

1 DEPARTMENT OF REAL ESTATE
2 P. O. Box 187007
3 Sacramento, CA 95818-7007

4 Telephone: (916) 227-0789

FILED
OCT 26 2011

DEPARTMENT OF REAL ESTATE
By R. Mar

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)
12)
13 CORRAL HOLLOW, INC. and) NO. H-5523 SAC
14 SUSAN MARIA LANGDON,)
15 Respondents.) STIPULATION AND AGREEMENT
16)

17 It is hereby stipulated by and between Respondents CORRAL HOLLOW, INC.,
18 ("CHI") and SUSAN MARIA LANGDON ("LANGDON"), (collectively "Respondents"),
19 acting by and through Edgardo Gonzalez, Counsel for Respondents, and the Complainant,
20 acting by and through Annette E. Ferrante, Counsel for the Department of Real Estate, as
21 follows for the purpose of settling and disposing of the Accusation filed on December 20,
22 2010, in this matter:

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

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

4 3. On February 17, 2011, Respondents filed a Notice of Defense pursuant
5 to Section 11505 of the Government Code for the purpose of requesting a hearing on the
6 allegations in the Accusation. Respondents hereby freely and voluntarily withdraw said Notice
7 of Defense. Respondents acknowledge that Respondents understand that by withdrawing said
8 Notice of Defense, Respondents will thereby waive Respondents' right to require the
9 Commissioner to prove the allegations in the Accusation at a contested hearing held in
10 accordance with the provisions of the APA and that Respondents will waive other rights
11 afforded to Respondents in connection with the hearing such as the right to present evidence in
12 defense of the allegations in the Accusation and the right to cross-examine witnesses.

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

19 5. This Stipulation and Respondents' decision not to contest the Accusation
20 are made for the purpose of reaching an agreed disposition of this proceeding and are expressly
21 limited to this proceeding and any other proceeding or case in which the Department of Real
22 Estate, the State or the federal government, an agency of this State, or an agency of another state
23 is involved.

24 6. It is understood by the parties that the Real Estate Commissioner may
25 adopt the Stipulation and Agreement as her decision in this matter, thereby imposing the penalty
26 and sanctions on Respondents' real estate licenses and license rights as set forth in the "Order"
27 below. In the event that the Commissioner in her discretion does not adopt the Stipulation and

1 Agreement, it shall be void and of no effect, and Respondents shall retain the right to a hearing
2 and proceeding on the Accusation under all the provisions of the APA and shall not be bound
3 by any admission or waiver made herein.

4 7. This Stipulation and Agreement shall not constitute an estoppel, merger
5 or bar to any further administrative or civil proceedings by the Department of Real Estate with
6 respect to any matters which were not specifically alleged to be causes for accusation in this
7 proceeding.

8 8. Respondents understand that by agreeing to this Stipulation and
9 Agreement, Respondents agree to pay, pursuant to Section 10148 of the California Business
10 and Professions Code ("the Code"), the cost of the audit which resulted in the determination
11 that Respondents committed the trust fund violation(s) found in the Determination of Issues.
12 The amount of such costs is \$11,400.40.

13 9. Respondents further understand that by agreeing to this Stipulation and
14 Agreement, the findings set forth below in the Determination of Issues become final, and that
15 the Commission may charge said Respondents for the costs of any audit conducted pursuant to
16 Section 10148 of the Code to determine if the violations have been corrected. The maximum
17 cost of said audit shall not exceed \$7,027.90.

18 DETERMINATION OF ISSUES

19 I.

20 By reason of the foregoing stipulations, admissions and waivers and solely for the
21 purpose of settlement of the pending Accusation without hearing, it is stipulated and agreed that
22 the acts and omissions of Respondent CHI described in the Accusation are grounds for the
23 suspension or revocation of the licenses and license rights of Respondent CHI under the
24 provisions of Sections 10145, 10177(d), 10177(g), 10177(j), 10176(a), 10176(b), and 10176(i) of
25 the Code, and Sections 2832.1, 2831.2, and 2726 of Title 10 of the California Code of
26 Regulations (hereinafter "the Regulations").

