
11 his official capacity.

12 III

13 On or about June 23, 1981, Respondent SABEDRA purchased
14 real property commonly known as 3982 12th Avenue, Sacramento,
15 California (hereinafter "3982 property") from J. W. Stone and
16 Mildred M. Stone.

17 IV

18 On or about August 24, 1981, Respondent SABEDRA entered
19 into an agreement in which DOUGLAS C. COVILL (COVILL) agreed to
20 buy the 3982 property from Respondent SABEDRA for a purported
21 purchase price of \$42,000.

22 V

23 On or before August 24, 1981, COVILL applied to Coastal
24 for a loan in the amount of \$39,000 secured by a lien on the 3982
25 property.

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VI

In connection with said loan application, Respondent SABEDRA and COVILL falsely represented to Coastal that:

1. The sale by Respondent SABEDRA and purchase by COVILL of the 3982 property was a bona fide sale and purchase;
2. The loan proceeds obtained by COVILL would be used to purchase the 3982 property, and that COVILL would occupy the 3982 property;
3. The fair market value of the 3982 property was \$42,000; and
4. COVILL would make payments on the loan described in Paragraph V.

VII

In reliance on said representations, Coastal loaned COVILL \$39,000 to be secured by a deed of trust on the 3982 property.

VIII

On or about August 24, 1981, a grant deed was recorded transferring the 3982 property from Respondent SABEDRA to COVILL. On or about August 24, 1981, the deed of trust described in Paragraph VII was recorded.

IX

On or about April 27, 1982, Respondent SABEDRA, COVILL or their successors in interest ceased making payments on the loan secured by a deed of trust on the 3982 property.

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X

Respondent SABEDRA first received her real estate license on December 16, 1980.

At the time the events described above took place, Respondent had been licensed for less than one (1) year.

DETERMINATION OF ISSUES

I

Cause for disciplinary action against Respondent SABEDRA exists pursuant to Business and Professions Code Sectio 10177(g).

II

The standard of proof applied at the hearing was clear and convincing proof of a reasonable certainty.

ORDER

Respondent VIRGINIA SABEDRA's real estate salesperson license is revoked. However, a restricted real estate salesperson license shall be issued to respondent pursuant to Business and Professions Code Section 10156.5, if respondent makes application therefor and pays to the Department the appropriate fee for said license within 60 days of the effective date of his decision upon the terms and conditions contained herein.

A. Respondent shall not be eligible to apply for the issuance of an unrestricted real estate license, nor the removal of any of the restrictions of the restricted license, until one (1) year has elapsed from the date of issuance of the restricted license.

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1 B. Respondent shall submit, with her application for
2 licensure under an employing broker or her application for
3 transfer to a new employing broker, a statement signed by the
4 prospective employing broker which shall certify:

- 5 (1) That the broker has read the decision of the
6 Commissioner which granted the right to restricted
7 license to respondent and
8 (2) That the broker will exercise close supervision over
9 the performance by the restricted licensee of
10 activities for which a real estate license is
11 required.

12 C. Respondent shall, within nine (9) months from the
13 effective date of the Decision, present evidence satisfactory to
14 the Real Estate Commissioner that she has, since the most recent
15 issuance of an original or renewal real estate license, taken and
16 successfully completed the continuing education requirements of
17 Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a
18 real estate license. If respondent fails to satisfy this condi-
19 tion, the Commissioner may order the suspension of the restricted
20 license until respondent presents such evidence. The Commissioner
21 shall afford respondent the opportunity for a hearing pursuant to
22 the Administrative Procedure Act to present such evidence.

23 D. Respondent shall, within six (6) months from the
24 effective date of the restricted license, take and pass the
25 Professional Responsibility Examination administered by the
26 Department including the payment of the appropriate examination
27 fee. If respondent fails to satisfy this condition, the

1 Commissioner may order suspension of the restricted license until
2 respondent passes the examination.

3 E. Any restricted license issued to respondent may be
4 suspended prior to hearing by order of the Commissioner in the
5 event that respondent is convicted, including a conviction of nolo
6 contendere, of any crime which bears a substantial relationship to
7 respondent's fitness to be a real estate licensee or as otherwise
8 provided by law.

9 F. Respondent shall comply with all of the laws to
10 which she is subject, including all the provisions of the
11 California Real Estate Law, the Subdivided Lands Law and all
12 Regulations of the Real Estate Commissioner.

13 G. The restricted license may be suspended or revoked
14 for a violation by respondent of any of the conditions attaching
15 to this restricted license.

16 DATED: August 4, 1988

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18 Robert E. McCabe
19 ROBERT E. McCABE
20 Regional Manager
21 Department of Real Estate
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FILED
OCT - 4 1988

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE

Laurie A. Gian

In the Matter of the Accusation of)
)
 MARYAM & DAVID, INC., et al.,)
)
 Respondents)

CASE NO. H-2245 SAC

OAH NO. _____

SECOND AMENDED
NOTICE OF HEARING ON ACCUSATION

To the above named respondent:

You are hereby notified that a hearing will be held before the Department of Real Estate at the Office of Administrative Hearings, 501 J Street, Suite 220, Sacramento, CA 95814 on the following days and times, or as soon thereafter as the matter can be heard, upon the charges made in the Accusation served upon you:

	<u>DATES</u>	<u>SCHEDULED STARTING TIME</u>
Statute of Limitations Hearing	March 15, 16 & 17, 1989 9:00 A.M.
Accusation Hearing	May 15 through 26, 1989 9:00 A.M.

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

You may present any relevant evidence and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the production of books, documents, or other things by applying to the Department of Real Estate.

The hearing shall be conducted in the English language. If you want to offer the testimony of any witness who does not proficiently speak the English language, you must provide your own interpreter. The interpreter must be approved by the 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: October 4, 1988

Larry Alamas
for DAVID A. PETERS
Counsel

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

DEPARTMENT OF REAL ES

Laurie A. By...

In the Matter of the Accusation of)
)
 MARYAM & DAVID, INC., et al.,)
)
 Respondents)

CASE NO. H-2245 SAC

OAH NO. N-30761

CONTINUED
NOTICE OF HEARING ON ACCUSATION

To the above named respondent:

You are hereby notified that a hearing will be held before the Department of Real Estate at the Office of Administrative Hearings, 501 J Street, Suite 220, Sacramento, CA 95814 on the following days and times, or as soon thereafter as the matter can be heard, upon the charges made in the Accusation served upon you:

	<u>DATES</u>	<u>SCHEDULED STARTING TIME</u>
Statute of Limitations Hearing	January 3 & 4, 1989	9:00 A.M.
Accusation Hearing	February 6 - 10, 1989	9:00 A.M.
Accusation Hearing	February 14 - 17, 1989	9:00 A.M.
Accusation Hearing	February 21, 1989	9:00 A.M.

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

You may present any relevant evidence and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the production of books, documents, or other things by applying to the Department of Real Estate.

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

DEPARTMENT OF REAL ESTATE

Dated: 09/20/88

David A. Peters
DAVID A. PETERS
Counsel

FILED
AUG 17 1988

DEPARTMENT OF REAL ESTATE

Laurie A. Dyer

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)
BEVERLY K. CRAWFORD; HAMID)
HAFIZI; MARYAM & DAVID, INC.;)
et al.,)
Respondent.)

NO. H-2245 SAC

DECISION

The Proposed Decision dated August 4, 1988,
of Robert E. McCabe, Regional Manager, Department of Real Estate,
State of California, is hereby adopted as the Decision of the Real
Estate Commissioner in the above-entitled matter.

The Decision shall become effective at 12 o'clock
noon on September 7, 19 88.

IT IS SO ORDERED 8-9, 19 88.

JAMES A. EDMONDS, JR.
Real Estate Commissioner

[Handwritten Signature]

1 FINDINGS OF FACT

2 I

3 BEVERLY K. CRAWFORD (hereinafter "Respondent CRAWFORD")
4 is presently licensed and/or has license rights under the Real
5 Estate Law (Part 1 of Division 4 of the Business and Professions
6 Code) (hereinafter "Code") as a real estate broker.

7 II

8 The Complainant, Charles W. Koenig, a Deputy Real Estate
9 Commissioner of the State of California, made the Accusation in
10 his official capacity.

11 III

12 Respondent CRAWFORD, under the terms of the Stipulation,
13 has agreed that this matter shall be submitted on the pleadings
14 filed in these proceedings without Respondent CRAWFORD admitting
15 any of the allegations contained therein.

16 IV

17 On or about April 1, 1982, MEHRDAD BAGHAI, also known as
18 MEHRDAD ASTANEH, acting by and through HAMID HAFIZI and MARYAM &
19 DAVID, purchased real property commonly known as 4401 13th Avenue,
20 Sacramento, California (hereinafter "4401 property") from Douglas
21 and Sally Ryno.

22 V

23 On or about April 4, 1982, BAGHAI, HAFIZI and MARYAM &
24 DAVID, entered into an agreement in which Respondent CRAWFORD
25 agreed to buy the 4401 property from Respondent BAGHAI for a
26 purported purchase price of \$40,000.

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VI

On or about April 5, 1982, Respondent CRAWFORD applied to Cal Fed, for a loan in the amount of \$38,000 secured by a lien on the 4401 property.

VII

In connection with said loan application, BAGHAI, HAFIZI, MARYAM & DAVID and Respondent CRAWFORD falsely represented to Cal Fed that:

1. The sale by BAGHAI and purchase by Respondent CRAWFORD of the 4401 property was a bona fide sale and purchase;

2. The loan proceeds obtained by Respondent CRAWFORD would be used to purchase the 4401 property; and that Respondent CRAWFORD would occupy the 4401 property;

3. The fair market value of the 4401 property was \$40,000; and

4. Respondent CRAWFORD would make payments on the loan described in Paragraph VI.

VIII

In reliance on said representations, Cal Fed loaned Respondent CRAWFORD \$38,000 to be secured by a deed of trust on the 4401 property.

IX

On or about May 24, 1982, a grant deed was recorded transferring the 4401 property from BAGHAI to Respondent CRAWFORD. On or about April 24, 1982, the deed of trust described in Paragraph VIII was recorded.

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X

On or about May 24, 1982, BAGHAI received a check from escrow in the amount of \$16,962.27.

XI

On or about November 1, 1983, Respondent CRAWFORD or her successors in interest ceased making payments on the loan secured by a deed of trust on the 4401 property.

XII

On or about July 2, 1982, Respondent CRAWFORD and Edwardo J. Perez (hereinafter "Perez") purchased real property commonly known as 3781 6th Avenue, Sacramento, California (hereinafter "3781 property") from J. R. Ferguson and Co., Inc.

XIII

On or about September 9, 1983, Respondent CRAWFORD purported to refinance the loan used to purchase the 3781 property.

XIV

On or about September 9, 1983, Respondent CRAWFORD applied to Charter Mortgage of Florida (hereinafter "Charter"), for a loan in the amount of \$40,000 secured by a lien on the 3781 property.

XV

In connection with said loan application, Respondent CRAWFORD falsely represented to Charter that:

1. The loan proceeds obtained by CRAWFORD would be used to refinance the loan on the 3781 property.

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ORDER

1
2 Respondent BEVERLY K. CRAWFORD's real estate broker
3 license is revoked. However, a restricted real estate broker
4 license shall be issued to respondent pursuant to Business and
5 Professions Code Section 10156.5, if respondent makes application
6 therefor and pays to the Department the appropriate fee for said
7 license within 60 days of the effective date of his decision upon
8 the terms and conditions contained herein.

9 A. Respondent shall not be eligible to apply for the
10 issuance of an unrestricted real estate license, nor the removal
11 of any of the restrictions of the restricted license, until one
12 (1) year has elapsed from the date of issuance of the restricted
13 license.

14 B. Respondent shall, within nine (9) months from the
15 effective date of the Decision, present evidence satisfactory to
16 the Real Estate Commissioner that she has, since the most recent
17 issuance of an original or renewal real estate license, taken and
18 successfully completed the continuing education requirements of
19 Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a
20 real estate license. If respondent fails to satisfy this condi-
21 tion, the Commissioner may order the suspension of the restricted
22 license until respondent presents such evidence. The Commissioner
23 shall afford respondent the opportunity for a hearing pursuant to
24 the Administrative Procedure Act to present such evidence.

25 C. Respondent shall, within six (6) months from the
26 effective date of the restricted license, take and pass the
27 Professional Responsibility Examination administered by the

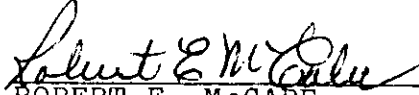
1 Department including the payment of the appropriate examination
2 fee. If respondent fails to satisfy this condition, the
3 Commissioner may order suspension of the restricted license until
4 respondent passes the examination.

5 D. Any restricted license issued to respondent may be
6 suspended prior to hearing by order of the Commissioner in the
7 event that respondent is convicted, including a conviction of nolo
8 contendere, of any crime which bears a substantial relationship to
9 respondent's fitness to be a real estate licensee or as otherwise
10 provided by law.

11 E. Respondent shall comply with all of the laws to
12 which she is subject, including all the provisions of the
13 California Real Estate Law, the Subdivided Lands Law and all
14 Regulations of the Real Estate Commissioner.

15 F. The restricted license may be suspended or revoked
16 for a violation by respondent of any of the conditions attaching
17 to this restricted license.

18 DATED: August 4, 1988

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21 ROBERT E. MCCABE
22 Regional Manager
23 Department of Real Estate
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FILED
JUN 24 1988

DEPARTMENT OF REAL ESTATE

Laurie A. Ryan

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)
KAREN ELIZABETH ESTRELLA,) NO. H-2245 SAC
HAMID HAFIZI, et al.,)
Respondents.)

DECISION

The Proposed Decision dated May 31, 1988
of Robert E. McCabe, Regional Manager, Department of Real Estate,
State of California, is hereby adopted as the Decision of the Real
Estate Commissioner in the above-entitled matter.

The Decision shall become effective at 12 o'clock
noon on July 15, 1988.

