

File

1 JASON D. LAZARK, Counsel (SBN 263714)  
2 Department of Real Estate  
3 P. O. Box 187007  
4 Sacramento, CA 95818-7007

5 Telephone: (916) 227-0789  
6 (916) 227-0822 (Direct)

**FILED**  
MAR 19 2013  
DEPARTMENT OF REAL ESTATE  
By *[Signature]*

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

10 \* \* \*

11 In the Matter of the Accusation of )  
12 ) NO. H-5974 SAC  
13 RATTU INVESTMENTS CORP., )  
14 SAZIA INVESTMENTS CORP., )  
15 RODDY WONG and JAGEET SINGH, )  
16 Respondents. )  
17 )  
18 )  
19 )  
20 )  
21 )  
22 )  
23 )  
24 )  
25 )  
26 )  
27 )

17 The Complainant, TRICIA D. SOMMERS, acting in her official capacity as a  
18 Deputy Real Estate Commissioner of the State of California, for cause of Accusation against  
19 Respondents RATTU INVESTMENTS CORP. ("RATTU"), SAZIA INVESTMENTS CORP.  
20 ("SAZIA"), RODDY WONG ("WONG"), and JAGEET SINGH ("SINGH") (collectively  
21 referred to as "Respondents"), is informed and alleges as follows:

22 1.

23 RATTU is presently licensed by the Department of Real Estate ("the  
24 Department") and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the  
25 Business and Professions Code) ("the Code") as a corporate real estate broker, and at all times  
26 relevant herein was acting by and through WONG as the designated broker officer. RATTU's

27 ///

1 corporate license with the California Secretary of State has been suspended since April 1, 2011.  
2 Furthermore, RATTU's license with the Department has been expired since May 16, 2011.

3 2.

4 SAZIA is presently licensed by the Department and/or has license rights under  
5 the Code as a corporate real estate broker, and at all times relevant herein was acting by and  
6 through WONG as the designated broker officer.

7 3.

8 At all times mentioned herein, SAZIA had the following fictitious business  
9 names registered with the Department: "ARS Realty", "American Real Estate Services" and  
10 "Pacific Lending Group."

11 4.

12 WONG is presently licensed and/or had license rights under the Code as an  
13 individual real estate broker and, at all relevant times, was the designated broker officer of  
14 RATTU and SAZIA and in that capacity was responsible, pursuant to Section 10159.2 of the  
15 Code, for the supervision of the activities of the officers, agents, real estate licensees and  
16 employees of RATTU and SAZIA for which a real estate licenses are required. WONG also  
17 holds an active individual mortgage loan originator license endorsement with the Department.

18 5.

19 At all times mentioned herein, WONG had the following fictitious business  
20 names registered with the Department: "Midtown Realty Group", "Capital Realty Group",  
21 "American Diversified Investments" and "Amcap Financial Co."

22 6.

23 On or about August 10, 2011, SINGH became licensed and/or acquired license  
24 rights under the Code as a real estate salesperson. From the time that SINGH became licensed,  
25 WONG has been SINGH's responsible employing broker.

26 ///

27 ///

1 7.

2 Whenever reference is made in an allegation in this Accusation to an act or  
3 omission of RATTU and/or SAZIA, such allegation shall be deemed to mean that the officers,  
4 directors, employees, agents and real estate licensees employed by or associated with RATTU  
5 and/or SAZIA committed such act or omission while engaged in furtherance of the business or  
6 operations of RATTU and/or SAZIA and while acting within the course and scope of their  
7 authority and employment.

8 8.

9 At all times mentioned herein, Respondents engaged in the business of, acted in  
10 the capacity of, advertised, or assumed to act as a real estate licensee, in the State of California,  
11 within the meaning of:

12 Section 10131(a) of the Code, including the operation and conduct of a real estate  
13 resale brokerage with the public, wherein, on behalf of others, for compensation or in expectation  
14 of compensation, Respondents sold and offered to sell, bought and offered to buy, solicited  
15 prospective sellers and purchasers of, solicited and obtained listings of, and negotiated the  
16 purchase and resale of real property.

