



1. 1

2 All references to the "Code" are to the California Business and Professions Code  
3 and all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

4 **DRE LICENSE HISTORY**

5 **RESPONDENT AMERICAN MORTGAGE AND LOAN**

6 (AML)

7 2.

8 According to Department of Real Estate (DRE) records to date and publicly  
9 accessible online ([https://www2.dre.ca.gov/PublicASP/pplinfo.asp?License\\_id=02034533](https://www2.dre.ca.gov/PublicASP/pplinfo.asp?License_id=02034533)),  
10 AMERICAN MORTGAGE AND LOAN (AML) is presently licensed and/or has license rights  
11 under the Real Estate Law as a real estate corporation (broker) (REC), DRE license ID 02034533,  
12 expiring on May 18, 2025.

13 3.

14 According to DRE records to date and publicly accessible online at the  
15 aforementioned webpage, AML was originally licensed by the DRE on or about May 19, 2017; its  
16 mailing and main address of record on file with the DRE are the same: 10461 Guincho Place, San  
17 Diego, CA 92124 (Guincho address); and its license is presently associated with two (2) real estate  
18 salespersons (RES), JERRY HARRY GEORGES and JOHN H. GEORGES.

19 4.

20 According to DRE records to date and publicly accessible online at the  
21 aforementioned webpage, AML has no DBAs or branch offices.

22 5.

23 According to DRE records to date and publicly accessible online at the  
24 aforementioned webpage, the responsible broker/ designated officer of record (D.O.) for AML is

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1 STEVEN H. WILHELM, until his officer affiliation expiration date of May 18, 2025. According  
2 to DRE records, WILHELM has been the D.O. for AML since March 8, 2022.

3 6.

4 According to DRE records to date and publicly accessible online at the  
5 aforementioned webpage, AML's immediate past D.O. prior to WILHELM was Stephen H.  
6 Arnold (DRE license ID 01226224) until he passed away on February 2, 2022.

7 7.

8 **According to DRE records, AML had no D.O. between February 3, 2022 and**  
9 **March 7, 2022.**

10 8.

11 According to DRE records to date and publicly accessible online at the  
12 aforementioned webpage, AML's DRE license has no prior history of disciplinary action and is  
13 scheduled to expire on May 18, 2025, unless renewed. Upon license expiration and pursuant to  
14 Code Section 10201, AML will retain renewal rights, and pursuant to Code Section 10103, the  
15 DRE will retain jurisdiction.

16 **RESPONDENT STEVEN H. WILHELM**

17 **(WILHELM)**

18 9.

19 According to DRE records to date and publicly accessible online  
20 ([https://www2.dre.ca.gov/publicasp/pplinfo.asp?License\\_id=00657866](https://www2.dre.ca.gov/publicasp/pplinfo.asp?License_id=00657866)), STEVEN H.  
21 WILHELM (WILHELM) is presently licensed and/or has license rights under the Real Estate  
22 Law as a real estate broker (REB), DRE license ID 00657866, expiring on November 23, 2026.

23 10.

24 According to DRE records to date and publicly accessible online at the  
25 aforementioned webpage, WILHELM was originally licensed by the DRE as a REB on or about  
26

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1 November 22, 1978; his mailing and main address of record on file with the DRE are the same:  
2 1950 5<sup>th</sup> Ave., Ste. 100, San Diego, CA 92101; and his license is presently associated with one (1)  
3 REB associate, Jason Kenneth Owens (DRE license ID 02037436) and two (2) RES, Sean P.  
4 Sullivan (DRE license ID 02084505) and WenDee Kristen Sullivan (DRE license ID 02136817).

5 11.

6 According to DRE records to date and publicly accessible online at the  
7 aforementioned webpage, WILHELM has two (2) DBAs, ddsmatch (active as of March 11, 2019)  
8 and ddsmatch So Cal (active as of March 11, 2019). WILHELM has no branch offices.

9 12.

10 According to DRE records to date, WILHELM has been the D.O. for AML since  
11 March 8, 2022. According to DRE records to date and publicly accessible online at the  
12 aforementioned webpage, WILHELM is the D.O. for AML until his officer affiliation expiration  
13 date of May 18, 2025. In addition, WILHELM, is the D.O. for DDSMSC Inc. (DRE license ID  
14 02097410) until his officer affiliation expiration date of August 22, 2023.

15 13.

16 According to DRE records to date and publicly accessible online at the  
17 aforementioned webpage, WILHELM's DRE license has no prior history of disciplinary action  
18 and is scheduled to expire on November 23, 2026, unless renewed. Upon license expiration and  
19 pursuant to Code Section 10201, WILHELM will retain renewal rights, and pursuant to Code  
20 Section 10103, the DRE will retain jurisdiction.

21 ///

22 ///

23 ///



1 18.

