

FILED

JAN 23 2012

DEPARTMENT OF REAL ESTATE

By *R. Jones*

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BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

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In the Matter of the Accusation of

KATHLEEN DE LAPP,

Respondent.

No. H-5010 SAC

OAH No. 201110069

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSE

On September 20, 2011, an Amended Accusation was filed in this matter against Respondent KATHLEEN DE LAPP.

On November 15, 2011, Respondent petitioned the Commissioner to voluntarily surrender her real estate salesperson license pursuant to Section 10100.2 of the Business and Professions Code.

IT IS HEREBY ORDERED that Respondent KATHLEEN DE LAPP's petition for voluntary surrender of her real estate salesperson license is accepted as of the effective date of this Order as set forth below, based upon the understanding and agreement expressed in Respondent's Declaration dated November 15, 2011 (attached as Exhibit "A" hereto).

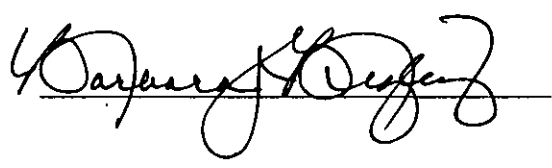
1 Respondent's license certificate and pocket card shall be sent to the below listed address so that  
2 they reach the Department on or before the effective date of this Order:

3 DEPARTMENT OF REAL ESTATE  
4 Attn: Licensing Flag Section  
5 P. O. Box 187000  
6 Sacramento, CA 95818-7000

7 This Order shall become effective at 12 o'clock noon on FEB 13 2012

8 DATED: 1/6/12

9 BARBARA J. BIGBY  
10 Acting Real Estate Commissioner

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BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

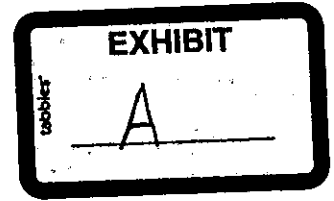
\* \* \*

In the Matter of the Accusation of	)	No. H- 5010 SAC
	)	
KATHLEEN DE LAPP,	)	
	)	
Respondent.	)	

DECLARATION

My name is KATHLEEN DE LAPP and I am currently licensed as a real estate salesperson and/or have license rights with respect to said license. I am representing myself in this matter.

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(s) issued by the Department of Real Estate ("Department"), pursuant to Business and Professions Code Section 10100.2.



1 I understand that by so voluntarily surrendering my license(s), that I may be  
2 relicensed as a broker or as a salesperson only by petitioning for reinstatement pursuant to  
3 Section 11522 of the Government Code. I also understand that by so voluntarily surrendering my  
4 license(s), I agree to the following:

5 The filing of this Declaration shall be deemed as my petition for voluntary  
6 surrender. It shall also be deemed to be an understanding and agreement by me that I waive all  
7 rights I have to require the Commissioner to prove the allegations contained in the Accusation  
8 filed in this matter at a hearing held in accordance with the provisions of the Administrative  
9 Procedure Act (Government Code Sections 11400 et seq.), and that I also waive other rights  
10 afforded to me in connection with the hearing such as the right to discovery, the right to present  
11 evidence in defense of the allegations in the Accusation and the right to cross-examine witnesses.  
12 I further agree that upon acceptance by the Commissioner, as evidenced by an appropriate order,  
13 all affidavits and all relevant evidence obtained by the Department in this matter prior to the  
14 Commissioner's acceptance, and all allegations contained in the Accusation filed in the  
15 Department Case No. H-5010 SAC, may be considered by the Department to be true and correct  
16 for the purpose of deciding whether to grant relicensure or reinstatement pursuant to  
17 Government Code Section 11522.

18 I declare under penalty of perjury under the laws of the State of California that the  
19 above is true and correct and that I freely and voluntarily surrender all my license(s) and license  
20 rights under the Real Estate Law.

21 11/15/11

22 1333 Cromwell Ct  
Date and Place

Kathleen M. De Lapp  
KATHLEEN DE LAPP

23 \*By signing this it is my understanding  
24 that the DRE will take no further action  
25 against me.

26 While I don't agree with the allegations  
27 against me, ~~and~~ I have no more time,  
money or energy to fight this any longer!  
5 ~~years~~ years is long<sup>2</sup> enough.