27 ///

1 II.

2 By reason of the foregoing stipulations, admissions and waivers and solely for the
3 purpose of settlement of the pending Accusation without hearing, it is stipulated and agreed that
4 the acts and omissions of Respondent LANGDON described in the Accusation are grounds for
5 the suspension or revocation of the licenses and license rights of Respondent LANGDON under
6 the provisions of Sections 10145, 10148, 10159.2, 10177(d), 10177(g) and 10177(h) of the Code,
7 and Sections 2832, 2831.2, and 2725 of the Regulations.

8 ORDER

9 I.

10 All licenses and licensing rights of CHI under the Real Estate Law are suspended
11 for a period of ninety (90) days from the effective date of this Order; provided, however, that:

12 1. Sixty (60) days of said suspension shall be stayed for two (2) years upon
13 the following terms and conditions:

14 a. CHI shall obey all laws, rules and regulations governing the rights,
15 duties and responsibilities of a real estate licensee in the State of California; and

16 b. That no final subsequent determination be made, after hearing or
17 upon stipulation, that cause for disciplinary action occurred within two (2) years from the
18 effective date of this Order. Should such a determination be made, the Commissioner may, in
19 her discretion, vacate and set aside the stay order and re-impose all or a portion of the stayed
20 suspension. Should no such determination be made, the stay imposed herein shall become
21 permanent.

22 2. Thirty (30) days of said suspension shall be stayed, upon the condition
23 that CHI petitions pursuant to Section 10175.2 of the Business and Professions Code and pays
24 a monetary penalty pursuant to Section 10175.2 of the Business and Professions Code at a rate
25 of \$25 for each day of the suspension for a total monetary penalty of \$750.

26 a. Said payment shall be in the form of a cashier's check or certified
27 check made payable to the Recovery Account of the Real Estate Fund. Said check must be

1 delivered to the Department prior to the effective date of the Decision in this matter.

2 b. No further cause for disciplinary action against the real estate
3 license of CHI occurs within two (2) years from the effective date of the decision in this matter.

4 c. If CHI fails to pay the monetary penalty in accordance with the
5 terms and conditions of the Decision, the Commissioner may, without a hearing, order the
6 immediate execution of all or any part of the stayed suspension, in which event, CHI shall not be
7 entitled to any repayment nor credit, prorated or otherwise, for money paid to the Department
8 under the terms of this decision.

9 d. If CHI pays the monetary penalty, and if no further cause for
10 disciplinary action against the real estate license of CHI occurs within two (2) years from the
11 effective date of the Decision herein, then the stay hereby granted shall become permanent.

12 II.

13 All licenses and licensing rights of LANGDON under the Real Estate Law are
14 suspended for a period of ninety (90) days from the effective date of this Order; provided,
15 however, that:

16 1. Sixty (60) days of said suspension shall be stayed for two (2) years upon
17 the following terms and conditions:

18 a. LANGDON shall obey all laws, rules and regulations governing
19 the rights, duties and responsibilities of a real estate licensee in the State of California; and

20 b. That no final subsequent determination be made, after hearing or
21 upon stipulation, that cause for disciplinary action occurred within two (2) years from the
22 effective date of this Order. Should such a determination be made, the Commissioner may, in
23 her discretion, vacate and set aside the stay order and re-impose all or a portion of the stayed
24 suspension. Should no such determination be made, the stay imposed herein shall become
25 permanent.

26 2. Thirty (30) days of said suspension shall be stayed, upon the condition
27 that LANGDON petitions pursuant to Section 10175.2 of the Business and Professions Code

1 and pays a monetary penalty pursuant to Section 10175.2 of the Business and Professions Code
2 at a rate of \$25 for each day of the suspension for a total monetary penalty of \$750.

3 a. Said payment shall be in the form of a cashier's check or certified
4 check made payable to the Recovery Account of the Real Estate Fund. Said check must be
5 delivered to the Department prior to the effective date of the Decision in this matter.

6 b. No further cause for disciplinary action against the real estate
7 license of LANGDON occurs within two (2) years from the effective date of the decision in this
8 matter.