2 According to DRE records to date and publicly accessible online at the  
3 aforementioned webpage, GEORGES1's DRE license has no prior history of disciplinary action  
4 and is scheduled to expire on April 12, 2024, unless renewed. Upon license expiration and  
5 pursuant to Code Section 10201, GEORGES1 will retain renewal rights, and pursuant to Code  
6 Section 10103, the DRE will retain jurisdiction.

7 **RESPONDENT JERRY HARRY GEORGES**

8 **(GEORGES2)**

9 19.

10  
11 According to DRE records to date and publicly accessible online  
12 ([https://www2.dre.ca.gov/PublicASP/pplinfo.asp?License\\_id=00899659](https://www2.dre.ca.gov/PublicASP/pplinfo.asp?License_id=00899659)), JERRY HARRY  
13 GEORGES (GEORGES2) is presently licensed and/or has license rights under the Real Estate  
14 Law as a RES, DRE license ID 00899659, expiring on August 10, 2025.

15 20.

16 According to DRE records to date and publicly accessible online at the  
17 aforementioned webpage, GEORGES2 was originally licensed by the DRE on or about October  
18 11, 1985; his mailing address of record on file with the DRE is 29833 Circinus Street, Murrieta,  
19 CA 92563; and his license is presently affiliated with AML as his responsible REB of record.  
20 According to DRE records to date, GEORGES2 [license] has been affiliated with AML since April  
21 8, 2022.

22 21.

23 According to DRE records to date, prior to his present affiliation with AML,  
24 GEORGES2's responsible REB of record history includes AML as his responsible REB of record  
25 from September 7, 2021 to February 1, 2022.

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1 25.

2 **GEORGES1**

3 (John Georges).

4 **GEORGES1'S RES HAD NO BROKER ASSOCIATION**

5 **FROM APRIL 8, 2020 TO MAY 20, 2021**

6 **According to DRE records to date, GEORGES1's RES was "licensed NBA"**  
7 **(No Broker Affiliation/non-working status) from April 8, 2020 to May 20, 2021.**

8 26.

9 **GEORGES1'S RES WAS ASSOCIATED WITH AML'S REB (REC) LICENSE**

10 **FROM MAY 21, 2021 TO FEBRUARY 27, 2022**

11 According to DRE records to date, GEORGES1's RES was affiliated with AML's  
12 license from May 21, 2021 to February 27, 2022.

13 27.

14 **GEORGES1'S RES WAS ASSOCIATED WITH WILHELM'S REB LICENSE**

15 **FROM FEBRUARY 28, 2022 TO MARCH 7, 2022**

16 According to DRE records to date, on February 28, 2022, WILHELM added  
17 GEORGES1's RES under his REB license, and GEORGES1's RES was affiliated with  
18 WILHELM's license from February 28, 2022 to March 7, 2022.

19 28.

20 **GEORGES1'S RES HAS BEEN ASSOCIATED WITH AML'S REB (REC) LICENSE**

21 **FROM MARCH 8, 2022 TO THE PRESENT**

22 According to DRE records to date, on March 8, 2022, upon WILHELM becoming  
23 D.O. of AML, WILHELM added GEORGES1's RES under AML's REB (REC) license, under  
24 which GEORGES1 presently remains affiliated.

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1 29.

2 **GEORGES2**

3 (Jerry Georges)

4 **GEORGES2'S RES WAS AFFILIATED WITH AML'S REB (REC) LICENSE**

5 **FROM SEPTEMBER 7, 2021 TO FEBRUARY 1, 2022**

6 According to DRE records to date, GEORGES2's RES was affiliated with AML's  
7 license from September 7, 2021 to February 1, 2022.

8 30.

9 **GEORGES2'S RES HAD NO BROKER AFFILIATION**

10 **FROM FEBRUARY 2, 2022 TO APRIL 7, 2022**

11 According to DRE records to date, GEORGES2's RES was "licensed NBA"  
12 (No Broker Affiliation/non-working status) from February 2, 2022 to April 7, 2022.

13 31.

14 **GEORGES2'S RES HAS BEEN AFFILIATED WITH AML'S REB (REC) LICENSE**

15 **FROM APRIL 8, 2022 TO THE PRESENT**

16 According to DRE records to date, on April 8, 2022, AML added GEORGES2's  
17 RES under AML's REB (REC) license, under which GEORGES2 presently remains affiliated.

18 32.

19 **WILHELM**

20 **AML'S CORPORATION LICENSE APPLICATION OF MARCH 8, 2022**

21 **LISTED WILHELM AS ITS VICE PRESIDENT OF OPERATIONS**

22 According to DRE records to date, on March 7, 2022, WILHELM signed and  
23 dated under penalty of perjury a Corporate License Application (DRE Form RE 201) for AML  
24 and attested that he is an official corporate officer, and that the answers and statements given in  
25 said Application were true and correct. In Section II of said Application, under "Broker-Officer

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1 Information,” WILHELM listed his corporate officer title as “Vice President, Operations.” Said  
2 Application was received by the DRE on or about March 8, 2022.