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

4 Telephone: (916) 227-0781

FILED

MAR - 3 2009

DEPARTMENT OF REAL ESTATE

By *L. Zini*

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

10 \* \* \*

11 In the Matter of the Accusation of )

12 MARK ALAN CHAMPLIN, and KATHLEEN )  
13 MARIE DE LAPP )

14 Respondent. )

No. H-5010 SAC

STIPULATION AND  
AGREEMENT

15 It is hereby stipulated by and between MARK ALAN CHAMPLIN  
16 (hereinafter "Respondent"), and the Complainant, acting by and through Truly  
17 Sughrue, Counsel for the Department of Real Estate, as follows for the purpose of  
18 settling and disposing the Accusation filed on June 18, 2008 in this matter:  
19

20 1. All issues which were to be contested and all evidence which was to be  
21 presented by Complainant and Respondent at a formal hearing on the Accusation, which  
22 hearing was to be held in accordance with the provisions of the Administrative Procedure  
23 Act (APA), shall instead and in place thereof be submitted solely on the basis of the  
24 provisions of this Stipulation and Agreement.  
25  
26  
27

1                   2. Respondent has received, read and understands the Statement to  
2 Respondent, and the Discovery Provisions of the APA filed by the Department of Real  
3 Estate in this proceeding.

4                   3. Respondent filed a Notice of Defense pursuant to Section 11505 of the  
5 Government Code for the purpose of requesting a hearing on the allegations in the  
6 Accusation. Respondent hereby freely and voluntarily withdraws said Notice of Defense.  
7 Respondent acknowledges that he understands that by withdrawing said Notice of  
8 Defense he will thereby waive his rights to require the Commissioner to prove the  
9 allegations in the Accusation at a contested hearing held in accordance with the  
10 provisions of the APA, and that he will waive other rights afforded to him in connection  
11 with the hearing such as the right to present evidence in defense of the allegations in the  
12 Accusation and the right to cross-examine witnesses.  
13

14                   4.       This stipulation is based on the factual allegations contained in the  
15 Accusation. In the interest of expediency and economy, Respondent chooses not to  
16 contest these factual allegations, but to remain silent and understand that, as a result  
17 thereof, these factual statements will serve as a prima facie basis for the "Determination  
18 of Issues" and "Order" set forth below. The Real Estate Commissioner shall not be  
19 required to provide further evidence to prove such allegations.  
20

21                   5.       This Stipulation and Respondent's decision not to contest the  
22 Accusation are made for the purpose of reaching an agreed disposition of this proceeding  
23 and are expressly limited to this proceeding and any other proceeding or case in which  
24 the Department of Real Estate (hereinafter "the Department"), the state or federal  
25 government, an agency of this state, or an agency of another state is involved.  
26  
27

1 6. It is understood by the parties that the Real Estate Commissioner may  
2 adopt the Stipulation and Agreement as his decision in this matter thereby imposing the  
3 penalty and sanctions on the real estate licenses and license rights of Respondent as set  
4 forth in the below "Order". In the event that the Commissioner in his discretion does not  
5 adopt the Stipulation and Agreement, it shall be void and of no effect, and Respondent  
6 shall retain the right to a hearing and proceeding on the Accusation under all the  
7 provisions of the APA and shall not be bound by any admission or waiver made herein.  
8

9 9. The Order or any subsequent Order of the Real Estate Commissioner  
10 made pursuant to this Stipulation and Agreement shall not constitute an estoppel, merger  
11 or bar to any further administrative or civil proceedings by the Department of Real Estate  
12 with respect to any matters which were not specifically alleged to be causes for  
13 accusation in this proceeding.  
14

15 \* \* \*

16 DETERMINATION OF ISSUES

17 By reason of the foregoing stipulations and waivers and solely for the  
18 purpose of settlement of the pending Accusation without a hearing, it is stipulated and  
19 agreed that the following determination of issues shall be made:  
20

21 I

22 The acts and omissions of Respondent as described in the Accusation are  
23 grounds for the suspension or revocation of Respondent's licenses and license rights  
24 under Sections 10137 and 10177(h) of the Code.  
25