9 c. If LANGDON fails to pay the monetary penalty in accordance
10 with the terms and conditions of the Decision, the Commissioner may, without a hearing, order
11 the immediate execution of all or any part of the stayed suspension, in which event, LANGDON
12 shall not be entitled to any repayment nor credit, prorated or otherwise, for money paid to the
13 Department under the terms of this Decision.

14 d. If LANGDON pays the monetary penalty, and if no further cause
15 for disciplinary action against the real estate license of LANGDON occurs within two (2) years
16 from the effective date of the Decision herein, then the stay hereby granted shall become
17 permanent.

18 3. LANGDON shall, within six (6) months from the effective date of this
19 Order, take and pass the Professional Responsibility Examination administered by the
20 Department, including the payment of the appropriate examination fee. If LANGDON fails to
21 satisfy this condition, the Commissioner may order the suspension of all licenses and licensing
22 rights of LANGDON until LANGDON passes the examination.

23 4. Notwithstanding any other provision of this Order, all licenses and
24 licensing rights of LANGDON are suspended unless and until she provides proof satisfactory
25 to the Commissioner that she has taken and successfully completed the continuing education
26 course on Trust Fund Accounting and Handling specified in Section 10170.5(a)(3) of the Code.
27 The course must have been completed no earlier than one hundred twenty (120) days prior to

1 the effective date of this Order, and proof must be submitted prior to the effective date of this
2 Order, to prevent suspension of LANGDON's license pursuant to this condition.

3 III.

4 1. Respondents CHI and LANGDON, jointly and severally, shall pay the
5 sum of \$11,400.40 for the Commissioner's cost of the audits which led to this disciplinary
6 action. Respondents shall pay such cost within sixty (60) days of receiving an invoice
7 therefore from the Commissioner. The Commissioner may indefinitely suspend all licenses
8 and licensing right of Respondents pending a hearing held in accordance with Section 11500,
9 et seq., of the Government Code, if payment is not timely made as provided for herein, or as
10 provided for in a subsequent agreement between Respondents and the Commissioner. The
11 suspension shall remain in effect until payment is made in full or until Respondents enter into
12 an agreement satisfactory to the Commissioner to provide for payment, or until a decision
13 providing otherwise is adopted following a hearing held pursuant to this condition.

14 2. Respondents CHI and LANGDON, jointly and severally, shall pay the
15 Commissioner's costs, not to exceed \$7,027.90, of any audit conducted pursuant to Section
16 10148 of the Code to determine if Respondents have corrected the violations described in the
17 Determination of Issues, above, and any other violations found in the audit which led to this
18 disciplinary action. In calculating the amount of the Commissioner's reasonable cost, the
19 Commissioner may use the estimated average hourly salary for all persons performing audits of
20 real estate brokers, and shall include an allocation for travel time to and from the auditor's
21 place of work. Respondents shall pay such cost within sixty (60) days of receiving an invoice
22 therefore from the Commissioner detailing the activities performed during the audit and the
23 amount of time spent performing those activities. If Respondents fail to pay such cost within
24 the sixty (60) days, the Commissioner may indefinitely suspend all licenses and licensing
25 rights of Respondents under the Real Estate Law until payment is made in full or until
26 Respondents enter into an agreement satisfactory to the Commissioner to provide for payment.
27 Upon full payment, the indefinite suspension provided for in this paragraph shall be stayed.

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H-5523 SAC

CORRAL HOLLOW, INC.
and SUSAN MARIA LANGDON

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9/16/11

DATED

Annette E. Ferrante
ANNETTE E. FERRANTE, Counsel
Department of Real Estate

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 (including but not limited to Sections 11506, 11508, 11509, and 11513 of the Government Code), 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.

Respondents can signify acceptance and approval of the terms and conditions of this Stipulation and Agreement by faxing a copy of the signature page, as actually signed by Respondents, to the Department at fax number (916) 227-9458. Respondents agree, acknowledge and understand that by electronically sending to the Department a fax copy of Respondents' actual signatures as they appears on the Stipulation and Agreement, that receipt of the faxed copy by the Department shall be as binding on Respondents as if the Department had received the original signed Stipulation and Agreement.