3 33.

4 **DRE BROKER OFFICE SURVEY OF AML, 2022-2023**

5 DRE Appointment Letter to AML

6 On or about September 8, 2022, the DRE’s San Diego Enforcement Office sent a  
7 letter of the same date to WILHELM via e-mail to request a telephone appointment to conduct a  
8 Remote Broker Office Survey. The appointment letter requested AML to furnish certain  
9 information and documents to the DRE by September 15, 2022.

10 34.

11 AML Response

12 On or about September 14, 2022, WILHELM responded to the DRE’s  
13 appointment letter. The information supplied by WILHELM includes, but is not limited, to the  
14 following:

- 15 A. WILHELM met GEORGES1 through professional connections one or two  
16 weeks prior to becoming the D.O. of AML, and GEORGES1 approached him  
17 to “assist with the officer/broker position.”
- 18 B. AML does not have written policies and procedures, but GEORGES1 “vets  
19 and monitors every real estate transaction in which the company is involved.”
- 20 C. WILHELM monitors GEORGES2’s involvement and all material  
21 transactional documents are deposited into his dropbox for review and  
22 critique.
- 23 D. AML has certain oral understandings/agreements and “vettings that occur  
24 through phone conferences.”

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E. Since WILHELM became the D.O., there have been one (1) new listing and six (6) sales transactions that have closed (including, but not limited to Back Bay Drive, Curzulla, and Inez Street).

F. AML has no trust account.

35.

WILHELM Interview

On or about February 2, 2023, the DRE’s San Diego Enforcement Office investigator conducted a telephone interview with WILHELM regarding, and as supplemental to, the Remote Broker Office Survey of AML, and in particular, regarding his supervision of AML. According to WILHELM, salespersons GEORGES1 and RES GEORGES2 do not have specific commission splits. WILHELM stated to the DRE that there is no written agreement that authorizes RES to sign commission instructions in the stead of the REB; WILHELM also stated that AML’s commission instructions have been signed by RES.

36.

Independent Contractor Employment Agreements Dated March 8, 2022

According to the Independent Contractor Employment Agreements For Sales Agents and Broker-Associates (ICEA) supplied by WILHELM to the DRE on or about September 14, 2022:

- A. GEORGES1 and AML signed and dated an ICEA on March 8, 2022, and
- B. GEORGES2 and AML signed and dated an ICEA on March 8, 2022.

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1 37.

2 AML's Transaction Files

3 In response to the DRE's San Diego Enforcement Office's request for three (3) of  
4 AML's closed transactions since WILHELM became the D.O., WILHELM provided the closed  
5 transaction files for three (3) transactions:

- 6 A. 27085 Back Bay Drive, Menifee, CA 92585 (Back Bay);
- 7 B. 0 Curzilla, Menifee, CA 92582 (Curzilla); and
- 8 C. 360 S. Inez Street, Hemet, CA 92543 (Inez).

9 38.

10 **(GEORGES2)**

11 GEORGES2 participated in real estate activities while his RES was in No Broker  
12 Affiliation/non-working status [from February 2, 2022 to April 7, 2022].

13 39.

14 **Back Bay Drive Transaction**

15 **Residential Listing Agreement**

16 According to the closed transaction file for the real property located at 27085 Back  
17 Bay Drive, Menifee, CA 92585 (Back Bay), GEORGES2 prepared and signed a Residential  
18 Listing Agreement (RLA) dated March 16, 2022 on behalf of AML [while GEORGES2 was in No  
19 Broker Affiliation/non-working status from February 2, 2022 to April 7, 2022].

20 40.

21 **Residential Purchase Agreement**

22 According to the closed transaction file for Back Bay, a Residential Purchase  
23 Agreement (RPA) dated March 22, 2022 and submitted by buyers Gabriel and Claudia R. was  
24 accepted by GEORGES2 on behalf of AML on March 24, 2022 [while GEORGES2 was in No  
25 Broker Affiliation/non-working status from February 2, 2022 to April 7, 2022]. The buyers' offer

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1 was accepted and escrow closed on April 25, 2022.

2 41.

3 Commission Instructions

4 According to the closed transaction file for Back Bay, GEORGES2 signed the  
5 Commission Instructions dated March 29, 2022 on behalf of AML to pay AML the amount of  
6 \$8,850.00 [while GEORGES2 was in No Broker Affiliation/non-working status from February 2,  
7 2022 to April 7, 2022].

8 42.