IT IS SO ORDERED

June 17, 1988
JAMES A. EDMONDS, JR.
Real Estate Commissioner

By: *John R. Liberator*

JOHN R. LIBERATOR
Chief Deputy Commissioner

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)
KAREN ELIZABETH ESTRELLA,)
HAMID HAFIZI, et al.,)
Respondents.)

NO. H-2245 SAC

PROPOSED DECISION

This matter was presided over as an uncontested case by Robert E. McCabe, Regional Manager, Department of Real Estate, as the designee of the Real Estate Commissioner, in Sacramento, California, on May 31, 1988.

DAVID A. PETERS Counsel, represented the Complainant.

No appearance was made by or on behalf of Respondent KAREN ELIZABETH ESTRELLA.

The matter was submitted upon written Stipulation of the parties. This Proposed Decision concerns Respondent KAREN ELIZABETH ESTRELLA only. Pursuant to the Stipulation, the following Decision is proposed, certified and recommended for adoption:

FINDINGS OF FACT

I

KAREN ELIZABETH ESTRELLA (hereinafter "Respondent ESTRELLA") is presently licensed and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) (hereinafter "Code") as a real estate broker.

II

The Complainant, Charles W. Koenig, a Deputy Real Estate Commissioner of the State of California, made the Accusation in his official capacity.

III

On or about November 11, 1982, Respondent ESTRELLA in connection with the purchase and sale of real property commonly known as 2252 32nd Street, Sacramento, California (hereinafter

"2252 Property") made false representations to Platte Valley Federal Savings (hereinafter "Platte"), thereby inducing Platte to loan \$54,100 to the purchaser of the 2252 Property.

IV

On or about February 16, 1983, Respondent ESTRELLA in connection with the purchase and sale of real property commonly known as 3068 8th Avenue, Sacramento, California (hereinafter "3068 Property") made false representations to Mother Lode Savings, Sacramento, California, thereby inducing Mother Lode to loan \$24,000 to the purchaser of the 3068 Property.

DETERMINATION OF ISSUES

I

Cause for disciplinary action against Respondent ESTRELLA exists pursuant to Business and Professions Code Section 10177(j).

II

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

ORDER

Respondent KAREN ELIZABETH ESTRELLA's real estate broker license is revoked. However, a restricted real estate broker license shall be issued to Respondent pursuant to Business and Professions Code Section 10156.5, if Respondent makes application therefor and pays to the Department the appropriate fee for said license within 60 days of the effective date of this Decision upon the terms and conditions contained herein:

A. The restricted license issued to Respondent ESTRELLA shall be subject to all the provisions of Section 10156.7 of the Business and Professions Code and to the following limitations, conditions, and restrictions imposed under authority of Section 10156.6 of the Code:

(1) The license shall not confer any property right in the privileges to be exercised, and the Real Estate Commissioner may by appropriate order suspend the right to exercise any privileges granted under this restricted license in the event of:

(a) The conviction of Respondent (including a plea of nolo contendere) to a crime which bears a significant relation to Respondent's fitness or capacity as a real estate licensee; or

(b) The receipt of evidence that Respondent has violated provisions of the California Real Estate Law, the Subdivided Lands Law, Regulations of the Real Estate Commissioner or conditions to this restricted license.

(2) Respondent shall not be eligible to apply for the issuance of an unrestricted real estate license nor the removal of any of the conditions, limitations, or restrictions attaching to the restricted license until one (1) year has elapsed from the date of issuance of the restricted license to Respondent.

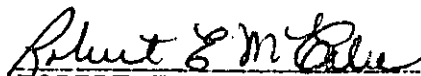
B. Respondent shall, within nine (9) months from the effective date of the Decision, present evidence satisfactory to the Real Estate Commissioner that she has, since the most recent issuance of an original or renewal real estate license, taken and successfully completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a real estate license. If Respondent fails to satisfy this condition, the Commissioner may order the suspension of the restricted license until Respondent presents such evidence. The Commissioner shall afford Respondent the opportunity for a hearing pursuant to the Administrative Procedure Act to present such evidence.

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

D. Respondent agrees to cooperate in any investigation regarding violations alleged in the Accusation and to testify if called in any proceeding related thereto.

E. The restricted license may be suspended or revoked for a violation by Respondent of any of the conditions attaching to the restricted license.

DATED: 5-31-88


ROBERT E. McCABE
Regional Manager
Department of Real Estate

FILED
APR 25 1988

DEPARTMENT OF REAL ESTATE

Laurie A. Ryan

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)
) NO. H-2245 SAC
DOUGLAS C. COVILL,)
HAMID HAFIZI, et al.,)
)
Respondents.)
_____)

DECISION

The Proposed Decision dated April 4, 1988
of Robert E. McCabe, Regional Manager, Department of Real Estate,
State of California, is hereby adopted as the Decision of the Real
Estate Commissioner in the above-entitled matter.

The Decision shall become effective at 12 o'clock
noon on May 16th , 19 88 .

IT IS SO ORDERED 4-18 , 19 88 .

JAMES A. EDMONDS, JR.
Real Estate Commissioner

[Signature]

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)
DOUGLAS C. COVILL,) NO. H-2245 SAC
HAMID HAFIZI, et al.,)
Respondents.)

PROPOSED DECISION

This matter was presided over as an uncontested case by Robert E. McCabe, Regional Manager, Department of Real Estate, as the designee of the Real Estate Commissioner, in Sacramento, California, on April 4, 1988.

DAVID A. PETERS, Counsel, represented the Complainant.

No appearance was made by or on behalf of Respondent DOUGLAS C. COVILL.

The matter was submitted upon written Stipulation of the parties. This Proposed Decision concerns Respondent DOUGLAS C. COVILL only. Pursuant to the Stipulation, the following Decision is proposed, certified and recommended for adoption:

FINDINGS OF FACT

I

DOUGLAS C. COVILL (hereinafter "Respondent COVILL") is presently licensed and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) (Code).

At all times herein mentioned, Respondent COVILL was licensed as a real estate salesperson.

II

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

III

On or about August 24, 1981, Respondent COVILL applied to Suburban Coastal Corporation, Newport Beach, California (hereinafter "Coastal") for a loan in the amount of \$39,000 secured by a lien on real property commonly known as 3982 12th Avenue, Sacramento, California (hereinafter "3982 Property").

IV

In connection with said loan application, Respondent COVILL made false representations to Coastal thereby obtaining a \$39,000 loan on the 3982 Property.

V

On or about June 30, 1982, Respondent COVILL as part of a plan and scheme to obtain loan proceeds agreed to sell property owned by Respondent COVILL commonly known as 3756 6th Avenue, Sacramento, California (hereinafter "3756 Property") to Sherilyn L. Scott for a purported purchase price of \$52,000.

VI

In connection with said plan and scheme, Respondent COVILL made or caused to be made false representations to Guild Mortgage Company, San Diego, California, (hereinafter "Guild") thereby inducing Guild to loan \$49,400 to be secured by a lien on the 3756 Property.

DETERMINATION OF ISSUES

I

Cause for disciplinary action against Respondent COVILL exists pursuant to Business and Professions Code Section 10177(j).

II

The standard of proof applied at the hearing was clear and convincing proof of a reasonable certainty.

ORDER

Respondent DOUGLAS C. COVILL's real estate salesperson license is revoked. However, a restricted real estate salesperson license shall be issued to respondent pursuant to Business and Professions Code Section 10156.5, if respondent makes application therefor and pays to the Department the appropriate fee for said license within 60 days of the effective date of his decision upon the terms and conditions contained herein.

A. Respondent shall not be eligible to apply for the issuance of an unrestricted real estate license, nor the removal of any of the restrictions of the restricted license, until one (1) year has elapsed from the date of issuance of the restricted license.

B. Respondent shall submit, with his application for licensure under an employing broker or his application for transfer to a new employing broker, a statement signed by the prospective employing broker which shall certify:

(1) That the broker has read the decision of the

Commissioner which granted the right to restricted license to respondent; and

///

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

C. Respondent shall, within nine (9) months from the effective date of the Decision, present evidence satisfactory to the Real Estate Commissioner that he has, since the most recent issuance of an original or renewal real estate license, taken and successfully completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a real estate license. If respondent fails to satisfy this condition, the Commissioner may order the suspension of the restricted license until respondent presents such evidence. The Commissioner shall afford respondent the opportunity for a hearing pursuant to the Administrative Procedure Act to present such evidence.

D. Respondent agrees to cooperate in any investigation regarding violations alleged in the Accusation and to testify if called in any proceeding related thereto.

E. Any restricted license issued to respondent may be suspended prior to hearing by order of the Commissioner in the event that respondent is convicted, including a conviction of nolo contendere, of any crime which bears a substantial relationship to respondent's fitness to be a real estate licensee or as otherwise provided by law.

F. Respondent shall comply with all of the laws to which he is subject, including all the provisions of the California Real Estate Law, the Subdivided Lands Law and all Regulations of the Real Estate Commissioner.

G. The restricted license may be suspended or revoked for a violation by respondent of any of the conditions attaching to this restricted license.

DATED: April 4, 1988

Robert E. McCabe
ROBERT E. McCABE
Regional Manager
Department of Real Estate

To: Sacto Flag

FILED
JAN 14 1988

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE

By Melanie A. Gian

In the Matter of the Accusation of

HAMID HAFIZI; MARYAM & DAVID,
INC.; et al.,

Case No. H-2245 SAC

OAH No. _____

Respondent(s)

NOTICE OF HEARING ON ACCUSATION

To the above named respondent:

You are hereby notified that a hearing will be held before the Department of Real Estate at _____
OFFICE OF ADMINISTRATIVE HEARINGS, 501 J Street,
2nd Floor (Hearing Room 220), Sacramento, CA 95814
on the 22nd day of August, 1988, at the hour of 9:00 a.m. through
the 2nd day of September, 1988, at the hour of 9:00 a.m., or as soon thereafter
as the matter can be heard, upon the charges made in the Accusation served upon you.

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

You may present any relevant evidence and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the production of books, documents or other things by applying to the Department of Real Estate.

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

DEPARTMENT OF REAL ESTATE

Dated: January 14, 1988

By David A. Peters
DAVID A. PETERS Counsel

FILED
JUL 28 1987
DEPARTMENT OF REAL ESTATE

By *Kathleen Contrace*

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)
)
 PAUL KENNETH JORDAN,) NO. H-2245 SAC
 HAMID HAFIZI, ET AL.,)
)
 Respondents.)

DISMISSAL

The Accusation herein filed on May 12, 1987, against respondent PAUL KENNETH JORDAN only is DISMISSED.

IT IS SO ORDERED this 28th day of July, 1987.

JAMES A. EDMONDS, JR.
Real Estate Commissioner

By: *John R. Liberator*
JOHN R. LIBERATOR
Chief Deputy Commissioner

By Kathleen Conners

BEFORE THE
 DEPARTMENT OF REAL ESTATE
 STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)
)
 JANET M. JORDAN,)
 HAMID HAFIZI, ET AL.,)
)
) Respondents.)
)

DECISION

The Proposed Decision dated July 23, 1987
 of Betty R. Ludeman, Regional Manager, Department of Real Estate,
 State of California, is hereby adopted as the Decision of the Real
 Estate Commissioner in the above-entitled matter.

The Decision shall become effective at 12 o'clock
noon on August 17, 1987.

IT IS SO ORDERED July 28, 1987.

JAMES A. EDMONDS, JR.
 Real Estate Commissioner

By: John R. Liberator
 JOHN R. LIBERATOR
 Chief Deputy Commissioner

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)
))
 JANET M. JORDAN,) NO. H-2245 SAC
 HAMID HAFIZI, ET AL.,)
))
) Respondents.)
_____)

PROPOSED DECISION

This matter was presided over as an uncontested case by Betty Ludeman, Assistant Commissioner, Department of Real Estate, as the designee of the Real Estate Commissioner, in Sacramento, California, on July 15, 1987.

David A. Peters, Counsel, represented the complainant.

No appearance was made by or on behalf of respondent JANET M. JORDAN.

The matter was submitted upon written stipulation of the parties. This Proposed Decision concerns respondent JANET M. JORDAN only. Pursuant to the stipulation, the following Decision is proposed, certified and recommended for adoption:

FINDINGS OF FACT

I

JANET M. JORDAN (hereinafter "respondent Jordan") is presently licensed and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) (Code). At all times herein mentioned respondent Jordan was licensed as a real estate salesperson.

II

The complainant, Charles W. Koenig, a Deputy Real Estate Commissioner of the State of California, makes this accusation in his official capacity.

III

On or about September 28, 1981, respondent Jordan applied to Seafirst Real Estate Group, Seattle, Washington (hereinafter "Seafirst"), for a loan in the amount of \$66,000 secured by a lien on real property commonly known as 7640 Goes Parkway, Sacramento, California (hereinafter "the Property").

IV

In connection with said loan application, respondent Jordan made false representations to Seafirst thereby obtaining a \$66,000 loan.

DETERMINATION OF ISSUES

I

Cause for disciplinary action against respondent Jordan exists pursuant to Business and Professions Code Sections 10176(a), 10176(i) and 10177(J).

II

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

ORDER

Respondent JANET M. JORDAN's real estate salesperson license is revoked. However, a restricted real estate salesperson license shall be issued to respondent pursuant to Business and Professions Code Section 10156.5, if respondent makes application therefor and pays to the Department the appropriate fee for said license within 60 days of the effective date of his decision upon the term and conditions contained herein:

A. Respondent shall not be eligible to apply for the issuance of an unrestricted real estate license, nor the removal of any of the restrictions of the restricted license, until one (1) year has elapsed from the date of issuance of the restricted license.

B. Respondent shall submit, with her application for licensure under an employing broker or her application for transfer to a new employing broker, a statement signed by the prospective employing broker which shall certify:

- (1) That the broker has read the decision of the Commissioner which granted the right to restricted license to respondent and
- (2) That the broker will exercise close supervision over the performance by the restricted licensee of activities for which a real estate license is required.

C. Respondent shall, within nine (9) months from the effective date of the Decision, present evidence satisfactory to the Real Estate Commissioner that she has, since the most recent issuance of an original or renewal real estate license, taken and successfully completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a real estate license. If respondent fails to satisfy this condition, the Commissioner may order the suspension of the restricted license until respondent presents such evidence. The Commissioner shall afford respondent the opportunity for a hearing pursuant to the Administrative Procedure Act to present such evidence.