9-19-11

DATED

Susan Maria Langdon
SUSAN MARIA LANGDON
Respondent

9-19-11

DATED

Susan Maria Langdon
SUSAN MARIA LANGDON
Designated Officer/Broker for Respondent
CORRAL HOLLOW, INC.

///

///

R-3323 SAC

CORRAL HOLLOW, INC.
and SUSAN MARIA LANGDON


09/16/2011 FRI 10:32 FAX 9102279459 ORN SAC LEGAL --- EDUARDO GONZALEZ

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I have reviewed this Stipulation and Agreement and Order as to form and content and have advised my client accordingly.

9-19-11
DATED

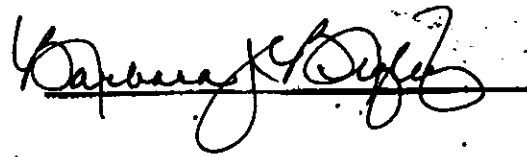

EDUARDO GONZALEZ
Attorney for Respondents,
CORRAL HOLLOW, INC., and
SUSAN MARIA LANGDON

The foregoing Stipulation and Agreement is hereby adopted by me as my Decision in this matter as to Respondents CORRAL HOLLOW, INC., and SUSAN MARIA LANGDON and shall become effective at 12 o'clock noon on

NOV 16 2011

IT IS SO ORDERED 10/13/11

BARBARA J. BIGBY
Acting Real Estate Commissioner



H-5223 SAC

CORRAL HOLLOW, INC.
and SUSAN MARIA LANGDON

1 ANNETTE E. FERRANTE, Counsel (SBN 258842)
2 DEPARTMENT OF REAL ESTATE
3 P. O. Box 187007
4 Sacramento, CA 95818-7007
5 Telephone: (916) 227-0789
6 -or- (916) 227-0788 (Direct)

FILED

DEC 20 2010

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 CORRAL HOLLOW, INC., and) NO. H-5523 SAC
14 SUSAN MARIA LANGDON,)
15 Respondents.) ACCUSATION

16 The Complainant, TRICIA D. SOMMERS, in her official capacity as a Deputy Real
17 Estate Commissioner of the State of California, for cause of Accusation against CORRAL
18 HOLLOW, INC. (hereinafter "CHI"), and SUSAN MARIA LANGDON (hereinafter "LANGDON")
19 (collectively referred to herein as "Respondents") is informed and alleges as follows:

20 1

21 CHI is presently licensed by the Department of Real Estate (hereinafter "the
22 Department") and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the
23 Business and Professions Code (hereinafter "the Code"), as a corporate real estate broker acting by
24 and through LANGDON as its designated officer broker.

25 2

26 At all times herein mentioned, CHI conducted business under its own licensed name
27 and the registered DBA names "Corral Hollow Property Management," "Jordan Property

1 Management," "Realty World Corral Hollow Real Estate", and "Tracy Mortgage" associated with
2 CHI's corporate real estate broker license.

3 3

4 LANGDON is presently licensed by the Department and/or has license rights under
5 the Real Estate Law, Part 1 of Division 4 of the Code, as a real estate broker.

6 4

7 At all times herein mentioned, LANGDON conducted business under her own
8 licensed name and the registered DBA names "Corral Hollow Real Estate," "Jordan Property
9 Management," "Realty World Corral Hollow Real Estate", and "Tracy Mortgage" associated with
10 LANGDON's real estate broker license.

11 5

12 On or about April 22, 2009, when CHI was first licensed by the Department as a
13 corporate real estate broker, and up to and including the present, LANGDON was and is licensed by
14 the Department as the designated officer broker of CHI. As the designated officer broker,
15 LANGDON was responsible, pursuant to Section 10159.2 of the Code, for the supervision of the
16 activities of the officers, agents, real estate licensees, and employees of CHI for which a real estate
17 license is required.

18 6

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

24 7

25 Whenever reference is made in an allegation in this Accusation to an act or omission
26 of LANGDON, such allegation shall be deemed to mean that the employees, agents and real estate
27 licensees employed by or associated with LANGDON committed such act or omission while

1 engaged in furtherance of the business or operations of LANGDON and while acting within the
2 course and scope of their authority and employment.