9 Commission Payment to AML

10 According to the closed transaction file for Back Bay, escrow made a wire transfer  
11 in the amount of \$8,850.00 to AML on April 25, 2022.

12 43.

13 AML Commission Payment to GEORGES2

14 According to the closed transaction file for Back Bay, AML issued Check No. 313  
15 dated April 26, 2022 to GEORGES2 in the amount of \$3,271.88.

16 44.

17 Inez Transaction

18 Residential Purchase Agreement

19 According to the closed transaction file for the real property located at 360 S. Inez  
20 Street, Hemet, CA (Inez), GEORGES2, on behalf of AML, prepared a RPA dated February 15,  
21 2022 for buyer Hellas Properties, LLC [while GEORGES2 was in No Broker Affiliation/non-  
22 working status from February 2, 2022 to April 7, 2022]. The buyer's offer was accepted and  
23 escrow closed on March 18, 2022.

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25 ///

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1 45.

2 Disclosure Statements

3 According to the closed transaction file for Inez, GEORGES2 failed to complete  
4 the Agent Visual Inspection Disclosure (AVID) during the transaction. Additionally,  
5 GEORGES2 signed the Transfer Disclosure Statement (TDS) on March 5, 2022 [while  
6 GEORGES2 was in No Broker Affiliation/non-working status from February 2, 2022 to April 7,  
7 2022] and the buyer did not sign the TDS until close of escrow.

8 46.

9 Commission Payment to AML

10 According to the closed transaction file for Inez, escrow issued Check No. 63157  
11 dated March 21, 2022 to AML in the amount of \$7,497.00.

12 47.

13 AML Commission Payment to GEORGES2

14 According to the closed transaction file for Inez, AML issued Check No. 305 dated  
15 March 25, 2022 to GEORGES2 in the amount of \$5,529.00.

16 48.

17 **(GEORGES1)**

18 Curzulla Transaction

19 Vacant Land Purchase Agreement

20 According to the closed transaction file for the real property located at 0 Curzulla  
21 Road, Menifee, CA 92585 (Curzilla), GEORGES1, on behalf of AML, prepared a Vacant Land  
22 Purchase Agreement (VLPA) dated January 21, 2022 and submitted said VLPA on behalf of  
23 buyers Eric and Gail C. on the same date. (GEORGES1 was affiliated with AML from May 21,  
24 2021 to February 27, 2022 and with WILHELM's REB license from February 28, 2022 to March  
25 7, 2022.) The buyers' offer was accepted and escrow closed on March 30, 2022. Between the

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1 time of the VLPA and the close of escrow, GEORGES1's affiliations went from AML to  
2 WILHELM, and back to AML.)

3 49.

4 Revised Commission Instructions

5 (GEORGES1 has been affiliated with AML's license beginning on March 8, 2022,  
6 up to and including the present.) According to the closed transaction file for Curzulla, GEORGES1  
7 signed the Revised Commission Instructions dated March 28, 2022 on behalf of AML to pay AML  
8 the amount of \$5,325.00.

9 50.

10 Additional AML Transaction Files

11 In response to the DRE's San Diego Enforcement Office's request for additional  
12 transactions closed by AML since WILHELM became the D.O., WILHELM provided the closed  
13 transaction files for the following (3) transactions:

- 14 A. 3146-3194 Midway Drive, San Diego, CA 92110 (Midway);
- 15 B. 72766 Rancho Grande Drive, Palm Desert, CA 92260 (Rancho Grande); and
- 16 C. 20808 Thyme Way, Jamul, CA 91935 (Thyme).

17 The DRE also received the escrow files for said Midway, Rancho Grande and Thyme transactions  
18 from Corinthian Title Company.

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23 ///

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1 51.

2 **(GEORGES1)**

3 GEORGES1 participated in real estate activities while his RES was in No Broker  
4 Affiliation/non-working status [from April 8, 2020 and May 21, 2021].

5 52.

6 **Midway Drive Transaction**

7 **Non-Residential Purchase Agreement**

8 According to the escrow file for the real property located at 3146-3194 Midway  
9 Drive, San Diego, CA 92110 (Midway), GEORGES1, on behalf of AML, prepared and signed a  
10 Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate (Non-Residential)  
11 (NRPA) dated January 14, 2022 on behalf of the buyer [while GEORGES1 was affiliated with  
12 AML].

13 53.

14 **Commission Instructions**

15 According to the escrow file for Midway, the buyer's offer was accepted and  
16 GEORGES1 signed the Commission Instructions dated February 3, 2022 on behalf of AML to pay  
17 AML the amount of \$230,000.00 [while GEORGES1 was affiliated with AML].

18 54.