17 Section 10131(d) of the Code, including the operation and conduct of a mortgage  
18 loan brokerage and/or loan modification business with the public wherein Respondents solicited  
19 lenders and borrowers for or negotiated loans or collected payments and/or performed services  
20 for borrowers or lenders or note owners in connection with loans secured directly or collaterally  
21 by liens on real property for or in expectation of compensation; and,

22 Section 10131.2 of the Code, including the claiming, demanding, charging,  
23 receiving, collecting or contracting for the collection of an advance fee in connection with any  
24 employment undertaken to promote the sale or lease of real property or of a business opportunity  
25 by advance fee listing, advertisement or other offering to sell, lease, exchange or rent property or  
26 a business opportunity, or to obtain a loan or loans thereon.

27 ///



1 14.

2 SINGH accepted or received funds in trust ("trust funds") from or on behalf of  
3 others in collection with the solicitation, negotiation and/or purchase of the real property located  
4 at 8284 Halbrite Way, Sacramento, CA 95828. Specifically, on or about April 26, 2010, while  
5 acting as a real estate broker as described above in Paragraph 8, SINGH accepted or received two  
6 checks from Satishwar P. totaling \$5,000 to serve as Satishwar P's earnest money deposit for  
7 when SINGH found Satiswar P. a home to purchase. Also on or about April 26, 2010, SINGH  
8 deposited said two checks into a non-trust account owned by SINGH.

9 15.

10 In connection with SINGH's activities as a real estate broker as described above  
11 in Paragraph 8, and his handling of trust funds as described above in Paragraph 14, SINGH  
12 owed duties to the owners of the trust funds under Section 10145 of the Code, which include,  
13 but are not limited to: Maintaining all funds deposited by the broker in a trust fund account  
14 until disbursed by the broker in accordance with instructions from the person entitled to the  
15 funds.

16 16.

17 The acts and/or omissions of SINGH as alleged above in Paragraphs 13 through  
18 15, constitute acts of fraud and/or dishonesty and constitute the conversion and misappropriation  
19 of trust funds, and are grounds for the suspension or revocation of all licenses and license rights  
20 of SINGH pursuant Sections 10176(i) and 10177(j) of the Code and Sections 10177(d) and/or  
21 10177(g) of the Code, in conjunction with Section 10145 of the Code.

22 **COUNT THREE**  
23 **AUDIT VIOLATIONS**  
24 (As to Respondent RATTU)

25 17.

26 Each and every allegation contained above in Paragraphs 1 through 16, inclusive,  
27 is incorporated by this reference as if fully set forth herein.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

18.

Beginning on November 9, 2011 and continuing intermittently through January 24, 2012, the Department conducted an audit of the books and records related to the real estate activities of RATTU at RATTU's main office located at 2251 Florin Road, Suite 52, Sacramento, CA 95822, where the auditor examined records for the period of December 1, 2008 to November 30, 2011 ("audit period").

19.

In the course of the activities described above in Paragraph 8, RATTU:

(a) conducted real estate activities using the fictitious business name "ARS Realty" without first registering said fictitious business name with the Department as required by Section 10159.5 of the Code and Section 2731 of the Regulations;

(b) failed to collect an earnest money deposit of \$2,000 associated with the real estate purchase agreement dated February 1, 2010 from buyer Naseem Y. regarding the purchase and/or sale of real property located at 4604 Ventura West Court in Elk Grove, CA; and

(c) failed to record an earnest money deposit of \$1,000 associated with the real estate purchase agreement dated November 29, 2009 from buyer Gurdeep I. regarding the purchase and/or sale of real property located at 7881 Neyland Way in Sacramento, CA.

20.

The acts and/or omissions of RATTU, as alleged above in Paragraphs 17 through 19, constitute grounds for the suspension or revocation of all licenses and license rights of RATTU pursuant to the following provisions of the Code and Regulations:

As to Paragraph 19(a), under Section 10177(d) and/or 10177(g) of the Code, in conjunction with Section 10159.5 of the Code and Section 2731 of the Regulations;

As to Paragraph 19(b), under Sections 10176(a) and/or 10176(i) of the Code; and

As to Paragraph 19(c), under Section 10177(d) of the Code in conjunction with Section 10145 of the Code and Section 2831(a)(6) of the Regulations.

///

1 21.