3 8

4 At all times herein mentioned, CHI engaged in the business of, acted in the capacity
5 of, advertised, or assumed to act as a corporate real estate broker within the State of California on
6 behalf of others, for compensation or in expectation of compensation within the meaning of:

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

11 (b) Section 10131(b) of the Code in the operation and conduct of a property
12 management business with the public wherein, on behalf of others, for compensation or in
13 expectation of compensation, CHI leased or rented and offered to lease or rent, and placed for
14 rent, and solicited listings of places for rent, and solicited for prospective tenants of real
15 property or improvements thereon, and collected rents from real property or improvements
16 thereon.

17 9

18 At all times herein mentioned, LANGDON engaged in the business of, acted in the
19 capacity of, advertised, or assumed to act as a real estate broker within the State of California on
20 behalf of others, for compensation or in expectation of compensation within the meaning of:

21 (a) Section 10131(a) of the Code, including the operation and conduct of a
22 real estate brokerage that included the sale or offer of sale, purchase or offer of purchase,
23 solicitation of prospective sellers and purchasers of, solicitation or obtaining listings of, or
24 negotiations of the purchase, sale or exchange of real property or a business opportunity; and

25 (b) Section 10131(b) of the Code in the operation and conduct of a property
26 management business with the public wherein, on behalf of others, for compensation or in
27 expectation of compensation, LANGDON leased or rented and offered to lease or rent, and

1 placed for rent, and solicited listings of places for rent, and solicited for prospective tenants
2 of real property or improvements thereon, and collected rents from real property or
3 improvements thereon.

4 FIRST CAUSE OF ACTION
5 CHI Audit Violations

6 10

7 Each and every allegation in Paragraphs 1 through 3, 5, 6, and 8, inclusive, above, is
8 incorporated by this reference as if fully set forth herein.

9 11

10 Beginning on or about October 5, 2009, and continuing intermittently until
11 November 5, 2009, an audit was conducted at CHI's main office location at 104 West 10th Street,
12 Tracy, California, wherein the Auditor examined CHI's records for the period of April 22, 2009
13 through September 30, 2009 (hereinafter "the CHI audit period").

14 12

15 While acting as a corporate real estate broker as described in Paragraph 8, above, and
16 within the CHI audit period, CHI accepted or received funds in trust (hereinafter "trust funds") from
17 or on behalf of sellers, buyers, borrowers, lenders, and others in connection with the sale of
18 residential property, as well as owners and tenants in connection with the leasing, renting, and
19 collection of rents on real property or improvements thereon, as alleged herein, and thereafter from
20 time-to-time made disbursements of said trust funds.

21 13

22 The trust funds accepted or received by CHI as described in Paragraph 12, above,
23 were deposited or caused to be deposited by CHI into a bank account maintained by CHI for the
24 handling of trust funds, and thereafter from time-to-time CHI made disbursements of said trust
25 funds, identified as follows:

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TRUST ACCOUNT # 1

Bank Name and Location:	Central Valley Community Bank, 60 West 10 th Street, Tracy, California 95376
Account No.:	1105816
Entitled:	"Corral Hollow Inc. Trustee Corral Hollow Property Management dba: Realty World/Jordan Property Management"
Signatories:	Susan M. Langdon (REB) and Jennifer West (RES)

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In the course of the activities described in Paragraph 8, above, and within the CHI audit period:

(a) CHI caused, suffered, or permitted the balance of funds in Trust Account #1 to be reduced to an amount which, as of August 31, 2009, was approximately \$48,592.30 less than the aggregate liability of Trust Account #1 to all owners of such funds, without the prior written consent of each and every owner of such funds, in violation of Section 10145 (Handling of Trust Funds) of the Code and Section 2832.1 (Trust Fund Handling for Multiple Beneficiaries) of Title 10 of the California Code of Regulations (hereafter "the Regulations");