26 \* \* \*

ORDER

I

All licenses and licensing rights of Respondent under the Real Estate Law are  
suspended for a period of one hundred (100) days from the effective date of this Order;

provided, however, that:

1) Fifty (50) days of said suspension shall be stayed, upon the condition that Respondent  
petition 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 \$150 for each day of the suspension for a total monetary penalty of  
\$7,500.

a) 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 Order in this matter.

b) No further cause for disciplinary action against the Real Estate licenses of said  
Respondent occurs within two (2) years from the effective date of the decision in  
this matter.

c) If Respondent fails to pay the monetary penalty as provided above prior to the  
effective date of this Order, the stay of the suspension shall be vacated as to that  
Respondent and the order of suspension shall be immediately executed, under this  
Order, in which event the said Respondent shall not be entitled to any repayment  
nor credit, prorated or otherwise, for the money paid to the Department under the  
terms of this Order.



1 d) If Respondent pays the monetary penalty and any other moneys due under this  
2 Stipulation and Agreement and if no further cause for disciplinary action against  
3 the real estate license of said Respondent occurs within two (2) years from the  
4 effective date of this Order, the entire stay hereby granted under this Order, as to  
5 said Respondent only, shall become permanent.


6  
7 2) The remaining fifty (50) days of said suspension shall be stayed for two (2) years  
8 upon the following terms and conditions:

9 a) Respondent shall obey all laws, rules and regulations governing the rights, duties  
10 and responsibilities of a real estate licensee in the State of California; and,

11 b) That no final subsequent determination be made, after hearing or upon  
12 stipulation, that cause for disciplinary action occurred within two (2) years from  
13 the effective date of this Order. Should such a determination be made, the  
14 Commissioner may, in his discretion, vacate and set aside the stay order and  
15 reimpose all or a portion of the stayed suspension. Should no such determination  
16 be made, the stay imposed herein shall become permanent.

17  
18 3) Respondent shall, within six (6) months from the effective date of this Decision, take  
19 and pass the Professional Responsibility Examination administered by the  
20 Department including the payment of the appropriate examination fee. If Respondent  
21 fails to satisfy this condition, the Commissioner may order suspension of the  
22 restricted license until Respondent passes the examination.  
23

24  
25  
26 20-Jan-09  
DATED

27  
  
TRULY SUGHRUE  
Counsel for Complainant

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I have read the Stipulation and Agreement, and its terms are understood by me and are agreeable and acceptable to me. I understand that I am waiving rights given to me by the California Administrative Procedure Act, and I willingly, intelligently and voluntarily waive those rights, including the right of requiring the Commissioner to prove the allegations in the Accusation at a hearing at which I would have the right to cross-examine witnesses against me and to present evidence in defense and mitigation of the charges.

1-15-09



DATED

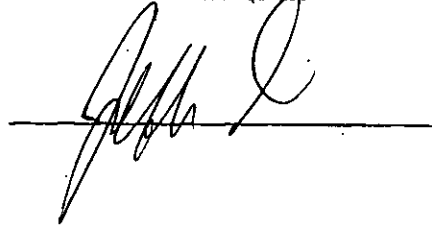
MARK ALAN CHAMPLIN  
Respondent

\*\*\*

The foregoing Stipulation and Agreement is hereby adopted as my  
Decision and shall become effective at 12 o'clock noon on MAR 24 2009

IT IS SO ORDERED Feb. 11, 2009.

JEFF DAVI  
Real estate Commissioner



**FILED**

September 20, 2011

DEPARTMENT OF REAL ESTATE

By *R. Jones*

1 TRULY SUGHRUE, Counsel  
2 State Bar No. 223266  
3 Department of Real Estate  
4 P.O. Box 187007  
5 Sacramento, CA 95818-7007

6 Telephone: (916) 227-0789  
7 (916) 227-0781 (Direct)

8 BEFORE THE DEPARTMENT OF REAL ESTATE  
9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of )  
12 )  
13 KATHLEEN DE LAPP, )  
14 Respondent. )

No. H-5010 SAC  
FIRST AMENDED  
ACCUSATION

15  
16 The Complainant, TRICIA SOMMERS, a Deputy Real Estate Commissioner of  
17 the State of California, for cause of Accusation against KATHLEEN DE LAPP, (hereinafter  
18 "Respondent"), is informed and alleges as follows:

19 1

20 The Complainant, TRICIA SOMMERS, a Deputy Real Estate Commissioner of  
21 the State of California, makes this Accusation in her official capacity.

