

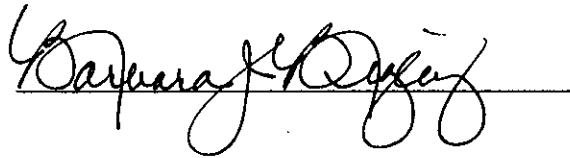


1 HARPER for the voluntary surrender of their real estate  
2 license(s) is accepted as of the effective date of this Order  
3 as set forth below, based upon the understanding and agreement  
4 expressed in the Declaration of Respondents CAPITAL ONE  
5 INVESTMENTS, INC., a Corporation, and CHARLES L. HARPER dated  
6 December 5, 2008 (attached hereto as Exhibit "A").

7 This Order shall become effective at 12 o'clock noon  
8 on January 20, 2009.

9 DATED: 12-29-08

11 JEFF DAVI  
12 Real Estate Commissioner

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16 BY: Barbara J. Bigby  
17 Chief Deputy Commissioner  
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BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of	)	
	)	
CAPITAL ONE INVESTMENTS, INC.,	)	NO. H-2256 FR
a CORPORATION, and	)	
CHARLES L. HARPER,	)	
	)	
Respondents.	)	

DECLARATION

My name is CHARLES L. HARPER, and I am currently licensed as a real estate broker individually and as designated officer-broker for CAPITAL ONE INVESTMENTS, INC. (herein "CAPITAL ONE") and have license rights with respect to both licenses. CAPITAL ONE and I are represented by Steven L. Simas, Esq.

In lieu of proceeding in this matter in accordance with the provisions of the Administrative Procedure Act (Sections 11400 et seq., of the Government Code), I wish to voluntarily surrender my real estate license and that of CAPITAL ONE issued by the Department of Real Estate (herein the



1 "Department") pursuant to Business and Professions Code Section  
2 10100.2.

3 I understand that by so voluntarily surrendering my  
4 license, I may be relicensed as a broker only by petitioning for  
5 reinstatement pursuant to Section 11522 of the Government Code.

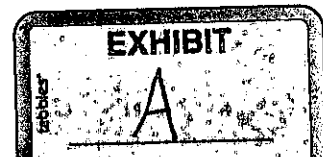
6 I understand that by so voluntarily surrendering the  
7 license of CAPITAL ONE, CAPITAL ONE may be relicensed as a broker  
8 only by petitioning for reinstatement pursuant to Section 11522  
9 of the Government Code.

10 I also understand that by so voluntarily surrendering  
11 the licenses, CAPITAL ONE and I agree to the following:

12 1. The filing of this Declaration shall be deemed as  
13 my petition and the petition for CAPITAL ONE for voluntary  
14 surrender.

15 2. It shall also be deemed to be an understanding and  
16 agreement by me on my behalf and on behalf of CAPITAL ONE that I  
17 and CAPITAL ONE waive all rights we have to require the  
18 Commissioner to prove the allegations contained in the Accusation  
19 filed in this matter at a hearing held in accordance with the  
20 provisions of the Administrative Procedure Act (Government Code  
21 Sections 11400 et seq.), and that I and CAPITAL ONE also waive  
22 other rights afforded in connection with the hearing such as the  
23 right to discovery, the right to present evidence in defense of  
24 the allegations in the Accusation and the right to cross-examine  
25 witnesses.

26 3. I and CAPITAL ONE further agree that upon  
27 acceptance by the Commissioner, as evidenced by an appropriate



1 order, all affidavits and all relevant evidence obtained by the  
 2 Department in this matter prior to the Commissioner's acceptance,  
 3 and all allegations contained in the Accusation filed in the  
 4 Department, Case No. H-2256 FR, may be considered by the  
 5 Department to be true and correct for the purpose of deciding  
 6 whether to grant relicensure or reinstatement pursuant to  
 7 Government Code Section 11522.

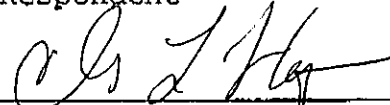
8 4. CAPITAL ONE and I freely and voluntarily surrender  
 9 all licenses and license rights under the Real Estate Law.

10 I declare under penalty of perjury under the laws of  
 11 the State of California that the above is true and correct and  
 12 that this declaration was executed 15 day December, 2008,  
 13 at Los Angeles, California.

14  
 15  
 16 

17 CHARLES L. HARPER  
 18 Respondent

19  
 20 CAPITAL ONE INVESTMENTS, INC.  
 21 Respondent

22 By: 

23 CHARLES L. HARPER  
 24 Designated Officer - Broker



1 MARY F. CLARKE, Counsel (SBN 186744)  
2 Department of Real Estate  
3 P. O. Box 187007  
4 Sacramento, CA 95818-7007

FILED

MAY - 2 2008

4 Telephone: (916) 227-0789  
5 -or- (916) 227-0780 (Direct)

DEPARTMENT OF REAL ESTATE

By K. Contreras

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of )  
12 )  
13 CAPITAL ONE INVESTMENTS, INC., )  
14 a Corporation, and, )  
15 CHARLES L. HARPER, )  
Respondents. )

NO. H-2256 FR

ACCUSATION

16 The Complainant, CHARLES W. KOENIG, a Deputy Real  
17 Estate Commissioner of the State of California, for cause of  
18 Accusation against CAPITAL ONE INVESTMENTS, INC., a corporation  
19 (herein "CAPITAL") and CHARLES L. HARPER (herein "HARPER"), is  
20 informed and alleges as follows:

21 I

22 The Complainant, CHARLES W. KOENIG, a Deputy Real  
23 Estate Commissioner of the State of California, makes this  
24 Accusation in his official capacity.