(b) CHI failed to perform the reconciliation of the sum of the separate beneficiary records to the records of all trust funds received and disbursed on at least a monthly basis for Trust Account #1, in violation of Section 2831.2 (Monthly Trust Fund Reconciliation Requirement) of the Regulations;

(c) On or about July 15, 2009, CHI misrepresented to the owner of the property identified as 33 East 9th Street, Tracy, California (hereinafter "the Property") that an earnest money deposit consisting of funds in the amount of \$1,000.00 was obtained from buyer MARIA ELENA GOMEZ (hereinafter "Buyer") and was being held by CHI when Buyer made the offer on the Property. The true facts were that CHI had received no funds from Buyer when Buyer made the offer on the Property; and,

1 (d) CHI failed to maintain Broker-Salesperson relationship agreements with three
2 of its employees, Susan Kay Wilson, Petra Rodriguez and Manual Negrete, in violation of Section
3 2726 (Maintenance of Salesperson Agreements) of the Regulations.

4 15

5 The acts and/or omissions of CHI as alleged in Paragraph 14, above, constitute
6 grounds for discipline of all licenses and license rights of CHI pursuant to Section 10177(d) (Willful
7 Disregard/Violation of Real Estate Law) of the Code, or in the alternative Section 10177(g)
8 (Negligence/Incompetence in Performing Act Requiring License) of the Code. Including the
9 aforementioned grounds for discipline, the acts and/or omissions of CHI as alleged in Paragraph
10 14(c), above, constitute additional grounds for discipline of all licenses and license rights of CHI
11 pursuant to Sections 10176(a) (Making Substantial Misrepresentation), 10176(b) (Making False Promise
12 Likely to Induce), 10176(i) (Dishonest Dealing), and 10177(j) (Dishonest Dealing) of the Code.

13 16

14 The acts and/or omissions of CHI as alleged in Paragraph 14, above, entitle the
15 Department to reimbursement of the costs of its audit pursuant to Section 10148(b) (Reimbursement
16 for Cost of Audit for Trust Fund Handling Violation) of the Code.

17 SECOND CAUSE OF ACTION

18 Failure to Supervise

19 As Against LANGDON as Designated Officer Broker of CHI

20 17

21 Each and every allegation in Paragraphs 1 through 3, 5, 6, 8, and 10 through 16,
22 inclusive, above, is incorporated by this reference as if fully set forth herein.

23 18

24 LANGDON, as the designated officer broker of CHI, was required to exercise
25 reasonable supervision and control over the activities of CHI. LANGDON failed to exercise
26 reasonable supervision over the acts and/or omissions of CHI in such a manner as to allow the acts
27 and/or omissions as described in Paragraph 14, above, to occur, all in violation of Section 10159.2

1 (Reasonable Supervision by Designated Officer) of the Code, which constitutes cause for discipline of
2 all licenses and license rights of LANGDON under Section 10177(d) (Willful Disregard/Violation of
3 Real Estate Law) or in the alternative Section 10177(g) (Negligence/Incompetence in Performing Act
4 Requiring License) of the Code, and Section 10177(h) (Failure to Exercise Reasonable Supervision) of
5 the Code.

6 THIRD CAUSE OF ACTION
7 LANGDON Audit Violations

8 19

9 Each and every allegation in Paragraphs 3, 4, 7 and 9, inclusive, above, is
10 incorporated by this reference as if fully set forth herein.

11 20

12 Beginning on or about October 5, 2009, and continuing intermittently until
13 November 5, 2009, an audit was conducted at CHI's main office location at 104 West 10th Street,
14 Tracy, California, wherein the Auditor examined LANGDON's records for the period of January 1,
15 2007 through April 21, 2009 (hereinafter "the LANGDON audit period").

16 21

17 While acting as a real estate broker as described in Paragraph 9, above, and within
18 the LANGDON audit period, LANGDON accepted or received funds in trust (hereinafter "trust
19 funds") from or on behalf of sellers, buyers, borrowers, lenders, and others in connection with the
20 sale of residential property, as well as owners and tenants in connection with the leasing, renting,
21 and collection of rents on real property or improvements thereon, as alleged herein, and thereafter
22 from time to time made disbursements of said trust funds.

