

ACCUSATION OF GRAND PACIFIC MORTGAGE INC.; STEVEN
ROBERT VANDERHEI – BUREAU OF REAL ESTATE

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2.

Respondent GRAND PACIFIC 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 corporate real estate broker. From in or around January 1, 2011, to December 31, 2011, GRAND PACIFIC was licensed as a mortgage loan originator ("MLO"). Thereafter, on or about January 1, 2012, the MLO license endorsement of GRAND PACIFIC was terminated, and has not since been renewed. The real estate broker license of GRAND PACIFIC is scheduled to expire on January 10, 2017.

3.

Respondent VANDERHEI is presently licensed and/or has license rights under the Real Estate Law as a real estate broker. At all times relevant herein VANDERHEI was the designated officer of GRAND PACIFIC. The real estate broker license of VANDERHEI is scheduled to expire on October 5, 2018.

4.

From in or around January 1, 2011, to December 31, 2011, VANDERHEI held a MLO license endorsement, ID #236323. Thereafter, on or about January 1, 2012, the MLO license endorsement of VANDERHEI was terminated. On or about March 17, 2015, the MLO license endorsement of VANDERHEI was re-issued, and remains in effect at the present time. As a result of the foregoing, VANDERHEI had no MLO license endorsement during the time period in issue in this pleading.

5.

At all times relevant herein Respondents were engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers and/or a real estate corporation in the State of California within the meaning of Code §10131.

6.

At all times relevant herein VANDERHEI, as the officer designated by GRAND PACIFIC pursuant to §10211 of the Code, was responsible for the supervision and control of

1 the activities conducted on behalf of GRAND PACIFIC by its officers and employees as
2 necessary to secure full compliance with the Real Estate Law as set forth in §10159.2 of the
3 Code.

4 FIRST CAUSE OF ACCUSATION

5 (Misrepresentation, False Promises and Fraud and/or Dishonest Dealing)

6 7.

7 At all times relevant herein Joelle C. was the owner of the real property located
8 at 150 South Rancho Santa Fe Road, #112, San Marcos, CA (the "Property"). During the
9 summer of 2014, VANDERHEI contacted Joelle C. who was then seventy-one years old and
10 suffering from early-stage dementia and Alzheimer's disease. VANDERHEI had become
11 acquainted with Joelle C. when VANDERHEI was employed by Well Fargo Bank where Joelle
12 C. was a bank customer.

13 8.

14 VANDERHEI states that when he contacted Joelle C. she told him that her home
15 mortgage on the Property was in arrears. VANDERHEI offered to assist Joelle C. in obtaining a
16 modification of the terms of her mortgage or, in the alternative, to obtain a refinance of her
17 mortgage on the Property. Joelle C. agreed with VANDERHEI's proposal. VANDERHEI also
18 told Joelle C. that he would charge her \$2,500, or more, for his services, depending on how
19 much time it took for him to obtain a loan modification or to refinance Joelle C.'s mortgage
20 loan.

21 9.

22 Thereafter, in reliance on VANDERHEI's representations and at his direction
23 Joelle C. made the following payments by personal check to Respondents:

- 24 a. On August 22, 2014, Joelle C. paid the sum of \$2,500 to VANDERHEI;
25 b. On August 28, 2014, Joelle C. paid the sum of \$2,500 to GRAND PACIFIC;
26 c. On September 18, 2014, Joelle C. paid the sum of \$2,500 to VANDERHEI;
27 d. On October 1, 2014, Joelle C. paid the sum of \$4,500 to GRAND PACIFIC;

1 and

2 e. On October 1, 2014, Joelle C. paid the sum of \$4,500 to VANDERHEI.

3 10.

4 VANDERHEI knew that neither he nor GRAND PACIFIC was licensed to
5 originate residential mortgage loans and that making or arranging loans secured by residential
6 real property without a MLO license endorsement violates Code §§10166.02(b) and 10130.

7 11.

8 VANDERHEI's representations were made with the intent to take advantage of
9 the medical condition of Joelle C., and to fraudulently induce her to pay Respondents the sums
10 of money described in Paragraph 9, so that VANDERHEI could convert the money to
11 Respondents' own use and benefit.

12 12.

13 At no time did Respondents obtain either a loan modification or a refinancing of
14 Joelle C.'s home mortgage.

15 13.

16 Despite demands for the return of Joelle C.'s funds made by members of her
17 family, VANDERHEI failed and refused to repay the money paid to him and GRAND
18 PACIFIC by Joelle C.

19 14.

20 The conduct, acts and/or omissions of Respondents as described herein above,
21 constitute making a substantial misrepresentation, the making of false promise(s)
22 of a character likely to influence, persuade or induce, and fraud and/or dishonest dealing, and is
23 cause for the suspension or revocation of all real estate licenses and license rights of
24 of Respondent under the provisions of Code §§ 10176(a), 10176(b), 10177(d), 10176(i), and/or
25 10177(j).

1 2ND CAUSE OF ACCUSATION

2 (Unlicensed Mortgage Loan Origination Activity – Code §§10166.02(b), 10166.051(a) and
3 10130)

4 15.

5 Complainant hereby incorporates by this reference the allegations set forth in
6 Paragraphs 1 through 14, inclusive, above.