25 II

26 At all times herein mentioned, Respondents CAPITAL and  
27 HARPER (herein "Respondents") were and now are licensed and/or

1 have license rights under the Real Estate Law (Part 1 of Division  
2 4 of the Business and Professions Code) (herein "the Code").

3 III

4 At all times herein mentioned, CAPITAL was and now is  
5 licensed by the Department of Real Estate of the State of  
6 California (herein "the Department") as a corporate real estate  
7 broker by and through HARPER as designated officer-broker of  
8 CAPITAL to qualify said corporation and to act for said  
9 corporation as a real estate broker.

10 IV

11 At all times herein mentioned, HARPER was and now is  
12 licensed by the Department as a real estate broker, individually  
13 and as designated officer-broker of CAPITAL. As said designated  
14 officer-broker, HARPER was at all times mentioned herein  
15 responsible pursuant to Section 10159.2 of the Code for the  
16 supervision of the activities of the officers, agents, real  
17 estate licensees, and employees of CAPITAL for which a license  
18 is required.

19 V

20 Whenever reference is made in an allegation in this  
21 Accusation to an act or omission of CAPITAL, such allegation  
22 shall be deemed to mean that the officers, directors, employees,  
23 agents, and/or real estate licensees employed by or associated  
24 with CAPITAL committed such act or omission while engaged in the  
25 furtherance of the business or operations of such corporate  
26 Respondent and while acting within the course and scope of their  
27 authority and employment.

1 VI

2 At all times herein mentioned Respondents engaged in  
3 the business of, acted in the capacity of, advertised, or assumed  
4 to act as a real estate broker within the State of California  
5 within the meaning of Sections:

6 (a) 10131(a) of the Code, including the operation and  
7 conduct of a real estate brokerage that included the sale or  
8 offer of sale, purchase or offer of purchase, solicitation of  
9 prospective sellers and purchasers of, solicitation or obtaining  
10 listings of, or negotiations of the purchase, sale or exchange  
11 of real property or a business opportunity; and,

12 (b) 10131(d) of the Code, including the operation and  
13 conduct of a mortgage loan brokerage with the public wherein,  
14 on behalf of others, for compensation or in expectation of  
15 compensation, Respondents serviced and collected payments on  
16 loans secured directly or collaterally by liens on real property,  
17 and wherein Respondents performed services for the holders of  
18 promissory notes secured directly or collaterally by a lien on  
19 real property, including collecting payments thereon.

20 FIRST CAUSE OF ACTION

21 VII

22 Between on or about March 31, 2005 and on or about  
23 May 18, 2005, in the course of Respondents' real estate brokerage  
24 activities, Respondents represented Marya Vasquez (herein  
25 VASQUEZ) in the purchase of real property located at 1385 Darwin  
26 Street, Seaside, California 93955 (herein "Darwin Street  
27 property) for \$690,000.00.

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VIII

On or about May 11, 2005, HARPER completed two loan applications, one for \$552,000.00 and the other for \$138,000.00, for VASQUEZ for the Darwin Street property. Both loan applications showed business income for VASQUEZ of \$13,000.00 per month as the owner of Foro Latino, a business located at 1133 Clementina, Seaside, California 93955, other income on said loan applications included \$1,031.00 in rental income and \$2,500.00 representing alimony and child support. The total monthly income shown on each loan application was \$16,531.00.

IX

Prior to May 11, 2005, VASQUEZ informed HARPER that she worked as an assistant manager at Cottage of Sweets and earned approximately \$3,000.00 per month. VASQUEZ did not own Foro Latino, did not receive rental income, and did not receive alimony or child support, nor did VASQUEZ report any of that information to HARPER. VASQUEZ did not sign either of the loan applications.

X

HARPER violated Section 10176(a) and (i) of the Code, in that HARPER substantially misrepresented VASQUEZ' income and income sources on both loan applications, and caused both loan applications to be signed by someone other than VASQUEZ.

SECOND CAUSE OF ACTION

XI

On or about January 30, 2007, the Department requested the entire transaction file for the Darwin Street property from

1 Respondents, to which HARPER replied "all my old files had been  
2 discarded."

3 XII

4 Respondents violated Section 10148(a) of the Code in  
5 that Respondents failed to retain for three (3) years all  
6 listings, deposit receipts, canceled checks, trust records, and  
7 other documents executed or obtained by them in connection with  
8 any transactions for which a real estate broker license is  
9 required.

10 XIII

11 The facts alleged above are grounds for the  
12 suspension or revocation of the licenses and license rights of  
13 Respondents CAPITAL and HARPER under Section 10176(a) and (i)  
14 of the Code and Section 10148(a) of the Code in conjunction  
15 with 10177(d) of the Code.

16 WHEREFORE, Complainant prays that a hearing be  
17 conducted on the allegations of this Accusation and that upon  
18 proof thereof a decision be rendered imposing disciplinary action  
19 against all licenses and license rights of Respondents under the  
20 Real Estate Law (Part 1 of Division 4 of the Business and  
21 Professions Code) and for such other and further relief as may be  
22 proper under other applicable provisions of law.

23  
24   
25 CHARLES W. KOENIG  
26 Deputy Real Estate Commissioner

26 Dated at Sacramento, California  
27 this 1<sup>st</sup> day of May, 2008.