23 22

24 The trust funds accepted or received by LANGDON as described in Paragraph 21,
25 above, were deposited or caused to be deposited by LANGDON into two bank accounts maintained
26 by LANGDON for the handling of trust funds, and thereafter from time-to-time LANGDON made
27 disbursements of said trust funds, identified as follows:

TRUST ACCOUNT #1 (Same account as identified in Paragraph 13 above)	
Bank Name and Location:	Central Valley Community Bank, 60 West 10 th Street, Tracy, California 95376
Account No.:	1105816
Entitled:	"Corral Hollow Inc. Trustee Corral Hollow Property Management dba: Realty World / Jordan Property Management"
Signatories:	Susan M. Langdon (REB) and Jennifer West (RES)

BANK ACCOUNT #1	
Bank Name and Location:	Service 1 st Bank, 2800 W. March Lane, Suite # 120, Stockton, California 95219
Account No.:	1104223
Entitled:	"Jordan Property Management Corral Hollow Real Estate"
Signatories:	Susan M. Langdon (REB) and Jennifer West (RES)

23

In the course of the activities described in Paragraph 9, above, and within the LANGDON audit period, LANGDON:

(a) failed to designate Bank Account #1 as a trust fund account in the name of LANGDON, or in the name of LANGDON's designated fictitious names, as trustee, as required by Section 2832 of the Regulations and Section 10145 of the Code;

(b) failed to designate Trust Account #1 as a trust fund account in the name of LANGDON, or in the name of LANGDON's designated fictitious names, as trustee, as required by Section 2832 of the Regulations and Section 10145 of the Code;

(c) failed to perform the reconciliation of the sum of the separate beneficiary records to the records of all trust funds received and disbursed on at least a monthly basis for Bank Account #1, as required by Section 2831.2 of the Regulations;

1 (d) failed to retain for three years, both front and back copies of all cancelled
2 checks issued on Trust Account #1 and Bank Account #1, as required by Section 10148 of the
3 Code; and,

4 (e) failed to remit funds totaling approximately \$965.00 due to property owner
5 DEBBIE SAULO, as required by Section 10145 of the Code.

6 24

7 The acts and/or omissions of LANGDON, as alleged in Paragraph 23, above, are
8 grounds for discipline of all licenses and license rights of LANGDON pursuant to Section 10177(d)
9 (Willful Disregard/Violation of Real Estate Law) or in the alternative Section 10177(g)
10 (Negligence/Incompetence in Performing Act Requiring License) of the Code.

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12 The acts and/or omissions of LANGDON as alleged in Paragraph 23, above, entitle
13 the Department to reimbursement of the costs of its audit pursuant to Section 10148 (Reimbursement
14 for Cost of Audit for Trust Fund Handling Violation) of the Code.

15 FOURTH CAUSE OF ACTION

16 Failure to Supervise
17 As Against LANGDON

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19 Each and every allegation in Paragraphs 3, 4, 7, 9, and 19 through 25, inclusive,
20 above, is incorporated by this reference as if fully set forth herein.

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22 LANGDON was required to exercise reasonable supervision and control over the
23 activities of the employees, agents, and real estate licensees employed by or associated with
24 LANGDON for which a real estate license is required. LANGDON failed to exercise reasonable
25 supervision over the acts and/or omissions of the employees, agents, and real estate licensees
26 employed by or associated with LANGDON in such a manner as to allow the acts and/or omissions
27 as described in Paragraph 23, above, to occur, in violation of Section 2725 (Broker Supervision

1 Required) of the Regulations, which constitutes cause for discipline of all licenses and license rights
2 of LANGDON under Section 10177(d) (Willful Disregard/Violation of Real Estate Law) or in the
3 alternative Section 10177(g) (Negligence/Incompetence in Performing Act Requiring License) of the
4 Code, and Section 10177(h) (Failure to Exercise Reasonable Supervision) of the Code.

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

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14 TRICIA D. SOMMERS
15 Deputy Real Estate Commissioner
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17 Dated at Sacramento, California
18 this 3rd day of November, 2010.
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