D. Any restricted license issued to respondent may be suspended prior to hearing by order of the Commissioner in the event that respondent is convicted, including a conviction of nolo contendere, of any crime which bears a substantial relationship to respondent's fitness to be a real estate licensee or as otherwise provided by law.

E. Respondent shall comply with all of the laws to which she is subject, including all the provisions of the California Real Estate Law, the Subdivided Lands Law and all Regulations of the Real Estate Commissioner.

F. The restricted license may be suspended or revoked for a violation by respondent of any of the conditions attaching to this restricted license.

DATED: July 28, 1951

Betty Lueman
BETTY LUDEMAN
Assistant Commissioner
Department of Real Estate

1 DAVID A. PETERS, Counsel
2 Department of Real Estate
3 P. O. Box 160009
4 Sacramento, CA 95816
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6
7
8 (916) 739-3607

FILED
MAY 12 1987

DEPARTMENT OF REAL ESTATE

By Laura A. Beck

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

11 In the Matter of the Accusation of)
12)
13 HAMID HAFIZI; MARYAM & DAVID,)
14 INC.; MEHRDAD BAGHAI, dba)
15 Paramount Investments and)
16 Caspian Properties; DOUGLAS)
17 C. COVILL; BEVERLY K. CRAWFORD,)
18 dba Crawford Co., Real Estate)
19 Investments; KAREN ELIZABETH)
20 ESTRELLA; Nanci E. GILBERT;)
21 JANET M. JORDAN;)
22 PAUL KENNETH JORDAN; and)
23 VIRGINIA SABEDRA;)
24 Respondents.)

NO. H- 2245 SAC

ACCUSATION

21 The complainant, Charles W. Koenig, a Deputy Real Estate
22 Commissioner of the State of California, for cause of Accusation
23 against HAMID HAFIZI (hereinafter "respondent Hafizi"); MARYAM &
24 DAVID, INC. (hereinafter "respondent Maryam & David"); MEHRDAD
25 BAGHAI, dba Paramount Investments and Caspian Properties (herein-
26 after "respondent Baghai"); DOUGLAS C. COVILL (hereinafter
27 "respondent Covill"); BEVERLY K. CRAWFORD, dba Crawford Co., Real

1 Estate Investments (hereinafter "respondent Crawford"); KAREN
2 ELIZABETH ESTRELLA (hereinafter "respondent Estrella"); Nanci E.
3 GILBERT (hereinafter "respondent Gilbert"); JANET M. JORDAN
4 (hereinafter "respondent Janet Jordan"); PAUL KENNETH JORDAN
5 (hereinafter "respondent Paul Jordan"); and VIRGINIA SABEDRA
6 (hereinafter "respondent Sabedra") is informed and alleges as
7 follows:

8 FIRST CAUSE OF ACCUSATION

9 1.

10 The complainant, Charles W. Koenig, a Deputy Real Estate
11 Commissioner of the State of California, makes this accusation in
12 his official capacity.

13 2.

14 At all times herein mentioned, respondent Hafizi is
15 presently licensed and/or has license rights under the Real Estate
16 Law (Part 1 of Division 4 of the Business and Professions
17 Code)(hereinafter "Code") as a real estate broker.

18 3.

19 At all times herein mentioned, respondent Maryam & David
20 is presently licensed and/or has license rights under the Code as
21 a real estate broker corporation by and through respondent Hafizi
22 as designated officer of said corporation.

23 4.

24 At all times herein mentioned, respondent Baghai is
25 presently licensed and/or has license rights under the Code as a
26 real estate broker.

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5.

At all times herein mentioned, respondent Covill is presently licensed and/or has license rights under the Code as a real estate salesperson.

6.

At all times herein mentioned, respondent Crawford is presently licensed and/or has license rights under the Code as a real estate broker.

7.

At all times herein mentioned, respondent Estrella is presently licensed and/or has license rights under the Code as a real estate broker.

8.

At all times herein mentioned, respondent Gilbert is presently licensed and/or has license rights under the Code as a real estate broker.

9.

At all times herein mentioned, respondent Janet Jordan is presently licensed and/or has license rights under the Code as a real estate salesperson.

10.

At all times herein mentioned, respondent Paul Jordan is presently licensed and/or has license rights under the Code as a real estate salesperson.

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11.

At all times herein mentioned, respondent Sabedra is presently licensed and/or has license rights under the Code as a real estate salesperson.

12.

Each of the respondents at various times (as alleged herein) participated in and contributed to the unlawful acts and schemes complained of herein, and as such whenever reference is made to any act of a particular respondent with reference to a specific cause of accusation such references shall be deemed to mean the act of each respondent named in the cause of accusation acting individually, jointly and severally.

13.

Described herein below are certain transactions involving the sale and purchase of various parcels of real property and the obtaining of loans secured by liens on said properties. Beginning on or before April 23, 1981, respondents and/or respondents' confederates acting as sellers, buyers or agents entered into a plan and scheme with reference to said transactions, as fully set forth below, with the intent to substantially benefit themselves without regard to the injury their acts would cause to various lenders named hereinunder and without disclosing to said lenders the true facts and their true intentions with respect to the transactions described in the following causes of accusation.

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14.

The plan and scheme described in Paragraph 13. above, contemplated with respect to each of the transactions, one or more of the following acts, omissions or representations:

1. Respondents and/or respondents' confederates would purchase residential real properties located in or near Sacramento, California.

2. Respondents and/or respondents' confederates would transfer to each other title to said properties as a result of purported sales involving inflated sales prices.

3. Respondents and/or respondents' confederates posing as buyers of said properties would make application for and obtain purchase money loans secured by said properties without disclosing to the lenders the manner in which said properties were acquired and the true value of said properties. As a portion of said loan application, respondents and/or respondents' confederates would represent that they would occupy said properties.

4. Respondents and/or respondents' confederates would obtain said loans for their own benefit and not for the purposes represented to the lenders.

15.

On or about January 5, 1981, respondent Maryam & David, acting by and through respondent Hafizi purchased real property commonly known as 3501 37th Street, Sacramento, California (hereinafter "3501 property") from Moses Smith. The exact amount of said purchase price is unknown to complainant but well known to

///

1 respondents Maryam & David and Hafizi and is believed to be
2 \$20,000 or less.

3 16.

4 On or about April 23, 1981, respondent Maryam & David in
5 furtherance of the plan and scheme alleged in Paragraphs 13. and
6 14. entered into an agreement in which Homeyra Hafizi agreed to
7 buy the 3501 property from Maryam & David for a purported purchase
8 price of \$45,000.

9 17.

10 On or about April 23, 1981, in furtherance of the plan
11 and scheme alleged in Paragraphs 13. and 14., Homeyra Hafizi
12 applied to California Federal Savings and Loan Association, 591
13 Watt Avenue, Sacramento, California (hereinafter "Cal Fed") for a
14 loan in the amount of \$42,700 secured by a lien on the 3501
15 property.

16 18.

17 In connection with said loan application and in
18 furtherance of the plan and scheme described in Paragraphs 13. and
19 14., respondent Maryam & David and Homeyra Hafizi falsely
20 represented to Cal Fed that:

21 1. The sale by Maryam & David and purchase by Homeyra
22 Hafizi of the 3501 property was a bona fide sale and purchase;

23 2. The loan proceeds obtained by Homeyra Hafizi would be
24 used to purchase the 3501 property and that Homeyra Hafizi would
25 occupy the 3501 property;

26 3. The fair market value of the 3501 property was
27 \$45,000; and

1 4. Homeyra Hafizi would make payments on the \$42,700
2 loan described in Paragraph 17.

3 19.

4 In reliance on said representations Cal Fed loaned
5 Homeyra Hafizi \$42,700 to be secured by a deed of trust on the
6 3501 property.

7 20.

8 On or about June 2, 1981, a grant deed was recorded
9 transferring the 3501 property from respondent Maryam & David to
10 Homeyra Hafizi. On or about June 2, 1981, the deed of trust
11 described in Paragraph 19. was recorded.

12 21.

13 On or about June 2, 1981, respondent Maryam & David
14 received a check from escrow in the amount of \$24,047.48.

15 22.

16 On or about October 1, 1983, Maryam & David,
17 Homeyra Hafizi or their successors in interest ceased making
18 payments on the loan secured by a deed of trust on the 3501
19 property.

20 23.

21 Discovery of the plan and scheme described in this First
22 Cause of Accusation as it relates to the 3501 property occurred on
23 or about May 20, 1986.

24 24.

25 The acts and omissions of respondents Maryam & David and
26 Hafizi set forth in this First Cause of Accusation constitute the
27 making of substantial misrepresentations and fraud or dishonest

1 dealing and are cause under Sections 10176(a), 10176(i) and
2 10177(j) of the Code for suspension or revocation of all licenses
3 and/or license rights of respondents under the real estate law.

4 SECOND CAUSE OF ACCUSATION

5 25.

6 There is hereby incorporated in this second, separate
7 and distinct cause of accusation, all of the allegations contained
8 in Paragraphs 1., 2., 3., 12., 13., and 14. of the First Cause of
9 Accusation with the same force and effect as if herein fully set
10 forth.

11 26.

12 On or about June 9, 1981, respondent Maryam & David
13 acting by and through respondent Hafizi purchased real property
14 commonly known as 4540 10th Avenue, Sacramento, California
15 (hereinafter "4540 property") from Bud Johnson. The exact amount
16 of said purchase price is unknown to complainant but well known to
17 respondents Maryam & David and Hafizi and is believed to be
18 \$24,000 or less.

19 27.

20 On or about June 11, 1981, respondent Maryam & David and
21 respondent Hafizi in furtherance of the plan and scheme alleged in
22 Paragraphs 13. and 14., entered into an agreement in which Saeb
23 Taheri and Diane Saeb Taheri (hereinafter "the Taheris") agreed to
24 buy the 4540 property from respondent Maryam & David for a
25 purported purchase price of \$43,500.

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28.

On or about July 17, 1981, in furtherance of the plan and scheme alleged in Paragraphs 13. and 14., the Taheris applied to Suburban Coastal Corporation, 660 Newport Center Drive, Suite 900, Newport Beach, California (hereinafter "Coastal") for a loan in the amount of \$41,300 secured by a lien on the 4540 property.

29.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 13. and 14., respondent Maryam & David and the Taheris falsely represented to Coastal that:

1. The sale by respondent Maryam & David and purchase by the Taheris of the 4540 property was a bona fide sale and purchase;
2. The loan proceeds obtained by the Taheris would be used to purchase the 4540 property and that the Taheris would occupy the 4540 property;
3. The fair market value of the 4540 property was \$43,500; and
4. The Taheris would make payments on the loan described in Paragraph 29.

30.

In reliance on said representations Coastal loaned the Taheris \$41,300 to be secured by a deed of trust on the 4540 property.

31.

On or about August 24, 1981, a grant deed was recorded

1 transferring the 4540 property from respondent Maryam & David to
2 the Taheris. On or about August 24, 1981, the deed of trust
3 described in Paragraph 30. was recorded.

4 32.

5 On or about August 24, 1981, respondent
6 Maryam & David received a check from escrow in the amount of
7 \$18,317.34.

8 33.

9 On or about February 1, 1983, respondent Maryam & David,
10 the Taheris, or their successors in interest ceased making
11 payments on the loan secured by a deed of trust on the 4540
12 property.

13 34.

14 Discovery of the plan and scheme described in this
15 Second Cause of Accusation as it relates to the 4540 property
16 occurred on or about May 20, 1986.

17 35.

18 The acts and omissions of respondent Maryam & David and
19 respondent Hafizi set forth in this Second Cause of Accusation
20 constitute the making of substantial misrepresentations and fraud
21 or dishonest dealing and are cause under Sections 10176(a),
22 10176(i) and 10177(j) of the Code for suspension or revocation of
23 all licenses and/or license rights of respondents under the real
24 estate law.

25 THIRD CAUSE OF ACCUSATION

26 36.

27 There is hereby incorporated in this third, separate and

1 distinct cause of accusation, all of the allegations contained in
2 Paragraphs 1., 2., 3., 5., 12., 13., and 14. of the First Cause
3 of Accusation with the same force and effect as if herein fully
4 set forth.

5 37.

6 On or about June 23, 1981, respondent Sabedra purchased
7 real property commonly known as 3982 12th Avenue, Sacramento,
8 California (hereinafter "3982 property") from J. W. Stone and
9 Mildred M. Stone. The exact amount of said purchase price is
10 unknown to complainant but well known to respondent Sabedra and is
11 believed to be \$23,500 or less.

12 38.

13 On or about August 24, 1981, respondent Sabedra in
14 furtherance of the plan and scheme alleged in Paragraphs 13. and
15 14., entered into an agreement in which respondent Covill agreed
16 to buy the 3982 property from respondent Sabedra for a purported
17 purchase price of \$42,000.

18 39.

19 On or before August 24, 1981, in furtherance of the plan
20 and scheme alleged in Paragraphs 13. and 14., respondent Covill
21 applied to Coastal for a loan in the amount of \$39,000 secured by
22 a lien on the 3982 property.

23 40.

24 In connection with said loan application and in
25 furtherance of the plan and scheme described in Paragraphs 13. and
26 14., respondents Sabedra and Covill falsely represented to Coastal
27 that:

1 1. The sale by respondent Sabedra and purchase by
2 respondent Covill of the 3982 property was a bona fide sale and
3 purchase;

4 2. The loan proceeds obtained by respondent Covill would
5 be used to purchase the 3982 property, and that respondent Covill
6 would occupy the 3982 property;

7 3. The fair market value of the 3982 property was
8 \$42,000; and

9 4. Respondent Covill would make payments on the loan
10 described in Paragraph 39.

11 41.

12 In reliance on said representations Coastal loaned
13 respondent Covill \$39,000 to be secured by a deed of trust on the
14 3982 property.

15 42.

16 On or about August 24, 1981, a grant deed was recorded
17 transferring the 3982 property from respondent Sabedra to
18 respondent Covill. On or about August 24, 1981, the deed of trust
19 described in Paragraph 41. was recorded.