22 2

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

25 3

26 At all times mentioned, MARK ALAN CHAMPLIN, (hereinafter "CHAMPLIN")  
27 was and is licensed by the Department individually as a real estate broker. In Case No. H-5010

1 SAC before the Department of Real Estate, the Stipulation and Agreement ordering a one  
2 hundred (100) day suspension, stayed upon terms and conditions, of CHAMPLIN's real estate  
3 broker license was effective March 24, 2009.

4 4

5 At all times mentioned, Respondent was and is licensed by the Department as a  
6 real estate salesperson.

7 5

8 On or about September 2, 2011, in the United State District Court for the Eastern  
9 District of California, Respondent was convicted of a violation of Title 18 United States Code  
10 Section 4 (Misprision of Felony), a felony and crime which bears a substantial relationship under  
11 Section 2910, Title 10, California Code of Regulations, to the qualifications, functions, or duties  
12 of a real estate licensee.

13 6

14 The facts alleged above constitute cause under Sections 490 and 10177(b) of the  
15 Code for suspension or revocation of all licenses and license rights of Respondent under the Real  
16 Estate Law.

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

22   
23 TRICIA SOMMERS  
24 Deputy Real Estate Commissioner

25 Dated at Sacramento, California,  
26 this 14<sup>th</sup> day of September, 2011

27 ///

DISCOVERY DEMAND

1  
2 Pursuant to Sections 11507.6, *et seq.* of the *Administrative Procedure Act*, the Department of  
3 Real Estate hereby makes demand for discovery pursuant to the guidelines set forth in the  
4 *Administrative Procedure Act*. Failure to provide Discovery to the Department of Real Estate  
5 may result in the exclusion of witnesses and documents at the hearing or other sanctions that the  
6 Office of Administrative Hearings deems appropriate.  
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JUN 18 2008

DEPARTMENT OF REAL ESTATE

By R. Henry

1 TRULY SUGHRUE, Counsel  
2 State Bar No. 223266  
3 Department of Real Estate  
4 P.O. Box 187007  
5 Sacramento, CA 95818-7007  
6  
7 Telephone: (916) 227-0781

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of )  
12 MARK ALAN CHAMPLIN, and )  
13 KATHLEEN MARIE DE LAPP )  
14 Respondents. )

No. H-5010 SAC  
ACCUSATION

15  
16 The Complainant, CHARLES W. KOENIG, a Deputy Real  
17 Estate Commissioner of the State of California, for cause of  
18 Accusation against MARK ALAN CHAMPLIN, and  
19 KATHLEEN MARIE DE LAPP, (hereinafter "Respondents"), are  
20 informed and alleges as follows:

21 PRELIMINARY ALLEGATIONS

22 I

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

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II

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

III

At all times mentioned herein, Respondent MARK ALAN CHAMPLIN, (hereinafter "CHAMPLIN") was and is licensed by the Department individually as a real estate broker.

IV

At all times mentioned herein, Respondent KATHLEEN MARIE DE LAPP (hereinafter "DE LAPP") was and is licensed by the Department as a real estate salesperson.

V

At no time mentioned herein was Robert Alan Martinson (hereinafter "Martinson") licensed by the Department either as a real estate salesperson or as a real estate broker.

VI

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

1 FIRST CAUSE OF ACTION

2 VII

3 Each and every allegation in Paragraphs I through VI  
4 above, are incorporated by this reference as if fully set forth  
5 herein.

6 VIII

7 Beginning on or about August 2005 and continuing  
8 thereafter, CHAMPLIN employed and compensated Martinson to  
9 perform the acts and conduct the real estate activities described  
10 in Paragraph VI, above, including but not limited to the  
11 activities described in Paragraph IX, below.

