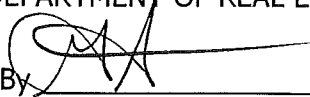


FILED

August 1, 2012

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6
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DEPARTMENT OF REAL ESTATE
By 

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)
12 LEGACY MORTGAGE AND REAL ESTATE,) NO. H-5854 SAC
13 INC. and ALI HASHEMI,)
14 Respondents.) ACCUSATION
15 _____)

16 The Complainant, TRICIA D. SOMMERS, a Deputy Real Estate Commissioner
17 of the State of California for cause of Accusation against LEGACY MORTGAGE AND REAL
18 ESTATE INC. (LMRE), and ALI HASHEMI (HASHEMI) (Collectively referred to as
19 RESPONDENTS), is informed and alleges as follows:

20 1

21 The Complainant makes this Accusation in her official capacity.

22 2

23 LMRE is presently licensed and/or has license rights under the Real Estate Law,
24 Part I of Division 4 of the California Business and Professions Code (the Code), as a corporate
25 real estate broker.

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HASHEMI is presently licensed and/or has license rights under the Code as a real estate broker.

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At all times herein mentioned, HASHEMI was licensed by the Department as the designated broker/officer of LMRE. As the designated broker/officer, HASHEMI was responsible, pursuant to Section 10159.2 of the Code, for the supervision of the activities of the officers, agents, real estate licensees and employees of LMRE for which a real estate license is required.

5

At all times herein mentioned, LMRE 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(a) of the Code, including the operation and conduct of a residential resale brokerage wherein LMRE bought, sold, or offered to buy or sell, solicited or obtained listings of, and negotiated the purchase, sale or exchange of real property or business opportunities, all for or in expectation of compensation.

FIRST CAUSE OF ACTION

6

On or about February 17, 2010, RESPONDENTS acquired certain real property known as 7032 Lincoln Avenue, Carmichael, California (Lincoln Property) through a trustee's sale.

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On or about April 19, 2012, an inspection of the Lincoln Property which was ordered by RESPONDENTS, was conducted by Hydrex Pest Control of Sacramento which revealed evidence of termite infestation and fungal dry rot.

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On or about July 20, 2010, RESPONDENTS accepted an offer from James G. for the Lincoln Property which did not result in a sale. RESPONDENTS failed to provide prospective buyer's real estate salesperson a copy of the Hydrex Pest Control Report and also failed to disclose the damage discovered by said report on any of the Real Estate Documents.

9

On or about July 30, 2010, James G.'s real estate salesperson ordered a pest inspection from Advanced Integrated Pest Management and a home inspection from LRS Home Services on July 21, 2010. Both reports were provided to RESPONDENTS.

10

On or about September 28, 2010, RESPONDENTS accepted an offer from Jennie M for the Lincoln Property. Jenny M was represented by Jennifer Hinkley, a real estate salesperson.

11

RESPONDENTS failed to disclose to Jeannie M. or her agent the fact that there were two previous Termite Inspections, a Home Inspection and the finding of said reports in any of the disclosure documents and failed to provide a copy of any of the three reports. Those reports disclosed findings of termite infestation and dry rot.

12

After the close of Escrow, Jenny M. discovered significant defects to the property for which it was estimated the repairs would cost \$71,400.00.

13

The representations made by RESPONDENTS to Jenny M. were false, and RESPONDENTS knew that they were false when those representations were made. The true facts were that there was at least one pest control report which disclosed the adverse condition of the property dated April 2012, and after July 30, 2010, there were two pest control reports and a home inspection report which revealed significant termite infestation and fungal dry rot

1 and that RESPONDENTS made these material omissions of reports of and of damage to the
2 Lincoln Property to fraudulently induce Jenny M. to purchase the Lincoln Property.

3 14

4 The facts alleged above are violations of Sections 10176(a) (Substantial
5 Misrepresentation), 10176(b) (False Promises to Influence, Persuade or Induce), 10176(c)
6 (Continued/Flagrant Course of Misrepresentation), 10176(i) (Other Conduct Involving Fraud or
7 Dishonest Dealing) and are grounds for the suspension or revocation of the licenses and license
8 rights of LMRE and HASHEMI under Sections 10176(a), 10176(c), 10176 (c), 10176(i),
9 10177(d) (Willful Disregard/Violation of Real Estate Law), 10177(g) (Negligence/Incompetence
10 Real Estate Licensee) or 10177(j) (Conduct Constitutes Fraud/Dishonest Dealing) of the Code.

11 SECOND CAUSE OF ACTION

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13 Complainant refers to Paragraphs 1 through 14, above, and incorporates the same
14 herein, by reference.

15 16

16 At all times herein above mentioned, HASHEMI, was responsible as the
17 supervising broker for LMRE, for the supervision and control of the activities conducted on
18 behalf of LMRE'S business by its employees. HASHEMI failed to exercise reasonable
19 supervision and control over the property management activities of LMRE. In particular,
20 HASHEMI permitted, ratified and/or caused the conduct described above, to occur, and failed to
21 take reasonable steps, including but not limited to handling of trust funds, supervision of
22 employees, and the implementation of policies, rules, and systems to ensure the compliance of
23 the business with the Real Estate Law and the Regulations.

24 17

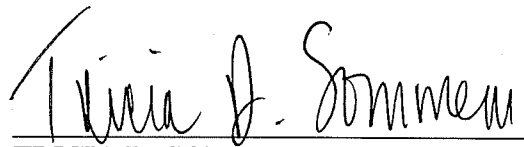
25 The above acts and/or omission of HESHEMI violate Section 10159.2
26 (Responsibility/Directing Officer) of the Code and Section 2725 (Broker Supervision) of the
27 Regulations and constituted grounds for disciplinary action under the provisions of Section

1 10177(d) (Willful Disregard/Violation of Real Estate Law) and (h) (Broker Supervision) of the
2 Code.

3 18

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

8 WHEREFORE, Complainant prays that a hearing be conducted on the allegations
9 of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary
10 action against all licenses and license rights of Respondents under the Code, and for such other
11 and further relief as may be proper under other provisions of law.

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13 

14 TRICIA D. SOMMERS
15 Deputy Real Estate Commissioner

16 Dated at Sacramento, California,
17 this 30th day of July, 2012.