20 43.

21 On or about April 27, 1982, respondents Sabedra, Covill
22 or their successors in interest ceased making payments on the loan
23 secured by a deed of trust on the 3982 property.

24 44.

25 Discovery of the plan and scheme described in this Third
26 Cause of Accusation as it relates to the 3982 property occurred on
27 or about June 4, 1986.

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45.

The acts and omissions of respondent Sabedra and respondent Covill set forth in this Third Cause of Accusation constitute the making of substantial misrepresentations and fraud or dishonest dealing and are cause under Sections 10176(a), 10176(i) and 10177(j) of the Code for suspension or revocation of all licenses and/or license rights of respondents under the Real Estate Law.

FOURTH CAUSE OF ACCUSATION

46.

There is hereby incorporated in this fourth, separate and distinct cause of accusation, all of the allegations contained in Paragraphs 1., 2., 3., 9., 10, 12., 13., and 14. of the First Cause of Accusation with the same force and effect as if herein fully set forth.

47.

On or about June 29, 1981, respondents Janet Jordan and Paul Jordan purchased real property commonly known as 7640 Goes Parkway, Sacramento, California (hereinafter "7640 property") from Dale H. and Sharon L. Amos. The exact amount of said purchase price is unknown to complainant but well known to respondents Janet Jordan and Paul Jordan and is believed to be \$45,000 or less.

48.

On or about July 23, 1981, respondents Janet Jordan and Paul Jordan in furtherance of the plan and scheme alleged in Paragraphs 13. and 14., entered into an agreement in which

1 respondents Janet Jordan and Paul Jordan conveyed the 7640
2 property by grant deed to respondent Maryam & David.

3 49.

4 On or about July 23, 1981, respondents Janet Jordan and
5 Paul Jordan by and through respondent Maryam & David and in
6 furtherance of the plan and scheme alleged in Paragraphs 13. and
7 14., entered into an agreement in which respondents Janet Jordan
8 and Paul Jordan agreed to buy the 7640 property from respondent
9 Maryam & David for a purported purchase price of \$82,500.

10 50.

11 On or about September 28, 1981, in furtherance of the
12 plan and scheme alleged in Paragraphs 13. and 14., respondents
13 Janet Jordan and Paul Jordan applied to Seafirst Real Estate
14 Group, Seattle, Washington (hereinafter "Seafirst"), for a loan in
15 the amount of \$66,000 secured by a lien on the 7640 property.

16 51.

17 In connection with said loan application and in
18 furtherance of the plan and scheme described in Paragraphs 13. and
19 14., respondents Maryam & David, Janet Jordan and Paul Jordan
20 falsely represented to Seafirst that:

21 1. The sale by respondent Maryam & David and purchase by
22 respondents Janet Jordan and Paul Jordan of the 7640 property was
23 a bona fide sale and purchase;

24 2. The loan proceeds obtained by respondents Janet
25 Jordan and Paul Jordan would be used to purchase the 7640
26 property;

27 ///

1 3. The fair market value of the 7640 property was
2 \$82,500; and

3 4. Respondents Janet Jordan and Paul Jordan would make
4 payments on the loan described in Paragraph 50.

5 52.

6 In reliance on said representations Seafirst loaned
7 respondents Janet Jordan and Paul Jordan \$66,000 to be secured by
8 a deed of trust on the 7640 property.

9 53.

10 On or about November 5, 1981, a grant deed was recorded
11 transferring the 7640 property from respondent Maryam & David to
12 respondents Janet Jordan and Paul Jordan. On or about November 5,
13 1981, the deed of trust described in Paragraph 52. was recorded.

14 54.

15 On or about November 5, 1981, respondent Maryam & David
16 received a check from escrow in the amount of \$38,786.11.

17 55.

18 On or about June 1, 1982, respondents Maryam & David,
19 Janet Jordan and Paul Jordan or their successors in interest
20 ceased making payments on the loan secured by a deed of trust on
21 the 7640 property.

22 56.

23 Discovery of the plan and scheme described in this
24 Fourth Cause of Accusation as it relates to the 7640 property
25 occurred on or about June 4, 1986.

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57.

The acts and omissions of respondents Maryam & David, Janet Jordan and Paul Jordan set forth in this Fourth Cause of Accusation constitute the making of substantial misrepresentations and fraud or dishonest dealing and are cause under Sections 10176(a), 10176(i) and 10177(j) of the Code for suspension or revocation of all licenses and/or license rights of respondents under the Real Estate Law.

FIFTH CAUSE OF ACCUSATION

58.

There is hereby incorporated in this fifth, separate and distinct cause of accusation, all of the allegations contained in Paragraphs 1., 2., 3., 12., 13., and 14. of the First Cause of Accusation with the same force and effect as if herein fully set forth.

59.

On or about March 3, 1982, respondents Maryam & David acting by and through respondent Hafizi purchased real property commonly known as 3417 42nd Street, Sacramento, California (hereinafter "3417 property") from Charles R. and Kathleen F. Anderson. The exact amount of said purchase price is unknown to complainant but well known to respondents Maryam & David and Hafizi and is believed to be \$24,500 or less.

60.

On or about April 1, 1982, respondents Maryam & David and Hafizi in furtherance of the plan and scheme alleged in Paragraphs 13. and 14. entered into an agreement in which Sherilyn

1 L. Scott agreed to buy the 3417 property from respondent Maryam &
2 David for a purported purchase price of \$45,000.

3 61.

4 On or about April 1, 1982, in furtherance of the plan
5 and scheme alleged in Paragraphs 13. and 14., Sherilyn L. Scott
6 applied to Cal Fed for a loan in the amount of \$42,750 secured by
7 a lien on the 3417 property.

8 62.

9 In connection with said loan application and in
10 furtherance of the plan and scheme described in Paragraphs 13. and
11 14., respondents Maryam & David and Hafizi, by and through
12 Sherilyn L. Scott falsely represented to Cal Fed that:

13 1. The sale by respondents Maryam & David and Hafizi and
14 purchase by Sherilyn L. Scott of the 3417 property was a bona fide
15 sale and purchase;

16 2. The loan proceeds obtained by Sherilyn L. Scott would
17 be used to purchase the 3417 property and that Sherilyn L. Scott
18 would occupy the 3417 property;

19 3. The fair market value of the 3417 property was
20 \$45,000; and

21 4. Sherilyn L. Scott would make payments on the loan
22 described in Paragraph 61.

23 63.

24 In reliance on said representations Cal Fed loaned
25 Sherilyn L. Scott \$42,750 to be secured by a deed of trust on the
26 3417 property.

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64.

On or about May 26, 1982, a grant deed was recorded transferring the 3417 property from respondent Maryam & David to Sherilyn L. Scott. On or about May 26, 1982, the deed of trust described in Paragraph 63. was recorded.

65.

On or about May 26, 1982, respondent Maryam & David received a check from escrow in the amount of \$15,420.16.

66.

On or about February 25, 1983, a grant deed was recorded transferring the 3417 property from Sherilyn L. Scott to Suburban Enterprises, Inc. The purchase price paid by Suburban Enterprises, Inc. is unknown to complainant but is believed to be \$1,000 or less.

67.

On or about March 1, 1983, respondent Maryam & David, Sherilyn L. Scott, Suburban Enterprises, Inc., or their successors in interest ceased making payments on the loan secured by a deed of trust on the 3417 property.

68.

Discovery of the plan and scheme described in this Fifth Cause of Accusation as it relates to the 3417 property occurred on or about June 5, 1986.

69.

The acts and omissions of respondents Maryam & David and Hafizi set forth in this Fifth Cause of Accusation constitute the making of substantial misrepresentations and fraud or dishonest

1 dealing and are cause under Sections 10176(a), 10176(i) and
2 10177(j) of the Code for suspension or revocation of all licenses
3 and/or license rights of respondents under the Real Estate Law.

4 SIXTH CAUSE OF ACCUSATION

5 70.

6 There is hereby incorporated in this sixth, separate and
7 distinct cause of accusation, all of the allegations contained in
8 Paragraphs 1., 2., 3., 12., 13., and 14. of the First Cause of
9 Accusation with the same force and effect as if herein fully set
10 forth.

11 71.

12 On or about March 3, 1982, respondent Maryam & David
13 purchased real property commonly known as 3101 San Rafael Court,
14 Sacramento, California (hereinafter "3101 property") from Charles
15 R. and Kathleen F. Anderson. The exact amount of said purchase
16 price is unknown to complainant but well known to respondent
17 Maryam & David and is believed to be \$23,500 or less.

18 72.

19 On or about March 15, 1982, respondent Maryam & David,
20 in furtherance of the plan and scheme alleged in Paragraphs 13.
21 and 14., entered into an agreement in which John J. Watson and
22 Thomas A. Schmidt agreed to buy the 3101 property from Maryam &
23 David for a purported purchase price of \$50,000.

24 73.

25 On or about March 15, 1982, in furtherance of the plan
26 and scheme alleged in Paragraphs 14. and 15., John J. Watson and

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1 Thomas A. Schmidt applied to Cal Fed, for a loan in the amount of
2 \$47,500 secured by a lien on the 3101 property.

3 74.

4 In connection with said loan application and in
5 furtherance of the plan and scheme described in Paragraphs 13. and
6 14., respondent Maryam & David by and through John J. Watson and
7 Thomas A. Schmidt falsely represented to Cal Fed that:

8 1. The sale by Maryam & David and purchase by John J.
9 Watson and Thomas A. Schmidt of the 3101 property was a bona fide
10 sale and purchase;

11 2. The loan proceeds obtained by John J. Watson and
12 Thomas A. Schmidt would be used to purchase the 3101 property;

13 3. The fair market value of the 3101 property was
14 \$50,000; and

15 4. John J. Watson and Thomas A. Schmidt would make
16 payments on the loan described in Paragraph 73.

17 75.

18 In reliance on said representations Cal Fed loaned John
19 J. Watson and Thomas A. Schmidt \$47,500 to be secured by a deed of
20 trust on the 3101 property.

21 76.

22 On or about May 13, 1982, a grant deed was recorded
23 transferring the 3101 property from respondent Maryam & David to
24 John J. Watson and Thomas A. Schmidt. On or about May 13, 1982,
25 the deed of trust described in Paragraph 75. was recorded.

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77.

On or about May 13, 1982, respondent Maryam & David received a check from escrow in the amount of \$20,184.43.

78.

On or about April 1, 1984, Maryam & David, John J. Watson and Thomas A. Schmidt, or their successors in interest ceased making payments on the loan secured by a deed of trust on the 3101 property.

79.

Discovery of the plan and scheme described in this Sixth Cause of Accusation as it relates to the 3101 property occurred on or about May 13, 1986.

80.

The acts and omissions of respondent Maryam & David set forth in this Sixth Cause of Accusation constitute the making of substantial misrepresentations and fraud or dishonest dealing and are cause under Sections 10176(a), 10176(i) and 10177(j) of the Code for suspension or revocation of all licenses and/or license rights of respondents under the Real Estate Law.

SEVENTH CAUSE OF ACCUSATION

81.

There is hereby incorporated in this seventh, separate and distinct cause of accusation, all of the allegations contained in Paragraphs 1., 2., 3., 4., 6., 12., 13., and 14. of the First Cause of Accusation with the same force and effect as if herein fully set forth.

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82.

On or about April 1, 1982, respondent Baghai, also known as Mehrdad Astaneh, acting by and through respondents Hafizi and Maryam & David, purchased real property commonly known as 4401 13th Avenue, Sacramento, California (hereinafter "4401 property") from Douglas and Sally Ryno. The exact amount of said purchase price is unknown to complainant but well known to respondents Baghai, Hafizi and Maryam & David and is believed to be \$20,000 or less.

83.

On or about April 4, 1982, respondents Baghai, Hafizi and Maryam & David, in furtherance of the plan and scheme alleged in Paragraphs 13. and 14., entered into an agreement in which respondent Crawford agreed to buy the 4401 property from respondent Baghai for a purported purchase price of \$40,000.

84.

On or about April 5, 1982, in furtherance of the plan and scheme alleged in Paragraphs 13. and 14., respondent Crawford applied to Cal Fed, for a loan in the amount of \$38,000 secured by a lien on the 4401 property.

85.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 13. and 14., respondents Baghai, Hafizi, Maryam & David and Crawford falsely represented to Cal Fed that:

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90.

Discovery of the plan and scheme described in this Seventh Cause of Accusation as it relates to the 4401 property occurred on or about May 13, 1986.

91.

The acts and omissions of respondents Hafizi, Maryam & David, Baghai and Crawford set forth in this Seventh Cause of Accusation constitute the making of substantial misrepresentations and fraud or dishonest dealing and are cause under Sections 10176(a), 10176(i) and 10177(j) of the Code for suspension or revocation of all licenses and/or license rights of respondents under the Real Estate Law.

EIGHTH CAUSE OF ACCUSATION

92.

There is hereby incorporated in this eighth, separate and distinct cause of accusation, all of the allegations contained in Paragraphs 1., 2., 3., 12., 13., and 14. of the First Cause of Accusation with the same force and effect as if herein fully set forth.

93.

On or about March 3, 1982, respondents Maryam & David, acting by and through respondent Hafizi, purchased real property commonly known as 3309 35th Street, Sacramento, California (hereinafter "3309 property"). The exact amount of said purchase price is unknown to complainant but well known to respondents Maryam & David and Hafizi and is believed to be \$24,500 or less.

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94.

On or about April 20, 1982, respondents Maryam & David and Hafizi, in furtherance of the plan and scheme alleged in Paragraphs 13. and 14., entered into an agreement in which Robert C. and Nancy L. Matthews (hereinafter "Matthews") agreed to buy the 3309 property from Maryam & David for a purported purchase price of \$50,000.

95.

On or about April 22, 1982, in furtherance of the plan and scheme alleged in Paragraphs 13. and 14., the Matthews, and respondents Maryam & David and Hafizi applied to Cal Fed, for a loan in the amount of \$47,500 secured by a lien on the 3309 property.