19 **Commission Payment to AML**

20 (Between February 28, 2022 and March 7, 2022, GEORGES1 was affiliated with  
21 WILHELM.) According to the escrow file for Midway, escrow closed on April 28, 2022.  
22 According to the Seller's Final Closing Statement, a \$230,000.00 disbursement was made on April  
23 28, 2022 to "Selling Agent Commission to American Mortgage & Loan." According to the  
24 Outgoing Wire Request Form, escrow authorized and made a wire transfer in the amount of  
25 \$230,00.00 to AML on April 29, 2022.

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1 55.

2 **Rancho Grande Transaction**

3 **Residential Purchase Agreement**

4 According to the escrow file for the real property located at 72766 Rancho Grande  
5 Dr., Palm Desert, CA 92260-2720 (Rancho Grande), a Residential Purchase Agreement (RPA)  
6 dated July 16, 2022 and submitted by buyer Jesus A. was submitted to GEORGES1 [while  
7 GEORGES1 was affiliated with AML], who signed and accepted the offer on the same day at age  
8 15 of the RPA. At page 16 of the Rancho Grande RPA, GEORGES2 signed on behalf of AML on  
9 July 15, 2022 [while GEORGES2 was affiliated with AML]. Escrow closed on August 11, 2022.

10 56.

11 **Commission Instructions**

12 According to the escrow file for Rancho Grande, the buyer's offer was accepted  
13 and GEORGES2 signed the Commission Instructions dated July 19, 2022 on behalf of AML to  
14 pay AML the amount of \$10,625.00 [while GEORGES2's license was affiliated with AML].

15 57.

16 **Commission Payment to AML**

17 According to the escrow file for Midway, escrow closed on August 11, 2022.  
18 According to the Seller's Final Closing Statement, a \$10,625.00 disbursement was made on  
19 August 11, 2022 to "Listing Agent Commission to American Mortgage & Loan." According to  
20 the Outgoing Wire Request Form, escrow authorized and made a wire transfer in the amount of  
21 \$10,625.00 to AML on August 12, 2022.

22 58.

23 According to WILHELM's interview the DRE, the RES signed commissioner  
24 instructions, but commission checks were paid to AML. However, according to WILHELM, only  
25 GEORGES1 had access to commission checks and it was GEORGES1 that issued commission

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1 payments to WILHELM in an amount that is ten percent (10%) of the commission, and to  
2 GEORGES 2, who, along with GEORGES1, collects the remaining commission.

3 **APPLICABLE SECTIONS OF THE REAL ESTATE LAW**

4 59.

5 **License Required**

6 **(Code Sections 10130 and 10131)**

7 Pursuant to Code Section 10130 *License Required*:

8 “It is unlawful for any person to engage in the business of, act in the capacity of,  
9 advertise as, or assume to act as a real estate broker or a real estate salesperson within this state  
10 without first obtaining a real estate license from the department, or to engage in the business of,  
11 act in the capacity of, advertise as, or assume to act as a mortgage loan originator within this  
12 state without having obtained a license endorsement. The commissioner may prefer a complaint  
13 for violation of this section before any court of competent jurisdiction, and the commissioner and  
14 his or her counsel, deputies, or assistants, may assist in presenting the law or facts at the  
15 trial. *Prosecution of Violations*: It is the duty of the district attorney of each county in this state  
16 to prosecute all violations of this section in their respective counties in which the violations  
17 occur.”

18 60.

19 Pursuant to Code Section 10131 *Broker Defined*:

20 “A real estate broker within this meaning of this part is a person who, for a  
21 compensation or in expectation of a compensation, regardless of the form or time of payment,  
22 does or negotiates to do one or more of the following acts for another or others:

23 (a) Sells or offers to sell, buys or offers to buy, solicits prospective sellers or  
24 purchasers of, solicits or obtains listings of, or negotiates the purchase, sale or  
25 exchange of real property or a business opportunity.

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1 (b) Leases or rents or offers to lease or rent, or places for rent, or solicits listings  
2 of places for rent, or solicits for prospective tenants, or negotiates the sale,  
3 purchase or exchanges of leases of real property, or on a business opportunity, or  
4 collects rents from real property, or improvements thereon, or from business  
5 opportunities.

6 (c) Assists or offers to assist in filing an application for the purchase or lease of,  
7 or in locating or entering upon, lands owned by the state or federal government.

8 (d) Solicits borrowers or lenders for or negotiates loans or collects payments or  
9 performs services for borrowers or lenders or note owners in connection with  
10 loans secured directly or collaterally by liens on real property or on a business  
11 opportunity.

12 (e) Sells or offers to sell, buys or offers to buy, or exchanges or offers to exchange  
13 a real property sales contract, or a promissory note secured directly or collaterally  
14 by a lien on real property or on a business opportunity, and performs services for  
15 the holders thereof.”

16 61.