12 IX

13 Beginning on or about August 2005 and continuing  
14 thereafter, in course of the employment and activities described  
15 in Paragraph VIII above, Martinson negotiated and arranged  
16 mortgage loans to finance the purchase and sale of real property,  
17 including but not necessarily limited to:

18

19 <b>Property Address</b>	<b>Borrower</b>	<b>Close of Escrow</b>
20 3915 4 <sup>th</sup> Street, Sacramento	Paul Martinson	8/25/05
21 5975 Kylene Court, Citrus Heights	Paul Martinson	9/13/05
22 3621 Willow Street, Sacramento	Paul Martinson	9/29/05
23 2723 Berger Avenue, Sacramento	Ronald Alexander	7/20/06
24 7945 Rio Linda Blvd., Rio Linda	Ronald Alexander	3/14/07
25 1014 Shasta Street, Roseville	Ronald Alexander	3/20/07

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X

In acting as described in Paragraphs VIII through IX above, CHAMPLIN violated the provisions of Section 10137 of the Code and willfully caused, suffered and/or permitted Martinson to violate Section 10130 of the Code.

XI

The facts described above as to the First Cause of Action constitutes cause to suspend or revoke all licenses and license rights of CHAMPLIN pursuant to the provisions of Section 10137 of the Code.

SECOND CAUSE OF ACTION

XII

Each and every allegation in Paragraphs I through XI above are incorporated by this reference as if fully set forth herein.

XIII

On or about March 2007, DE LAPP and Martinson, acting on behalf of Ronald Alexander solicited and obtained a loan in the amount of \$325,600 and \$81,400 from Liberty American Mortgage to be secured by an encumbrance on the property located 7945 Rio Linda Blvd., Rio Linda, California by representing, contrary to fact, that Ronald Alexander would be the primary resident of the property. In truth, Ronald Alexander had no intention of occupying the property.

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XIV

On or about March 2007, DE LAPP and Martinson, acting on behalf of Ronald Alexander solicited and obtained a loan in the amount of \$600,000 and \$150,000 from IndyMac Bank to be secured by an encumbrance on the property located 1014 Shasta Street, Roseville, California by representing, contrary to fact, that Ronald Alexander would be the primary resident of the property. In truth, Ronald Alexander had no intention of occupying the property.

XV

On or about September 2006, DE LAPP and Martinson, acting on behalf of Adrena Washington solicited and obtained a loan in the amount of \$392,000 and \$98,000 from Clear Mortgage to be secured by an encumbrance on the property located 3114 Strand Road, Rocklin, California by representing that an explanation letter submitted to Clear Mortgage was drafted and signed by Adrena Washington. In truth, the letter was drafted and signed by DE LAPP without Adrena Washington's knowledge or consent.

XVI

The acts and omissions of DE LAPP described in Paragraphs XIII through XV constitute fraud and/or dishonest dealing, and/or a continued and flagrant course of misrepresentation through real estate agents or salespersons.

///  
///  
///

XVII

1 The acts and omissions of DE LAPP described in  
2 Paragraphs XIII through XV constitute the substantial  
3 misrepresentation of a material fact.  
4

XVIII

5 The facts described above as to the Second Cause of  
6 Action constitute cause to suspend or revoke all licenses and  
7 license rights of DE LAPP pursuant to the provisions of Sections  
8 10176(a), 10176(b), 10176(c), 10176(i), and/or 10177(j) of the  
9 Code.  
10

11 THIRD CAUSE OF ACTION

12 XIX

13 Each and every allegation in Paragraphs I through XVIII  
14 above, are incorporated by this reference as if fully set forth  
15 herein.  
16

17 XX

18 At all times mentioned herein, CHAMPLIN failed to  
19 exercise reasonable supervision over the activities of his  
20 salespersons, and permitted, ratified and/or caused the conduct  
21 described above. CHAMPLIN failed to reasonably or adequately  
22 review, oversee, inspect and manage the salespersons under his  
23 employ, and/or to establish reasonable policies, rules,  
24 procedures and systems for such review, oversight, inspection  
25 and management.

26 ///

27 ///

1  
2 The facts described above as to the Third Cause of  
3 Action constitute cause for the suspension or revocation of the  
4 licenses and license rights of CHAMPLIN under Section 10177(g)  
5 and/or Section 10177(h) of the Code.

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

13  
14   
15 CHARLES W. KOENIG  
16 Deputy Real Estate Commissioner

17 Dated at Sacramento, California,  
18 this 18<sup>th</sup> day of June, 2008  
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