96.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 13. and 14., respondents Maryam & David and Hafizi falsely represented to Cal Fed that:

1. The sale by respondent Maryam & David and purchase by the Matthews of the 3309 property was a bona fide sale and purchase;
2. The loan proceeds obtained by the Matthews would be used to purchase the 3309 property; and that the Matthews would occupy the 3309 property;
3. The fair market value of the 3309 property was \$50,000; and

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1 4. The Matthews would make payments on the loan
2 described in Paragraph 95.

3 97.

4 In reliance on said representations Cal Fed loaned the
5 Matthews \$47,500 to be secured by a deed of trust on the 3309
6 property.

7 98.

8 On or about June 3, 1982, a grant deed was recorded
9 transferring the 3309 property from respondent Maryam & David to
10 the Matthews. On or about June 3, 1982, the deed of trust
11 described in Paragraph 97. was recorded.

12 99.

13 On or about June 3, 1982, respondents Maryam & David and
14 Hafizi received a check from escrow in the amount of \$19,876.59.

15 100.

16 Discovery of the plan and scheme described in this
17 Eighth Cause of Accusation as it relates to the 3309 property
18 occurred on or about June 5, 1986.

19 101.

20 The acts and omissions of respondents Maryam & David and
21 Hafizi set forth in this Eighth Cause of Accusation constitute the
22 making of substantial misrepresentations and fraud or dishonest
23 dealing and are cause under Sections 10176(a), 10176(i) and
24 10177(j) of the Code for suspension or revocation of all licenses
25 and/or license rights of respondents under the Real Estate Law.

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1 NINTH CAUSE OF ACCUSATION

2 102.

3 There is hereby incorporated in this ninth, separate and distinct
4 cause of accusation, all of the allegations contained in
5 Paragraphs 1., 2., 3., 12., 13., and 14. of the First Cause of
6 Accusation with the same force and effect as if herein fully set
7 forth.

8 On or about March 25, 1982, respondents Maryam & David,
9 acting by and through respondent Hafizi, purchased real property
10 commonly known as 3941 3rd Avenue, Sacramento, California
11 (hereinafter "3941 property") from Dale A. and Jean P. Shelton.
12 The exact amount of said purchase price is unknown to complainant
13 but well known to respondents Maryam & David and Hafizi and is
14 believed to be \$26,000 or less.

15 103.

16 On or about April 20, 1982, respondents Maryam & David
17 and Hafizi, in furtherance of the plan and scheme alleged in
18 Paragraphs 13. and 14., entered into an agreement in which Theresa
19 S. Richardson (hereinafter "Richardson") agreed to buy the 3941
20 property from respondent Maryam & David for a purported purchase
21 price of \$50,000.

22 104.

23 On or about April 24, 1982, in furtherance of the plan
24 and scheme alleged in Paragraphs 13. and 14., respondents Maryam &
25 David and Hafizi and Richardson applied to Cal Fed, for a loan in
26 the amount of \$47,500 secured by a lien on the 3941 property.

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105.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 13. and 14., respondents Maryam & David and Hafizi falsely represented to Cal Fed that:

1. The sale by Maryam & David and purchase by Richardson of the 3941 property was a bona fide sale and purchase;

2. The loan proceeds obtained by Richardson would be used to purchase the 3941 property; and that Richardson would occupy the 3941 property;

3. The fair market value of the 3941 property was \$50,000; and

4. Richardson would make payments on the loan described in Paragraph 104.

106.

In reliance on said representations Cal Fed loaned Richardson \$47,500 to be secured by a deed of trust on the 3941 property.

107.

On or about June 3, 1982, a grant deed was recorded transferring the 3941 property from respondent Maryam & David to Richardson. On or about June 3, 1982, the deed of trust described in Paragraph 106. was recorded.

108.

On or about June 3, 1982, respondent Maryam & David received a check from escrow in the amount of \$19,086.

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1 109.

2 On or about March 1, 1983, Richardson, or his successors
3 in interest ceased making payments on the loan secured by a deed
4 of trust on the 3941 property.

5 110.

6 Discovery of the plan and scheme described in this Ninth
7 Cause of Accusation as it relates to the 3941 property occurred on
8 or about February 2, 1987.

9 111.

10 The acts and omissions of respondents Maryam & David and
11 Hafizi set forth in this Ninth Cause of Accusation constitute the
12 making of substantial misrepresentations and fraud or dishonest
13 dealing and are cause under Sections 10176(a), 10176(i) and
14 10177(j) of the Code for suspension or revocation of all licenses
15 and/or license rights of respondents under the Real Estate Law.

16 TENTH CAUSE OF ACCUSATION

17 112.

18 There is hereby incorporated in this Tenth, separate and
19 distinct cause of accusation, all of the allegations contained in
20 Paragraphs 1., 2., 3., 12., 13., and 14. of the First Cause of
21 Accusation with the same force and effect as if herein fully set
22 forth.

23 113.

24 On or about June 30, 1981, Amir H. Mohammady
25 (hereinafter "Mohammady") acting by and through respondents Maryam
26 & David and Hafizi, purchased real property commonly known as 4000
27 Sierra Vista Avenue, Sacramento, California (hereinafter "4000
28 property") from James E. and Ernestine M. Rosemond. The exact

1 amount of said purchase price is unknown to complainant but well
2 known to respondents Maryam & David and Hafizi and is believed to
3 be \$17,500 or less.

4 114.

5 On or about July 15, 1981, in furtherance of the plan
6 and scheme alleged in Paragraphs 13. and 14., entered into an
7 agreement in which Houshmand and Vivian M. Ghaderi (hereinafter
8 "Ghaderis" agreed to buy the 4000 property from Mohammady for a
9 purported purchase price of \$45,000.

10 115.

11 On or about October 15, 1981, in furtherance of the plan
12 and scheme alleged in Paragraphs 13., and 14., the Ghaderis
13 applied to Seafirst, for a loan in the amount of \$42,750 secured
14 by a lien on the 4000 property.

15 116.

16 In connection with said loan application and in
17 furtherance of the plan and scheme described in Paragraphs 13. and
18 14., respondents Maryam & David and Hafizi by and through
19 Mohammady and Ghaderis falsely represented to Seafirst that:

20 1. The sale by Mohammady and purchase by the Ghaderis of
21 the 4000 property was a bona fide sale and purchase;

22 2. The loan proceeds obtained by the Ghaderis would be
23 used to purchase the 4000 property; and that the Ghaderis would
24 occupy the 4000 property;

25 3. The fair market value of the 4000 property was
26 \$45,000; and

27 4. The Ghaderis would make payments on the loan
28 described in Paragraph 115.

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117.

In reliance on said representations Seafirst loaned \$42,750 to be secured by a deed of trust on the 4000 property.

118.

On or about October 29, 1981, a grant deed was recorded transferring the 4000 property from Mohammady to the Ghaderis. On or about October 29, 1981, the deed of trust described in Paragraph 117. was recorded.

119.

On or about October 29, 1981, respondents Maryam & David and Hafizi received a check from escrow in the amount of \$1,500 and Mohammady received a check from escrow in the amount of \$24,795.79.

120.

On or about April 1, 1982, the Ghaderis, or their successors in interest ceased making payments on the loan secured by a deed of trust on the 4000 property.

121.

Discovery of the plan and scheme described in this Tenth Cause of Accusation as it relates to the 4000 property occurred on or about June 4, 1986.

122.

The acts and omissions of respondents Maryam & David and Hafizi set forth in this Tenth Cause of Accusation constitute the making of substantial misrepresentations and fraud or dishonest dealing and are cause under Sections 10176(a), 10176(i) and

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1 10177(j) of the Code for suspension or revocation of all licenses
2 and/or license rights of respondents under the Real Estate Law.

3 ELEVENTH CAUSE OF ACCUSATION

4 123.

5 There is hereby incorporated in this eleventh, separate
6 and distinct cause of accusation, all of the allegations contained
7 in Paragraphs 1., 2., 3., 5., 11., 12., 13. and 14. of the First
8 Cause of Accusation with the same force and effect as if herein
9 fully set forth.

10 124.

11 On or about June 2, 1982, respondents Covill and
12 Sabedra, purchased real property commonly known as 3756 6th Avenue
13 (hereinafter "3756 property"). The exact amount of said purchase
14 price is unknown to complainant but well known to respondents
15 Hafizi, Maryam & David, Covill and Sabedra and is believed to be
16 \$18,000 or less.

17 125.

18 On or about June 30, 1982, respondents Covill and
19 Sabedra, acting through respondents Hafizi and Maryam & David, in
20 furtherance of the plan and scheme alleged in Paragraphs 13. and
21 14. entered into an agreement in which Sherilyn L. Scott
22 (hereinafter "Scott") agreed to buy the 3756 property from
23 respondents Covill and Sabedra for a purported purchase price of
24 \$52,000.

25 126.

26 On or about July 2, 1982, in furtherance of the plan and
27 scheme alleged in Paragraphs 13. and 14., Scott applied to Guild

1 Mortgage Company, San Diego, California (hereinafter "Guild"), for
2 a loan in the amount of \$49,400 secured by a lien on the 3756
3 property.

4 127.

5 In connection with said loan application and in
6 furtherance of the plan and scheme described in Paragraphs 13. and
7 14., respondents Hafizi, Maryam & David, Covill and Sabedra
8 falsely represented to Guild that:

9 1. The sale by respondents Covill and Sabedra and
10 purchase by Scott of the 3756 property was a bona fide sale and
11 purchase;

12 2. The loan proceeds obtained by Scott would be used to
13 purchase the 3756 property; and that Scott would occupy the 3756
14 property;

15 3. The fair market value of the 3756 property was
16 \$52,000; and

17 4. Scott would make payments on the loan described in
18 Paragraph 126.

19 128.

20 In reliance on said representations, Guild loaned Scott
21 \$49,400 to be secured by a deed of trust on the 3756 property.

22 129.

23 On or about August 10, 1982, a grant deed was recorded
24 transferring the 3756 property from respondents Covill and Sabedra
25 to Scott. On or about August 10, 1982, the deed of trust
26 described in Paragraph 128. was recorded.

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1 130.

2 On or about August 10, 1982, respondents Hafizi, Maryam
3 & David, Covill and Sabedra received a check from escrow in the
4 amount of \$26,706.26.

5 131.

6 On or about March 1, 1983, Scott, or her successors in
7 interest ceased making payments on the loan secured by a deed of
8 trust on the 3756 property.

9 132.

10 Discovery of the plan and scheme described in this
11 Eleventh Cause of Accusation as it relates to the 3756 property
12 occurred on or about June 5, 1986.

13 133.

14 The acts and omissions of respondents Hafizi, Maryam &
15 David, Covill and Sabedra set forth in this Eleventh Cause of
16 Accusation constitute the making of substantial misrepresentations
17 and fraud or dishonest dealing and are cause under Sections
18 10176(a), 10176(i) and 10177(j) of the Code for suspension or
19 revocation of all licenses and/or license rights of respondents
20 under the Real Estate Law.

21 TWELFTH CAUSE OF ACCUSATION

22 134.

23 There is hereby incorporated in this twelfth, separate
24 and distinct cause of accusation, all of the allegations contained
25 in Paragraphs 1., 2., 3., 7., 12., 13. and 14. of the First Cause
26 of Accusation with the same force and effect as if herein fully
27 set forth.

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135.

On or about October 22, 1982, respondent Maryam & David, acting by and through respondent Hafizi, purchased real property commonly known as 2252 32nd Street, Sacramento, California (hereinafter "2252 property") from Pearl M. Wanner. The exact amount of said purchase price is unknown to complainant but well known to respondents Maryam & David and Hafizi and is believed to be \$24,000 or less.

136.

On or about November 1, 1982, respondents Maryam & David and Hafizi, in furtherance of the plan and scheme alleged in Paragraphs 13. and 14., entered into an agreement in which Gregory Morton Cole (hereinafter "Cole") agreed to buy the 2252 property from respondent Maryam & David for a purported purchase price of \$57,000.

137.

On or about November 11, 1982, in furtherance of the plan and scheme alleged in Paragraphs 13. and 14., Cole applied to Platte Valley Federal Savings (hereinafter "Platte"), for a loan in the amount of \$54,100 secured by a lien on the 2252 property.

138.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 13. and 14., respondents Maryam & David, Hafizi and Estrella falsely represented to Platte that:

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1 143.

2 Discovery of the plan and scheme described in this
3 Twelfth Cause of Accusation as it relates to the 2252 property
4 occurred on or about June 6, 1986.

5 144.

6 The acts and omissions of respondents Hafizi, Maryam &
7 David and Estrella set forth in this Twelfth Cause of Accusation
8 constitute the making of substantial misrepresentations and fraud
9 or dishonest dealing and are cause under Sections 10176(a),
10 10176(i) and 10177(j) of the Code for suspension or revocation of
11 all licenses and/or license rights of respondents under the Real
12 Estate Law.

13 THIRTEENTH CAUSE OF ACCUSATION

14 145.

15 There is hereby incorporated in this thirteenth,
16 separate and distinct cause of accusation, all of the allegations
17 contained in Paragraphs 1., 2., 3., 12., 13. and 14. of the First
18 Cause of Accusation with the same force and effect as if herein
19 fully set forth.

20 146.

21 On or about September 22, 1982, respondent Maryam &
22 David, acting by and through respondent Hafizi, purchased real
23 property commonly known as 3410 10th Avenue, Sacramento,
24 California (hereinafter "3410 property") from James and Ernestine
25 Rosemond. The exact amount of said purchase price is unknown to
26 complainant but well known to respondents Maryam & David and
27 Hafizi is believed to be \$26,000 or less.

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147.

On or about February 15, 1983, respondents Maryam & David and Hafizi, in furtherance of the plan and scheme alleged in Paragraphs 13. and 14., entered into an agreement in which Robert C. and Nancy L. Matthews (hereinafter "Matthews") agreed to buy the 3410 property from respondent Maryam & David for a purported purchase price of \$50,000.

148.

On or about February 18, 1983, in furtherance of the plan and scheme alleged in Paragraphs 13. and 14., the Matthews applied to Mother Lode Savings, Sacramento, California (hereinafter "Mother Lode"), for a loan in the amount of \$21,000 secured by a lien on the 3410 property.