17 **Unlawful Employment or Payment of Compensation – Penalty**

18 **(Code Section 10137)**

19 Pursuant to Code Section 10137 *Unlawful Employment or Payment of*  
20 *Compensation – Penalty:*

21 “It is unlawful for any licensed real estate broker to employ or compensate,  
22 directly or indirectly, any person for performing any of the acts within the scope of this chapter  
23 who is not a license real estate broker, or a real estate salesperson licensed under the broker  
24 employing or compensating him or her, or to employ or compensate, directly or indirectly, any  
25 licensee for engaging in any activity for which a mortgage loan originator license endorsement is

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1 required, if that licensee does not hold a mortgage loan originator license endorsement; provided,  
2 however, that a licensed real estate broker may pay a commission to a broker of another state.  
3 No real estate salesperson shall be employed by or accept compensation for activity requiring a  
4 real estate license from any person other than the broker under whom he or she is at the time  
5 licensed. It is unlawful for any licensed real estate salesperson to pay any compensation for  
6 performing any of the acts within the scope of this chapter to any real estate licensee except  
7 through the broker under whom he or she is at the time licensed. For a violation of any of the  
8 provisions of this section, the commissioner may temporarily suspend or permanently revoke the  
9 license of the real estate licensee, in accordance with the provisions of this part relating to  
10 hearings.”

11 62.

12 **Penalties for Unlicensed Person**

13 **(Code Section 10139)**

14 Pursuant to Code Section 10139 *Penalties for Unlicensed Person*:

15 “Any person acting as a real estate broker, real estate salesperson, or mortgage  
16 loan originator without a license or license endorsement, or who advertises using words  
17 indicating that he or she is a real estate broker, real estate salesperson, or mortgage loan  
18 originator without being so licensed or without having obtained a license endorsement, shall be  
19 guilty of a public offense punishable by a fine not exceeding twenty thousand dollars (\$20,000),  
20 or by imprisonment in the county jail for a term not to exceed six months, or by both fine and  
21 imprisonment; or if a corporation, be punished by a fine not exceeding sixty thousand dollars  
22 (\$60,000). If a Real Estate Fraud Prosecution Trust Fund, as described in Section 27388 of the  
23 Government Code, exists in the county where a person or corporation is convicted, any fine  
24 collected from the person in excess of ten thousand dollars (\$10,000) or any fine collected from  
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1 the corporation in excess of fifty thousand dollars (\$50,000) shall be deposited in that Real Estate  
2 Fraud Prosecution Trust Fund.”

3 63.

4 **Broker-Salesman Relationship Agreements**

5 **(Regulation 2726)**

6 Pursuant to Regulation 2726 *Broker-Salesman Relationship Agreements*:

7 “Every real estate broker shall have a written agreement with each of his  
8 salesmen, whether licensed as a salesman or as a broker under a broker-salesman agreement.  
9 The agreement shall be dated and signed by the parties and shall cover material aspects of the  
10 relationship between the parties, including supervision of licensed activities, duties and  
11 compensation.”

12 64.

13 **Broker Officers**

14 **(Regulation 2740)**

15 Pursuant to Regulation 2740 *Broker Officers*:

16 “No acts for which a real estate license is required may be performed for, or in  
17 the name of, a corporation when there is no officer of the corporation licensed under Section  
18 10158 or 10211.”

19 65.

20 **Corporation License – Additional Licenses**

21 **(Code Section 10158)**

22 Pursuant to Code Section 10158 *Corporation License – Additional Licensees*:

23 “When a real estate license is issued to a corporation, if it desires any of its  
24 officers other than the officer designated by it pursuant to Section 10211, to act under its license  
25 as a real estate broker, it shall procure an additional license to retain each of those additional  
26

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1 officers. In the event of death or incapacity of a sole designated broker-officer, a corporation  
2 may operate as a licensee without interruption under its existing license if notice of the death or  
3 incapacity and an application for a new designated officer is filed with the department before  
4 midnight of the 10th business day after the event.”

5 66.

6 **Corporation License – Fee for Additional Officer(s)**

7 **(Code Section 10211)**

8 Pursuant to Code Section 10211 *Corporation License – Fee for Additional*  
9 *Officer(s)*:

10 “If the licensee is a corporation, the license issued to it entitles one officer thereof,  
11 on behalf of the corporation, to engage in the business of real estate broker without the payment  
12 of any further fee, such officer to be designated in the application of the corporation for a license.  
13 For each officer other than the officer so designated, through whom it engages in the business of  
14 real estate broker, the appropriate original or renewal fee is to be paid in addition to the fee paid  
15 by the corporation.”

16 67.