7 16.

8 Based on the information contained in Paragraphs 7 through 10, above,
9 Respondents performed and/or participated in activities which require MLO license
10 endorsements under the provisions of Code §10166.02(b) during a period of time when neither
11 VANDERHEI nor GRAND PACIFIC held MLO license endorsements.

12 17.

13 The conduct, acts and/or omissions of Respondents as described herein above,
14 constitutes unlicensed conduct in violation of Code §10166.02(b) and is cause for the
15 suspension or revocation of all real estate licenses and license rights of Respondents, including
16 the mortgage loan originator license endorsement of VANDERHEI, under the provisions of
17 Code §§10130 and 10166.051(a).

18 3RD CAUSE OF ACCUSATION

19 (Advance Fee Violation – Code §10085.6)

20 18.

21 Complainant hereby incorporates by this reference the allegations set forth in
22 Paragraphs 1 through 17, inclusive, above.

23 19.

24 At all times mentioned herein Respondents engaged in the business of advance
25 fee brokerage within the definition of Code §10131.2 by claiming, demanding, charging,
26 receiving, collecting or contracting for the collection of an advance fee, within the meaning of
27

1 Code §10026, in connection with employment undertaken to obtain a loan or loans on behalf of
2 Joelle C. as is alleged in Paragraphs 7 through 13, inclusive, above.

3 20.

4 On October 11, 2009, Code § 10085.6 went into effect. By its terms §10085.6
5 prohibits any real estate licensee who negotiates, attempts to negotiate, arranges, attempts to
6 arrange, or otherwise offers to perform a loan modification with respect to residential property
7 to “claim, demand, charge, collect, or receive any compensation until after the licensee has fully
8 performed each and every service the licensee contracted to perform or represented that he, she,
9 or it would perform.”

10 21.

11 By virtue of the application of Code §10085.6 to the advance fee transaction
12 described in Paragraphs 7 through 13, above, Respondents violated the statute’s provisions
13 when Respondents collected an advance fee after such fees were prohibited by Code §10085.6.

14 22.

15 The conduct, acts and/or omissions of Respondents, as set forth above, is cause
16 for the suspension or revocation of the licenses and license rights of Respondents pursuant to
17 Code §§10177(d) and/or 10177(g).

18 4th CAUSE OF ACCUSATION

19 (Failure to Supervise against VANDERHEI Only– Code §10159.2)

20 23.

21 Complainant hereby incorporates by reference the allegations set forth in
22 Paragraphs 1 through 22, above.

23 24.

24 The conduct, acts and/or omissions of VANDERHEI in allowing GRAND
25 PACIFIC to violate the Real Estate Law, as set forth above, constitutes a failure by
26 VANDERHEI, as the officer designated by the corporate broker licensee, to exercise the
27 supervision and control over the activities of GRAND PACIFIC as required by Code §10159.2

1 and §2725 of Title 10, Chapter 6, Code of Regulations (“Regulations”), and is cause to suspend
2 or revoke the real estate licenses and license rights of VANDERHEI under Code §§ 10159.2,
3 10177(d), 10177(g) and/or 10177(h).

4 5TH CAUSE OF ACCUSATION

5 (Corporate suspension against GRAND PACIFIC – §2742(c) of the Regulations)

6 25.

7 Complainant hereby incorporates by reference the allegations set forth in
8 Paragraphs 1 through 24, above.

9 26.

10 On or about June 1, 2010, the Franchise Tax Board of the State of California
11 suspended the powers, rights and privileges of GRAND PACIFIC pursuant to the provisions of
12 the California Revenue and Taxation Code. The corporate powers, rights and privileges of
13 GRAND PACIFIC remain suspended to date.

14 27.

15 The conduct of GRAND PACIFIC, as alleged above, is in violation of §2742(c)
16 of the Regulations, and subjects its real estate license and license rights to suspension or
17 revocation pursuant to Code §10177(d) and (f).

18 Code §10106 provides, in pertinent part, that in any order issued in resolution of
19 a disciplinary proceeding before the Bureau the Commissioner may request the administrative
20 law judge to direct a licensee found to have committed a violation of this part to pay a sum not
21 to exceed the reasonable costs of investigation and enforcement of the case.

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1 WHEREFORE, Complainant prays that a hearing be conducted on the
2 allegations of this Accusation and that upon proof thereof, a decision be rendered imposing
3 disciplinary action against all the licenses and license rights of Respondents GRAND PACIFIC
4 MORTGAGE INC. and STEVEN ROBERT VANDERHEI, including the Mortgage Loan
5 Originator License Endorsement of STEVEN ROBERT VANDERHEI, under the Real Estate
6 Law (Part 1 of Division 4 of the Business and Professions Code), for the cost of investigation
7 and enforcement as permitted by Code §10106, and for such other and further relief as may be
8 proper under other applicable provisions of law.

9 Dated at San Diego, California

10 this 2nd day of June, 2015.

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12 
13 Veronica Kilpatrick
14 Deputy Real Estate Commissioner
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20 cc: STEVEN ROBERT VANDERHEI
21 GRAND PACIFIC MORTGAGE INC.
22 Veronica Kilpatrick
23 Sacto.
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