149.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 13. and 14., respondents Maryam & David and Hafizi falsely represented to Mother Lode that:

1. The sale by respondent Maryam & David and purchase by the Matthews of the 3410 property was a bona fide sale and purchase;
2. The loan proceeds obtained by the Matthews would be used to purchase the 3410 property; and that the Matthews would occupy the 3410 property;
3. The fair market value of the 3410 property was \$50,000; and

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1 4. the Matthews would make payments on the loan
2 described in Paragraph 148.

3 150.

4 In reliance on said representations, Mother Lode loaned
5 the Matthews \$21,000 to be secured by a deed of trust on the 3410
6 property.

7 151.

8 On or about March 30, 1983, a grant deed was recorded
9 transferring the 3410 property from respondent Maryam & David to
10 the Matthews. On or about March 30, 1983, the deed of trust
11 described in Paragraph 150. was recorded.

12 152.

13 On or about March 30, 1983, respondent Maryam & David
14 received a check from escrow in the amount of \$22,378.36.

15 153.

16 On or about January 1, 1987, the Matthews, or their
17 successors in interest ceased making payments on the loan secured
18 by a deed of trust on the 3410 property.

19 154.

20 Discovery of the plan and scheme described in this
21 Thirteenth Cause of Accusation as it relates to the 3410 property
22 occurred on or about June 6, 1986.

23 155.

24 The acts and omissions of respondents Maryam & David and
25 Hafizi set forth in this Thirteenth Cause of Accusation constitute
26 the making of substantial misrepresentations and fraud or
27 dishonest dealing and are cause under Sections 10176(a), 10176(i)

1 and 10177(j) of the Code for suspension or revocation of all
2 licenses and/or license rights of respondents under the Real
3 Estate Law.

4 FOURTEENTH CAUSE OF ACCUSATION

5 156.

6 There is hereby incorporated in this fourteenth,
7 separate and distinct cause of accusation, all of the allegations
8 contained in Paragraphs 1., 2., 3., 4., 8., 12., 13., and 14. of
9 the First Cause of Accusation with the same force and effect as if
10 herein fully set forth.

11 157.

12 On or about October 21, 1982, respondent Maryam & David,
13 acting by and through respondent Hafizi, purchased real property
14 commonly known as 4309 Howard Avenue, Sacramento, California
15 (hereinafter "4309 property") from Granite Home Loans. The exact
16 amount of said purchase price is unknown to complainant but well
17 known to respondents Maryam & David and Hafizi is believed to be
18 \$16,000 or less.

19 158.

20 On or about March 1, 1983, respondents Maryam & David
21 and Hafizi, in furtherance of the plan and scheme alleged in
22 Paragraphs 13. and 14., entered into an agreement in which
23 respondent Gilbert agreed to buy the 4309 property from respondent
24 Maryam & David for a purported purchase price of \$47,500.

25 159.

26 On or about March 1, 1983, in furtherance of the plan
27 and scheme alleged in Paragraphs 13. and 14., respondent Gilbert,

1 acting through respondent Baghai applied to Seafirst, for a loan
2 in the amount of \$42,750 secured by a lien on the 4309 property.

3 160.

4 In connection with said loan application and in
5 furtherance of the plan and scheme described in Paragraphs 13. and
6 14., respondents Maryam & David, Hafizi, Gilbert and Baghai
7 falsely represented to Seafirst that:

8 1. The sale by respondent Maryam & David and purchase by
9 respondent Gilbert of the 4309 property was a bona fide sale and
10 purchase;

11 2. The loan proceeds obtained by respondent Gilbert
12 would be used to purchase the 4309 property; and that Gilbert
13 would occupy the 4309 property;

14 3. The fair market value of the 4309 property was
15 \$47,500; and

16 4. Respondent Gilbert would make payments on the loan
17 described in Paragraph 159.

18 161.

19 In reliance on said representations, Seafirst loaned
20 respondent Gilbert \$42,750 to be secured by a deed of trust on the
21 4309 property.

22 162.

23 On or about March 31, 1983, a grant deed was recorded
24 transferring the 4309 property from respondent Maryam & David to
25 respondent Gilbert. On or about March 31, 1983, the deed of trust
26 described in Paragraph 161. was recorded.

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1 163.

2 On or about March 31, 1983, respondents Baghai and
3 Maryam & David received a check from escrow in the amount of
4 \$21,711.32.

5 164.

6 On or about December 1, 1984, respondent Gilbert, or her
7 successors in interest ceased making payments on the loan secured
8 by a deed of trust on the 4309 property.

9 165.

10 Discovery of the plan and scheme described in this
11 Fourteenth Cause of Accusation as it relates to the 4309 property
12 occurred on or about October 17, 1986.

13 166.

14 The acts and omissions of respondents Maryam & David,
15 Hafizi, Gilbert and Baghai set forth in this Fourteenth Cause of
16 Accusation constitute the making of substantial misrepresentations
17 and fraud or dishonest dealing and are cause under Sections
18 10176(a), 10176(i) and 10177(j) of the Code for suspension or
19 revocation of all licenses and/or license rights of respondents
20 under the Real Estate Law.

21 FIFTEENTH CAUSE OF ACCUSATION

22 167.

23 There is hereby incorporated in this fifteenth, separate
24 and distinct cause of accusation, all of the allegations contained
25 in Paragraphs 1., 2., 3., 7., 12., 13., and 14. of the First Cause
26 of Accusation with the same force and effect as if herein fully
27 set forth.

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168.

On or about November 30, 1982, respondent Maryam & David, acting by and through respondent Hafizi, purchased real property commonly known as 3068 8th Avenue, Sacramento, California (hereinafter "3068 property") from John E. Williamson. The exact amount of said purchase price is unknown to complainant but well known to respondents Maryam & David and Hafizi is believed to be \$30,000 or less.

169.

On or about February 16, 1983, respondents Maryam & David and Hafizi, in furtherance of the plan and scheme alleged in Paragraphs 13. and 14., entered into an agreement in which Homeyra Hafizi agreed to buy the 3068 property from respondent Maryam & David for a purported purchase price of \$65,000.

170.

On or about February 16, 1983, in furtherance of the plan and scheme alleged in Paragraphs 13. and 14., Homeyra Hafizi applied to Mother Lode, for a loan in the amount of \$24,000 secured by a lien on the 3068 property.

171.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 13. and 14., respondents Maryam & David, Hafizi and Estrella falsely represented to Mother Lode that:

1. The sale by respondent Maryam & David and purchase by Homeyra Hafizi of the 3068 property was a bona fide sale and purchase;

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177.

The acts and omissions of respondents Maryam & David, Hafizi and Estrella set forth in this Fifteenth Cause of Accusation constitute the making of substantial misrepresentations and fraud or dishonest dealing and are cause under Sections 10176(a), 10176(i) and 10177(j) of the Code for suspension or revocation of all licenses and/or license rights of respondents under the Real Estate Law.

SIXTEENTH CAUSE OF ACCUSATION

178.

There is hereby incorporated in this sixteenth, separate and distinct cause of accusation, all of the allegations contained in Paragraphs 1., 2., 3., 4., 12., 13., and 14. of the First Cause of Accusation with the same force and effect as if herein fully set forth.

179.

On or about September 3, 1982, respondent Maryam & David, acting by and through respondent Hafizi, purchased real property commonly known as 1408 Wacker Way, Sacramento, California (hereinafter "1408 property") from Charles B. and Lisa S. Kelley. The exact amount of said purchase price is unknown to complainant but well known to respondents Maryam & David and Hafizi is believed to be \$35,000 or less.

180.

On or about January 20, 1983, respondents Maryam & David and Hafizi, in furtherance of the plan and scheme alleged in Paragraphs 13. and 14. entered into an agreement in which Homeyra

1 Hafizi agreed to buy the 1408 property from respondent Maryam &
2 David for a purported purchase price of \$55,000.

3 181.

4 On or about January 28, 1983, in furtherance of the plan
5 and scheme alleged in Paragraphs 13. and 14., Homeyra Hafizi,
6 acting through respondent Baghai applied to Pacific Federal
7 Savings and Loan Association, 767 North "E" Street, San
8 Bernardino, California (hereinafter, "Pacific Federal"), for a
9 loan in the amount of \$44,000 secured by a lien on the 1408
10 property.

11 182.

12 In connection with said loan application and in
13 furtherance of the plan and scheme described in Paragraphs 13. and
14 14., respondents Maryam & David, Hafizi and Baghai falsely
15 represented to Pacific Federal that:

16 1. The sale by respondent Maryam & David and purchase by
17 Homeyra Hafizi of the 1408 property was a bona fide sale and
18 purchase;

19 2. The loan proceeds obtained by Homeyra Hafizi would be
20 used to purchase the 1408 property; and that Homeyra Hafizi would
21 occupy the 1408 property;

22 3. The fair market value of the 1408 property was
23 \$55,000; and

24 4. Homeyra Hafizi would make payments on the loan
25 described in Paragraph 181.

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1 183.

2 In reliance on said representations Pacific Federal
3 loaned Homeyra Hafizi \$44,000 to be secured by a deed of trust on
4 the 1408 property.

5 184.

6 On or about April 8, 1983, a grant deed was recorded
7 transferring the 1408 property from respondent Maryam & David to
8 Homeyra Hafizi. On or about April 8, 1983, the deed of trust
9 described in Paragraph 183. was recorded.

10 185.

11 On or about April 8, 1983, respondent Maryam & David
12 received a check from escrow in the amount of \$17,900.87.

13 186.

14 On or about July 1, 1984, Homeyra Hafizi, or her
15 successors in interest ceased making payments on the loan secured
16 by a deed of trust on the 1408 property.

17 187.

18 Discovery of the plan and scheme described in this
19 Sixteenth Cause of Accusation as it relates to the 1408 property
20 occurred on or about May 22, 1986.

21 188.

22 The acts and omissions of respondents Maryam & David,
23 Hafizi and Baghi set forth in this Sixteenth Cause of Accusation
24 constitute the making of substantial misrepresentations and fraud
25 or dishonest dealing and are cause under Sections 10176(a),
26 10176(i) and 10177(j) of the Code for suspension or revocation of

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1 all licenses and/or license rights of respondents under the Real
2 Estate Law.

3 SEVENTEENTH CAUSE OF ACCUSATION

4 189.

5 There is hereby incorporated in this seventeenth,
6 separate and distinct cause of accusation, all of the allegations
7 contained in Paragraphs 1., 2., 3., 12., 13., and 14. of the First
8 Cause of Accusation with the same force and effect as if herein
9 fully set forth.

10 190.

11 On or about October 7, 1982, respondent Maryam & David,
12 acting by and through respondent Hafizi, purchased real property
13 commonly known as 3508 22nd Avenue, Sacramento, California
14 (hereinafter "3508 property") from Antone and Anita Giovanni. The
15 exact amount of said purchase price is unknown to complainant but
16 well known to respondents Maryam & David and Hafizi is believed to
17 be \$14,000 or less.

18 191.

19 On or about March 11, 1983, respondent Maryam & David
20 and Hafizi, in furtherance of the plan and scheme alleged in
21 Paragraphs 13. and 14. entered into an agreement in which Diane
22 Sanjo and Julie Young (hereinafter, "Youngs") agreed to buy the
23 3508 property from respondent Maryam & David for a purported
24 purchase price of \$37,000.

25 192.

26 On or about March 11, 1983, in furtherance of the plan
27 and scheme alleged in Paragraphs 13. and 14., Youngs applied to

1 Great Western Savings, Northridge, California (hereinafter "Great
2 Western"), for a loan in the amount of \$35,150 secured by a lien
3 on the 3508 property.

4 193.

5 In connection with said loan application and in
6 furtherance of the plan and scheme described in Paragraphs 13. and
7 14., respondents Maryam & David and Hafizi falsely represented to
8 Great Western that:

9 1. The sale by Maryam & David and purchase by Youngs
10 of the 3508 property was a bona fide sale and purchase;

11 2. The loan proceeds obtained by Youngs would be used to
12 purchase the 3508 property and that the Youngs would occupy the
13 3508 property.

14 3. The fair market value of the 3508 property was
15 \$37,000; and

16 4. The Youngs would make payments on the loan described
17 in Paragraph 192.

18 194.

19 In reliance on said representations, Great Western
20 loaned the Youngs \$35,150 to be secured by a deed of trust on the
21 3508 property.

22 195.

23 On or about April 12, 1983, a grant deed was recorded
24 transferring the 3508 property from respondent Maryam & David to
25 the Youngs. On or about April 12, 1983, the deed of trust
26 described in Paragraph 194. was recorded.

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1 196.

2 On or about April 12, 1983, respondent Maryam & David
3 received a check from escrow in the amount of \$15,293.44.

4 197.

5 On or about February 1, 1987, the Youngs or their
6 successors in interest ceased making payments on the loan secured
7 by a deed of trust on the 3508 property.

8 198.

9 Discovery of the plan and scheme described in this
10 Seventeenth Cause of Accusation as it relates to the 3508 property
11 occurred on or about May 30, 1986.

12 199.

13 The acts and omissions of respondents Maryam & David and
14 Hafizi set forth in this Seventeenth Cause of Accusation
15 constitute the making of substantial misrepresentations and fraud
16 or dishonest dealing and are cause under Sections 10176(a),
17 10176(i) and 10177(j) of the Code for suspension or revocation of
18 all licenses and/or license rights of respondents under the Real
19 Estate Law.

20 EIGHTEENTH CAUSE OF ACCUSATION

21 200.

22 There is hereby incorporated in this eighteenth,
23 separate and distinct cause of accusation, all of the allegations
24 contained in Paragraphs 1., 2., 3., 12., 13., and 14. of the First
25 Cause of Accusation with the same force and effect as if herein
26 fully set forth.

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201.

On or about October 28, 1982, respondent Maryam & David, acting by and through respondent Hafizi, purchased real property commonly known as 2931 39th Street, Sacramento, California (hereinafter "2931 property"), from Scott and Ingrid Hemenway. The exact amount of said purchase price is unknown to complainant but well known to respondents Maryam & David and Hafizi is believed to be \$20,500 or less.

202.