17 **Broker Supervision**

18 **(Code Section 10159.2 and Regulation 2725)**

19 Pursuant to Code Section 10159.2 *Responsibility of Corporate Officer in Charge*:

20 “(a) The officer designated by a corporate broker licensee pursuant to Section  
21 10211 shall be responsible for the supervision and control of the activities conducted on behalf  
22 of the corporation by its officers and employees as necessary to secure full compliance with the  
23 provisions of this division, including the supervision of salespersons licensed to the corporation  
24 in the performance of acts for which a real estate license is required.

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1 (b) A corporate broker licensee that has procured additional licenses in  
2 accordance with Section 10158 through officers other than the officer designated pursuant to  
3 Section 10211 may, by appropriate resolution of its board of directors, assign supervisory  
4 responsibility over salespersons licensed to the corporation to its broker-officers.

5 (c) A certified copy of any resolution of the board of directors assigning  
6 supervisory responsibility over real estate salespersons licensed to the corporation shall be filed  
7 with the Real Estate Commissioner within five days after the adoption or modification thereof.”

8 68.

9 Pursuant to Regulation 2725 *Broker Supervision*:

10 “A broker shall exercise reasonable supervision over the activities of his or her  
11 salespersons. Reasonable supervision includes, as appropriate, the establishment of policies,  
12 rules, procedures and systems to review, oversee, inspect and manage:

13 (a) Transactions requiring a real estate license.

14 (b) Documents which may have a material effect upon the rights or  
15 obligations of a party to the transaction.

16 (c) Filing, storage and maintenance of such documents.

17 (d) The handling of trust funds.

18 (e) Advertising of any service for which a license is required.

19 (f) Familiarizing salespersons with the requirements of federal and state laws  
20 relating to the prohibition of discrimination.

21 (g) Regular and consistent reports of licensed activities of salespersons.

22 The form and extent of such policies, rules, procedures and systems shall take into consideration  
23 the number of salespersons employed and the number and location of branch offices. A broker  
24 shall establish a system for monitoring compliance with such policies, rules, procedures and  
25 systems. A broker may use the services of brokers and salespersons to assist in administering the

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1 provisions of this section so long as the broker does not relinquish overall responsibility for  
2 supervision of the acts of salespersons licensed to the broker.”

3 69.

4 **Real Estate Transfer Disclosure Statement Violations**

5 **(Code Section 10176.5)**

6 Pursuant to Code Section 10176.5 *Real Estate Transfer Disclosure Statement*

7 *Violations:*

8 “(a) The commissioner may, upon his or her own motion, and shall upon  
9 receiving a verified complaint in writing from any person, investigate an alleged violation of  
10 Article 1.5 (commencing with Section 1102) of Chapter 2 of Title 4 of Part 4 of Division 2 of the  
11 Civil Code by any real estate licensee within this state. The commissioner may suspend or  
12 revoke a licensee’s license if the licensee acting under the license has willfully or repeatedly  
13 violated any of the provisions of Article 1.5 (commencing with Section 1102) of Chapter 2 of  
14 Title 4 of Part 4 of Division 2 of the Civil Code.

15 (b) Notwithstanding any other provision of Article 1.5 (commencing with Section  
16 1102) of Chapter 2 of Title 4 of Part 4 of Division 2 of the Civil Code, and in lieu of any other  
17 civil remedy, subdivision (a) of this section is the only remedy available for violations of Section  
18 1102.6b of the Civil Code by any real estate licensee within this state.

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**Further Grounds for Disciplinary Action**

**(Code Section 10177 (selected portions))**

Pursuant to Code Section 10177 *Further Grounds for Disciplinary Action*

(selected portions):

“The commissioner may suspend or revoke the license of a real estate licensee, delay the renewal of a license of a real estate licensee, or deny the issuance of a license to an applicant, who has done any of the following:

...

(d) Willfully disregarded or violated the Real Estate Law (Part 1 (commencing with Section 10000)) or Chapter 1 (commencing with Section 11000) of Part 2 or the rules and regulations of the commissioner for the administration and enforcement of the Real Estate Law and Chapter 1 (commencing with Section 11000) of Part 2.

...

(g) Demonstrated negligence or incompetence in performing an act for which the officer, director, or person is required to hold a license.

(h) As a broker licensee, failed to exercise reasonable supervision over the activities of that licensee’s salespersons, or, as the officer designated by a corporate broker licensee, failed to exercise reasonable supervision and control of the activities of the corporation for which a real estate license is required...”

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1 LOAN, STEVEN H. WILHELM, JOHN H. GEORGES, and JERRY HARRY GEORGE under  
2 the Real Estate Law.

3 74.