On or about March 16, 1983, respondents Maryam & David and Hafizi, in furtherance of the plan and scheme alleged in Paragraphs 13. and 14., entered into an agreement in which Saeb and Diane Taheri (hereinafter "Taheris") agreed to buy the 2931 property from respondent Maryam & David for a purported purchase price of \$48,000.

203.

On or about March 23, 1983, in furtherance of the plan and scheme alleged in Paragraphs 13. and 14., the Taheris applied to Great Western, for a loan in the amount of \$45,600 secured by a lien on the 2931 property.

204.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 13. and 14., respondents Maryam & David and Hafizi falsely represented to Great Western that:

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1 1. The sale by respondent Maryam and David and purchase
2 by the Taheris of the 2931 property was a bona fide sale and
3 purchase;

4 2. The loan proceeds obtained by Taheris would be used
5 to purchase the 2931 property and that the Taheris would occupy
6 the 2931 property;

7 3. The fair market value of the 2931 property was
8 \$48,000; and

9 4. The Taheris would make payments on the loan described
10 in Paragraph 203.

11 205.

12 In reliance on said representations Great Western loaned
13 the Taheris \$45,600 to be secured by a deed of trust on the 2931
14 property.

15 206.

16 On or about April 26, 1983, a grant deed was recorded
17 transferring the 2931 property from respondent Maryam & David to
18 the Taheris. On or about April 26, 1983, the deed of trust
19 described in Paragraph 205. was recorded.

20 207.

21 On or about April 26, 1983, respondent Maryam & David
22 received a check from escrow in the amount of \$23,519.11.

23 208.

24 On or about December 1, 1986, the Taheris or their
25 successors in interest ceased making payments on the loan secured
26 by a deed of trust on the 2931 property.

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209.

Discovery of the plan and scheme described in this Eighteenth Cause of Accusation as it relates to the 2931 property occurred on or about May 28, 1986.

210.

The acts and omissions of respondents Maryam & David and Hafizi set forth in this Eighteenth Cause of Accusation constitute the making of substantial misrepresentations and fraud or dishonest dealing and are cause under Sections 10176(a), 10176(i) and 10177(j) of the Code for suspension or revocation of all licenses and/or license rights of respondents under the Real Estate Law.

NINETEENTH CAUSE OF ACCUSATION

211.

There is hereby incorporated in this nineteenth, separate and distinct cause of accusation, all of the allegations contained in Paragraphs 1., 2., 3., 12., 13., and 14. of the First Cause of Accusation with the same force and effect as if herein fully set forth.

212.

On or about August 10, 1982, Edwardo J. Perez (herein- after "Perez"), acting by and through respondents Maryam & David and Hafizi, purchased real property commonly known as 6247 Ring Drive, Sacramento, California (hereinafter "6247 property") from Beneficial Finance. The exact amount of said purchase price is unknown to complainant but well known to respondents Maryam & David and Hafizi is believed to be \$20,000 or less.

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213.

On or about February 15, 1983, respondents Maryam & David and Hafizi, in furtherance of the plan and scheme alleged in Paragraphs 13. and 14. negotiated an agreement in which Robert and Nancy Matthews (hereinafter "Matthews") agreed to buy the 6247 property from Perez for a purported purchase price of \$50,500.

214.

On or about March 10, 1983, in furtherance of the plan and scheme alleged in Paragraphs 13. and 14. The Matthews applied to First Nationwide Savings & Loan Association, 3560 El Camino, Sacramento, California (hereinafter "First"), for a loan in the amount of \$45,450 secured by a lien on the 6247 property.

215.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 13. and 14., respondents Maryam & David and Hafizi by and through Perez and Matthes falsely represented to First that:

1. The sale by Perez and purchase by the Matthews of the 6247 property was a bona fide sale and purchase;
2. The loan proceeds obtained by the Matthews would be used to purchase the 6247 property and that Matthews would occupy the 6247 property;
3. The fair market value of the 6247 property was \$50,500; and
4. The Matthews would make payments on the loan described in Paragraph 214.

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1 216.

2 In reliance on said representations, First loaned the
3 Matthews \$45,450 to be secured by a deed of trust on the 6247
4 property.

5 217.

6 On or about April 29, 1983, a grant deed was recorded
7 transferring the 6247 property from Perez to the Matthews. On or
8 about April 29, 1983, the deed of trust described in Paragraph
9 216. was recorded.

10 218.

11 On or about April 29, 1983, respondents Maryam & David,
12 Hafizi and/or Perez received a check from escrow in the amount of
13 \$25,831.17.

14 219.

15 On or about February 1, 1987, the Matthews or their
16 successors in interest ceased making payments on the loan secured
17 by a deed of trust on the 6247 property.

18 220.

19 Discovery of the plan and scheme described in this
20 Nineteenth Cause of Accusation as it relates to the 6247 property
21 occurred on or about June 6, 1986.

22 221.

23 The acts and omissions of respondents Maryam & David and
24 Hafizi set forth in this Nineteenth Cause of Accusation constitute
25 the making of substantial misrepresentations and fraud or
26 dishonest dealing and are cause under Sections 10176(a), 10176(i)
27 and 10177(j) of the Code for suspension or revocation of all

1 licenses and/or license rights of respondents under the Real
2 Estate Law.

3 TWENTIETH CAUSE OF ACCUSATION

4 222.

5 There is hereby incorporated in this twentieth, separate
6 and distinct cause of accusation, all of the allegations contained
7 in Paragraphs 1., 2., 3., 4., 12., 13., and 14. of the First Cause
8 of Accusation with the same force and effect as if herein fully
9 set forth.

10 223.

11 On or about May 18, 1983, respondent Maryam & David,
12 acting by and through respondent Hafizi, purchased real property
13 commonly known as 2815 Santa Cruz Way, Sacramento, California
14 (hereinafter "2815 property") from Joann Eyvonne Jamison. The
15 exact amount of said purchase price is unknown to complainant but
16 well known to respondents Maryam & David and Hafizi is believed to
17 be \$24,000 or less.

18 224.

19 On or about May 10, 1983, respondents Maryam & David and
20 Hafizi, in furtherance of the plan and scheme alleged in
21 Paragraphs 13. and 14., entered into an agreement in which Jerri
22 A. Villanueva aka Jerri A. Hafizi (hereinafter "Villanueva")
23 agreed to buy the 2815 property from respondent Maryam & David for
24 a purported purchase price of \$50,000.

25 225.

26 On or about May 13, 1983, in furtherance of the plan and
27 scheme alleged in Paragraphs 13. and 14., Villanueva applied to

1 Uni-Cal Mortgage Corp., Newport Beach, California (hereinafter
2 "Uni-Cal"), for a loan in the amount of \$40,000 secured by a lien
3 on the 2815 property.

4 226.

5 In connection with said loan application and in
6 furtherance of the plan and scheme described in Paragraphs 13. and
7 14., respondents Maryam & David, Hafizi and Baghai falsely
8 represented to Uni-Cal that:

9 1. The sale by respondent Maryam & David and purchase by
10 Villanueva of the 2815 property was a bona fide sale and
11 purchase;

12 2. The loan proceeds obtained by Villanueva would be
13 used to purchase the 2815 property and that Villanueva would
14 occupy the 2815 property;

15 3. The fair market value of the 2815 property was
16 \$50,000; and

17 4. Villanueva would make payments on the loan described
18 in Paragraph 225.

19 227.

20 In reliance on said representations Uni-Cal loaned
21 Villanueva \$40,000 to be secured by a deed of trust on the 2815
22 property.

23 228.

24 On or about July 5, 1983, a grant deed was recorded
25 transferring the 2815 property from respondent Maryam & David to
26 Villanueva. On or about July 5, 1983, the deed of trust described
27 in Paragraph 227. was recorded.

1 229.

2 On or about July 5, 1983, respondent Maryam & David
3 received a check from escrow in the amount of \$24,283.47.

4 230.

5 On or about February 1, 1984, Villanueva or her
6 successors in interest ceased making payments on the loan secured
7 by a deed of trust on the 2815 property.

8 231.

9 Discovery of the plan and scheme described in this
10 Twentieth Cause of Accusation as it relates to the 2815 property
11 occurred on or about May 23, 1986.

12 232.

13 The acts and omissions of respondents Maryam & David,
14 Hafizi and Baghai set forth in this Twentieth Cause of Accusation
15 constitute the making of substantial misrepresentations and fraud
16 or dishonest dealing and are cause under Sections 10176(a),
17 10176(i) and 10177(j) of the Code for suspension or revocation of
18 all licenses and/or license rights of respondents under the Real
19 Estate Law.

20 TWENTY-FIRST CAUSE OF ACCUSATION

21 233.

22 There is hereby incorporated in this twenty-first,
23 separate and distinct cause of accusation, all of the allegations
24 contained in Paragraphs 1., 2., 3., 4., 12., 13., and 14. of the
25 First Cause of Accusation with the same force and effect as if
26 herein fully set forth.

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234.

On or about March 1, 1983, Gregory Morton Cole (hereinafter "Cole"), acting by and through respondents Maryam & David and Hafizi, purchased real property commonly known as 3336 20th Avenue, Sacramento, California (hereinafter "3336 property") from the US Department of Housing and Urban Development. The exact amount of said purchase price is unknown to complainant but well known to respondents Maryam & David and Hafizi is believed to be \$17,000 or less.

235.

On or about May 1, 1983, respondents Maryam & David and Hafizi, in furtherance of the plan and scheme alleged in Paragraphs 13. and 14. entered into an agreement in which Edwardo Perez (hereinafter "Perez") agreed to buy the 3336 property from Cole for a purported purchase price of \$48,000.

236.

On or about May 11, 1983, in furtherance of the plan and scheme alleged in Paragraphs 13. and 14., Perez applied to Lincoln Savings, Phoenix, Arizona (hereinafter "Lincoln"), for a loan in the amount of \$38,400 secured by a lien on the 3336 property.

237.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 13. and 14., respondents Maryam & David, Hafizi and Baghai falsely represented to Lincoln that:

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1 242.

2 Discovery of the plan and scheme described in this
3 Twenty-First Cause of Accusation as it relates to the 3336
4 property occurred on or about May 22, 1986.

5 243.

6 The acts and omissions of respondents Maryam & David,
7 Hafizi and Baghai set forth in this Twenty-First Cause of
8 Accusation constitute the making of substantial misrepresentations
9 and fraud or dishonest dealing and are cause under Sections
10 10176(a), 10176(i) and 10177(j) of the Code for suspension or
11 revocation of all licenses and/or license rights of respondents
12 under the Real Estate Law.

13 TWENTY-SECOND CAUSE OF ACCUSATION

14 244.

15 There is hereby incorporated in this twenty-second,
16 separate and distinct cause of accusation, all of the allegations
17 contained in Paragraphs 1., 2., 3., 4., 12., 13., and 14. of the
18 First Cause of Accusation with the same force and effect as if
19 herein fully set forth.

20 245.

21 On or about April 22, 1983, respondent Maryam & David,
22 acting by and through respondent Hafizi, purchased real property
23 commonly known as 3743 4th Avenue, Sacramento, California
24 (hereinafter "3743 property") from Jack A. and Sharon L. Mowbray.
25 The exact amount of said purchase price is unknown to complainant
26 but well known to respondents Maryam & David and Hafizi is
27 believed to be \$19,000 or less.

1 246.

2 On or about May 12, 1983, respondents Maryam & David and
3 Hafizi, in furtherance of the plan and scheme alleged in
4 Paragraphs 13. and 14., entered into an agreement in which James
5 and Linda Schwartz (hereinafter "Schwartzes") agreed to buy the
6 3743 property from respondent Maryam and David for a purported
7 purchase price of \$50,000.

8 247.

9 On or about May 12, 1983, in furtherance of the plan and
10 scheme alleged in Paragraphs 13. and 14., the Schwartzes applied
11 to Pacific Federal for a loan in the amount of \$40,000 secured by
12 a lien on the 3743 property.

13 248.

14 In connection with said loan application and in
15 furtherance of the plan and scheme described in Paragraphs 13. and
16 14., respondents Maryam & David, Hafizi and Baghai falsely
17 represented to Pacific Federal that:

18 1. The sale by respondent Maryam & David and purchase by
19 the Schwartzes of the 3743 property was a bona fide sale and
20 purchase;

21 2. The loan proceeds obtained by the Schwartzes would be
22 used to purchase the 3743 property and that the Schwartzes would
23 occupy the 3743 property;

24 3. The fair market value of the 3743 property was
25 \$50,000; and

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1 10176(a), 10176(i) and 10177(j) of the Code for suspension or
2 revocation of all licenses and/or license rights of respondents
3 under the Real Estate Law.

4 TWENTY-THIRD CAUSE OF ACCUSATION

5 255.

6 There is hereby incorporated in this twenty-third,
7 separate and distinct cause of accusation, all of the allegations
8 contained in Paragraphs 1., 2., 3., 4., 8., 12., 13., and 14. of
9 the First Cause of Accusation with the same force and effect as if
10 herein fully set forth.

11 256.

12 On or about June 30, 1983, respondent Baghai, acting by
13 and through respondents Maryam & David and Hafizi, purchased real
14 property commonly known as 5131 15th Avenue, Sacramento,
15 California (hereinafter "5131 property") from Robert F. Brown.
16 The exact amount of said purchase price is unknown to complainant
17 but well known to respondents Baghai, Maryam & David and Hafizi is
18 believed to be \$12,000 or less.

19 257.

20 On or about July 10, 1983, respondents Maryam & David,
21 Hafizi and Baghai, in furtherance of the plan and scheme alleged
22 in Paragraphs 13. and 14., entered into an agreement in which
23 Marcia Merrill (hereinafter "Merrill") agreed to buy the 5131
24 property from respondent Baghai for a purported purchase price of
25 \$46,000.

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1 258.

2 On or about July 11, 1983, in furtherance of the plan
3 and scheme alleged in Paragraphs 13. and 14., Merrill applied to
4 Seafirst, for a loan in the amount of \$41,850 secured by a lien on
5 the 5131 property.

6 259.