4 **THIRD CAUSE FOR DISCIPLINE: AML, WILHELM, GEORGES1 & GEORGES2**

5 **Code Sections 10137 and 10139**

6 In the course of the activities described above, and based on the facts discovered  
7 by the Department, as described above, the acts and/or omissions of Respondents **AMERICAN**  
8 **MORTGAGE AND LOAN, STEVEN H. WILHELM, JOHN H. GEORGES, and JERRY**  
9 **HARRY GEORGES** are in violation of **Code Section 10137** and pursuant to **Code Section**  
10 **10177(d) and/or 10177(g)**, constitutes cause for the suspension or revocation of all licenses,  
11 license rights and license endorsements of Respondents **AMERICAN MORTGAGE AND**  
12 **LOAN, STEVEN H. WILHELM, JOHN H. GEORGES, and JERRY HARRY GEORGE** under  
13 the Real Estate Law. Additionally, Respondents **JOHN H. GEORGES, and JERRY HARRY**  
14 **GEORGES** are subject to penalties pursuant to **Code Section 10139**, for their respective  
15 violations of Code Section 10137.

16 75.

17 **FOURTH CAUSE FOR DISCIPLINE: AML & WILHELM**

18 **Code Section 10176.5**

19 In the course of the activities described above, and based on the facts discovered  
20 by the Department, as described above, the acts and/or omissions of Respondents **AMERICAN**  
21 **MORTGAGE AND LOAN** and **STEVEN H. WILHELM** are in violation of **Code Section**  
22 **10176.5** and pursuant to **Code Section 10177(d) and/or 10177(g)**, constitutes cause for the  
23 suspension or revocation of all licenses, license rights and license endorsements of Respondents  
24 **AMERICAN MORTGAGE AND LOAN** and **STEVEN H. WILHELM** under the Real Estate  
25 Law.

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1 76.

2 **FIFTH CAUSE FOR DISCIPLINE: AML & WILHELM**

3 **Regulation 2726**

4 In the course of the activities described above, and based on the facts discovered  
5 by the Department, as described above, the acts and/or omissions of Respondents **AMERICAN**  
6 **MORTGAGE AND LOAN** and **STEVEN H. WILHELM** are in violation of **Regulation 2726**  
7 and pursuant to **Code Section 10177(d) and/or 10177(g)**, constitutes cause for the suspension or  
8 revocation of all licenses, license rights and license endorsements of Respondents **AMERICAN**  
9 **MORTGAGE AND LOAN** and **STEVEN H. WILHELM** under the Real Estate Law.

10 77.

11 **SIXTH CAUSE FOR DISCIPLINE: AML & WILHELM**

12 **Regulation 2740**

13 In the course of the activities described above, and based on the facts discovered  
14 by the Department, as described above, the acts and/or omissions of Respondents **AMERICAN**  
15 **MORTGAGE AND LOAN** and **STEVEN H. WILHELM** are in violation of **Regulation 2740**  
16 and pursuant to **Code Section 10177(d) and/or 10177(g)**, constitutes cause for the suspension or  
17 revocation of all licenses, license rights and license endorsements of Respondents **AMERICAN**  
18 **MORTGAGE AND LOAN** and **STEVEN H. WILHELM** under the Real Estate Law.

19 78.

20 **SEVENTH CAUSE FOR DISCIPLINE: WILHELM**

21 **Code Section 10159.2 and Regulation 2725, Code Section 10177(h)**

22 In the course of the activities described above, and based on the facts discovered  
23 by the Department, as described above, the acts and/or omissions of Respondent **STEVEN H.**  
24 **WILHELM** are in violation of **Code Section 10159.2 and Regulation 2740** and pursuant to  
25 **Code Section 10177(h)**, constitutes cause for the suspension or revocation of all licenses, license

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1 rights and license endorsements of Respondent STEVEN H. WILHELM under the Real Estate  
2 Law.

3 **COSTS**

4 79.

5 **Code Section 10106** provides, in pertinent part that in any order issued in  
6 resolution of a disciplinary proceeding before the Department, the Commissioner may request  
7 the administrative law judge to direct a licensee found to have committed a violation of this part  
8 to pay a sum not to exceed the reasonable costs of investigation and enforcement of the case.

9 WHEREFORE, Complainant prays that a hearing be conducted on the allegations  
10 of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary  
11 action against all the licenses, license rights, and license endorsements of Respondents  
12 **AMERICAN MORTGAGE AND LOAN, STEVEN H. WILHELM, JOHN H. GEORGES,**  
13 **and JERRY HARRY GEORGES** under the Real Estate Law (Part 1 of Division 4 of the  
14 Business and Professions Code), and for such other and further relief as may be proper under  
15 other applicable provisions of law.

16 Dated at San Diego, California  
17 this 28 day of September 2023.

18  
19 *Veronica Kilpatrick*  
20 \_\_\_\_\_  
21 Veronica Kilpatrick  
Supervising Special Investigator

22 cc: American Mortgage and Loan  
23 Steven H. Wilhelm  
24 John H. Georges  
25 Jerry Harry Georges  
26 V. Kilpatrick  
27 Sacto.

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