7 In connection with said loan application and in
8 furtherance of the plan and scheme described in Paragraphs 13. and
9 14., respondents Maryam & David, Hafizi, Baghai and Gilbert
10 falsely represented to Seafirst that:

11 1. The sale by respondent Baghai and purchase by Merrill
12 of the 5131 property was a bona fide sale and purchase;

13 2. The loan proceeds obtained by Merrill would be used
14 to purchase the 5131 property and that Merrill would occupy the
15 5131 property;

16 3. The fair market value of the 5131 property was
17 \$46,000; and

18 4. Merrill would make payments on the loan described in
19 Paragraph 258.

20 260.

21 In reliance on said representations, Seafirst loaned
22 Merrill \$41,850 to be secured by a deed of trust on the 5131
23 property.

24 261.

25 On or about August 22, 1983, a grant deed was recorded
26 transferring the 5131 property from respondent Baghai to Merrill.

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1 On or about August 22, 1983, the deed of trust described in
2 Paragraph 260. was recorded.

3 262.

4 On or about August 22, 1983, respondent Maryam & David
5 received a check from escrow in the amount of \$5,000 and Gilbert
6 received a check from escrow in the amount of \$24,344.10.

7 263.

8 On or about October 1, 1984, Merrill or her successors
9 in interest ceased making payments on the loan secured by a deed
10 of trust on the 5131 property.

11 264.

12 Discovery of the plan and scheme described in this
13 Twenty-Third Cause of Accusation as it relates to the 5131
14 property occurred on or about October 14, 1986.

15 265.

16 The acts and omissions of respondents Maryam & David,
17 Hafizi, Baghai and Gilbert set forth in this Twenty-Third Cause of
18 Accusation constitute the making of substantial misrepresentations
19 and fraud or dishonest dealing and are cause under Sections
20 10176(a), 10176(i) and 10177(j) of the Code for suspension or
21 revocation of all licenses and/or license rights of respondents
22 under the Real Estate Law.

23 TWENTY-FOURTH CAUSE OF ACCUSATION

24 266.

25 There is hereby incorporated in this twenty-fourth,
26 separate and distinct cause of accusation, all of the allegations
27 contained in Paragraphs 1., 6., 12., 13., and 14. of the First

1 Cause of Accusation with the same force and effect as if herein
2 fully set forth.

3 267.

4 On or about July 2, 1982, respondent Crawford and
5 Edwardo J. Perez (hereinafter "Perez") purchased real property
6 commonly known as 3781 6th Avenue, Sacramento, California
7 (hereinafter "3781 property") from J. R. Ferguson and Co., Inc.
8 The exact amount of said purchase price is unknown to complainant
9 but well known to respondent Crawford is believed to be \$26,500 or
10 less.

11 268.

12 On or about September 9, 1983, respondent Crawford, in
13 furtherance of the plan and scheme alleged in Paragraphs 13. and
14 14., purported to refinance the loan used to purchase the 3781
15 property.

16 269.

17 On or about September 9, 1983, in furtherance of the
18 plan and scheme alleged in Paragraphs 13. and 14., respondent
19 Crawford applied to Charter Mortgage of Florida (hereinafter
20 "Charter"), for a loan in the amount of \$40,000 secured by a lien
21 on the 3781 property.

22 270.

23 In connection with said loan application and in
24 furtherance of the plan and scheme described in Paragraphs 13. and
25 14., respondent Crawford falsely represented to Charter that:

26 1. The loan proceeds obtained by Crawford would be used
27 to refinance the loan on the 3781 property.

1 2. The fair market value of the 3781 property was
2 \$50,000; and

3 3. Respondent Crawford would make payments on the loan
4 described in Paragraph 269.

5 271.

6 In reliance on said representations, Charter loaned
7 respondent Crawford \$40,000 to be secured by a deed of trust on
8 the 3781 property.

9 272.

10 On or about September 22, 1983, the deed of trust
11 described in Paragraph 271. was recorded.

12 273.

13 On or about September 22, 1983, respondent Crawford
14 received a check from escrow in the amount of \$8,834.19.

15 274.

16 On or about December 1, 1983, respondent Crawford or
17 her successors in interest ceased making payments on the loan
18 secured by a deed of trust on the 3781 property.

19 275.

20 Discovery of the plan and scheme described in this
21 Twenty-Fourth Cause of Accusation as it relates to the 3781
22 property occurred on or about May 12, 1986.

23 276.

24 The acts and omissions of respondent Crawford set forth
25 in this Twenty-Fourth Cause of Accusation constitute the making of
26 substantial misrepresentations and fraud or dishonest dealing and
27 are cause under Sections 10176(a), 10176(i) and 10177(j) of the

1 Code for suspension or revocation of all licenses and/or license
2 rights of respondents under the Real Estate Law.

3 TWENTY-FIFTH CAUSE OF ACCUSATION

4 277.

5 There is hereby incorporated in this twenty-fifth,
6 separate and distinct cause of accusation, all of the allegations
7 contained in Paragraphs 1., 3., 4., 12., 13., and 14. of the First
8 Cause of Accusation with the same force and effect as if herein
9 fully set forth.

10 278.

11 On or about August 29, 1983, respondent Baghai, acting
12 by and through respondent Maryam & David, purchased real property
13 commonly known as 3727 40th Street, Sacramento, California
14 (hereinafter "3727 property") from Rosemary Garcia. The exact
15 amount of said purchase price is unknown to complainant but well
16 known to respondents Maryam & David and Baghai is believed to be
17 \$21,000 or less.

18 279.

19 On or about August 26, 1983, respondents Maryam & David
20 and Baghai, in furtherance of the plan and scheme alleged in
21 Paragraphs 13. and 14., entered into an agreement in which Homeyra
22 Hafizi agreed to buy the 3727 property from respondent Baghai for
23 a purported purchase price of \$50,000.

24 280.

25 On or about November 1, 1983, in furtherance of the plan
26 and scheme alleged in Paragraphs 13. and 14., Homeyra Hafizi
27 applied to Uni-Cal Mortgage Corporation, Fountain Valley,

1 California (hereinafter "Uni-Cal") for a loan in the amount of
2 \$40,000 secured by a lien on the 3727 property.

3 281.

4 In connection with said loan application and in
5 furtherance of the plan and scheme described in Paragraphs 13. and
6 14., respondents Maryam & David and Baghai falsely represented to
7 Uni-Cal that:

8 1. The sale by Baghai and purchase by Homeyra Hafizi of
9 the 3727 property was a bona fide sale and purchase;

10 2. The loan proceeds obtained by Homeyra Hafizi would be
11 used to purchase the 3727 property and that Homeyra Hafizi would
12 occupy the 3727 property;

13 3. The fair market value of the 3727 property was
14 \$50,000; and

15 4. Homeyra Hafizi would make payments on the loan
16 described in Paragraph 280.

17 282.

18 In reliance on said representations, Uni-Cal loaned
19 Homeyra Hafizi \$40,000 to be secured by a deed of trust on the
20 3727 property.

21 283.

22 On or about November 15, 1983, a grant deed was recorded
23 transferring the 3727 property from respondent Baghai to Homeyra
24 Hafizi. On or about November 15, 1983, the deed of trust
25 described in Paragraph 282. was recorded.

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284.

On or about November 15, 1983, respondent Maryam & David received a check from escrow in the amount of \$10,893.10 and Baghai received a check from escrow in the amount of \$16,938.85.

285.

On or about January 1, 1985, Homeyra Hafizi or her successors in interest ceased making payments on the loan secured by a deed of trust on the 3727 property.

286.

Discovery of the plan and scheme described in this Twenty-Fifth Cause of Accusation as it relates to the 3727 property occurred on or about May 23, 1986.

287.

The acts and omissions of respondents Maryam & David and Baghai set forth in this Twenty-Fifth Cause of Accusation constitute the making of substantial misrepresentations and fraud or dishonest dealing and are cause under Sections 10176(a), 10176(i) and 10177(j) of the Code for suspension or revocation of all licenses and/or license rights of respondents under the Real Estate Law.

TWENTY-SIXTH CAUSE OF ACCUSATION

288.

There is hereby incorporated in this twenty-sixth, separate and distinct cause of accusation, all of the allegations contained in Paragraphs 1., 6., 12., 13., and 14. of the First Cause of Accusation with the same force and effect as if herein fully set forth.

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289.

On or about March 2, 1983, respondent Crawford, purchased real property commonly known as 7565 21st Street, Sacramento, California (hereinafter "7565 property") from the Kase Investment Group. The exact amount of said purchase price is unknown to complainant but well known to respondent Crawford is believed to be \$36,000 or less.

290.

On or about August 14, 1984, respondent Crawford, in furtherance of the plan and scheme alleged in Paragraphs 13. and 14., entered into an agreement in which S. F. Manning (hereinafter "Manning") agreed to buy the 7565 property from respondent Crawford for a purported purchase price of \$52,000.

291.

On or about September 1, 1984, in furtherance of the plan and scheme alleged in Paragraphs 13. and 14., Manning applied to Greater Suburban Mortgage Group, Inc. (hereinafter "Greater Suburban"), for a loan in the amount of \$45,879 secured by a lien on the 7565 property.

292.

In connection with said loan application and in furtherance of the plan and scheme described in Paragraphs 13. and 14., respondent Crawford falsely represented to Greater Suburban that:

1. The sale by respondent Crawford and purchase by Manning of the 7565 property was a bona fide sale and purchase;

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1 2. The loan proceeds obtained by Manning would be used
2 to purchase the 7565 property and that Manning would occupy the
3 7565 property;

4 3. The fair market value of the 7565 property was
5 \$52,000; and

6 4. Manning would make payments on the loan described in
7 Paragraph 291.

8 293.

9 In reliance on said representations, Greater Suburban
10 loaned Manning \$45,879 to be secured by a deed of trust on the
11 7565 property.

12 294.

13 On or about October 5, 1984, a grant deed was recorded
14 transferring the 7565 property from respondent Crawford to
15 Manning. On or about October 5, 1984, the deed of trust described
16 in Paragraph 293. was recorded.

17 295.

18 On or about October 5, 1984, respondent Crawford
19 received a check from escrow in the amount of \$11,437.17.

20 296.

21 On or about February 1, 1987, Manning or his successors
22 in interest ceased making payments on the loan secured by a deed
23 of trust on the 7565 property.

24 297.

25 Discovery of the plan and scheme described in this
26 Twenty-Sixth Cause of Accusation as it relates to the 7565
27 property occurred on or about May 21, 1986.

1 298.

2 The acts and omissions of respondent Crawford set forth
3 in this Twenty-Sixth Cause of Accusation constitute the making of
4 substantial misrepresentations and fraud or dishonest dealing and
5 are cause under Sections 10176(a), 10176(i) and 10177(j) of the
6 Code for suspension or revocation of all licenses and/or license
7 rights of respondents under the Real Estate Law.

8 TWENTY-SEVENTH CAUSE OF ACCUSATION

9 299.

10 There is hereby incorporated in this twenty-seventh,
11 separate and distinct cause of accusation, all of the allegations
12 contained in Paragraphs 1., 2., 3., 12., 13., and 14. of the First
13 Cause of Accusation with the same force and effect as if herein
14 fully set forth.

15 300.

16 On or about December 17, 1984, James G. and Linda
17 Schwartz (hereinafter "Schwartzes", acting by and through
18 respondents Maryam & David and Hafizi, purchased real property
19 commonly known as 3121 Santa Cruz Way, Sacramento, California
20 (hereinafter "3121 property") from the United Investment Group.
21 The exact amount of said purchase price is unknown to complainant
22 but well known to respondents Maryam & David and Hafizi is
23 believed to be \$5,500 or less.

24 301.

25 On or about February 15, 1985, respondents Maryam &
26 David and Hafizi, in furtherance of the plan and scheme alleged in
27 Paragraphs 13. and 14., entered into an agreement in which Wilma

1 Saunders (hereinafter "Saunders") agreed to buy the 3121 property
2 from the Schwartzes for a purported purchase price of \$46,000.

3 302.

4 On or about February 25, 1985, in furtherance of the
5 plan and scheme alleged in Paragraphs 13. and 14., Saunders
6 applied to Great Western, for a loan in the amount of \$36,800
7 secured by a lien on the 3121 property.

8 303.

9 In connection with said loan application and in
10 furtherance of the plan and scheme described in Paragraphs 13. and
11 14., respondents Maryam & David and Hafizi falsely represented to
12 Great Western that:

13 1. The sale by the Schwartzes and purchase by Saunders
14 of the 3121 property was a bona fide sale and purchase;

15 2. The loan proceeds obtained by Saunders would be used
16 to purchase the 3121 property and that Saunders would occupy the
17 3121 property;

18 3. The fair market value of the 3121 property was
19 \$46,000; and

20 4. Saunders would make payments on the loan described in
21 Paragraph 302..

22 304.

23 In reliance on said representations Great Western loaned
24 Saunders \$36,800 to be secured by a deed of trust on the 3121
25 property.

26 305.

27 On or about March 8, 1985, a grant deed was recorded

1 transferring the 3121 property from the Schwartzes to Saunders.
2 On or about March 8, 1985, the deed of trust described in
3 Paragraph 304. was recorded.

4 306.

5 On or about March 8, 1985, respondents Maryam & David
6 and Hafizi received a check from escrow in the amount of
7 \$25,167.26.

8 307.

9 The acts and omissions of respondents Maryam & David and
10 Hafizi set forth in this Twenty-Seventh Cause of Accusation
11 constitute the making of substantial misrepresentations and fraud
12 or dishonest dealing and are cause under Sections 10176(a),
13 10176(i) and 10177(j) of the Code for suspension or revocation of
14 all licenses and/or license rights of respondents under the Real
15 Estate Law.

16 WHEREFORE, Complainant prays that a hearing be conducted
17 on the allegations of this Accusation and that upon proof thereof,
18 a decision be rendered imposing disciplinary action against all
19 license and license rights of respondents, under the Real Estate
20 Law (Part 1 of Division 4 of the Business and Professions Code)
21 and for such other and further relief as may be proper under the
22 provisions of law.

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CHARLES W. KOENIG
Deputy Real Estate Commissioner

26 Dated at Sacramento, California

27 this 12th day of May, 1987