2 The acts and/or omissions of RATTU as alleged above in Paragraphs 17 through  
3 20, entitle the Department to reimbursement of the costs of its audit pursuant to Section 10148  
4 of the Code.

5 **COUNT FOUR**  
6 **AUDIT VIOLATIONS**  
7 (As to Respondent SAZIA)

8 22.

9 Each and every allegation contained above in Paragraphs 1 through 21, inclusive,  
10 is incorporated by this reference as if fully set forth herein.

11 23.

12 Beginning on November 9, 2011 and continuing intermittently through January  
13 24, 2012, the Department conducted an audit of the books and records related to the real estate  
14 activities of SAZIA at SAZIA's main office located at 2251 Florin Road, Suite 52, Sacramento,  
15 CA 95822, where the auditor examined records for the period of December 1, 2008 to  
16 November 30, 2011 ("audit period").

17 24.

18 In the course of the activities described above in Paragraph 8, SAZIA:

19 (a) conducted real estate activities using the fictitious business name "ARS  
20 Realty" without first registering said fictitious business name with the Department as required  
21 by Section 10159.5 of the Code and Section 2731 of the Regulations;

22 (b) failed to retain the original salesperson's license certificates for  
23 Feliciano Corrales, Tanna Barnes, and Bakhshish Singh as required by Section 10160 of the  
24 Code and Section 2753 of the Regulations;

25 (c) failed to maintain written broker/salesperson agreements with Lorenzo  
26 Allen, Feliciano Corrales, Fahima Safi, Rakesh Prasad, Bakhshish Singh, Tarvinder Singh Girm,  
27 and Jageet Singh, as required by Section 10159.2 of the Code and Section 2726 of the  
Regulations;

1 (d) failed to maintain a written designated officer agreement with Roddy  
2 Wong, as required by Section 10159.2 of the Code; and

3 (e) unlawfully paid \$3,000 in commission to Lorenzo Allen when Lorenzo  
4 Allen was listed as having no broker affiliation, in violation of Section 10137 of the Code.

5 25.

6 The acts and/or omissions of SAZIA, as alleged in Paragraph 24, above, constitute  
7 grounds for the suspension or revocation of all licenses and license rights of SAZIA pursuant to  
8 the following provisions of the Code and Regulations:

9 As to Paragraph 24(a), under Section 10177(d) and/or 10177(g) of the Code, in  
10 conjunction with Section 10159.5 of the Code and Section 2731 of the Regulations;

11 As to Paragraph 24(b), under Section 10177(d) of the Code in conjunction with  
12 Section 10160 of the Code and Section 2753 of the Regulations;

13 As to Paragraph 24(c), under Section 10177(d) of the Code in conjunction with  
14 Section 10159.2 of the Code and Section 2726 of the Regulations;

15 As to Paragraph 24(d), under Section 10177(d) of the Code in conjunction with  
16 Section 10159.2 of the Code; and

17 As to Paragraph 24(e), under Section 10177(d) of the Code in conjunction with  
18 Section 10137 of the Code.

19 26.

20 The acts and/or omissions of SAZIA as alleged above in Paragraphs 22 through  
21 25, entitle the Department to reimbursement of the costs of its audit pursuant to Section 10148  
22 of the Code.

23 **COUNT FIVE**  
24 **FAILURE TO SUPERVISE**  
(As to Respondent WONG)

25 27.

26 Each and every allegation in Paragraphs 1 through 26, inclusive, above, is  
27 incorporated by this reference as if fully set forth herein.



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

28.

WONG, the designated officer of RATTU from May 17, 2007 to present, was required to exercise reasonable supervision and control over the activities of RATTU and its employees and the real estate activities being conducted by RATTU.

29.

WONG, the designated officer of SAZIA from July 30, 2010 to present, was required to exercise reasonable supervision and control over the activities of SAZIA and its employees and the real estate activities being conducted by SAZIA.

30.

WONG failed to exercise reasonable supervision over the acts and/or omissions of RATTU and its employees in such a manner as to allow the acts and/or omissions as described above in Paragraphs 17 through 20, to occur, which constitutes cause for the suspension or revocation of the licenses, license rights, endorsements and endorsement rights of WONG under Sections 10177(d) and/or 10177(g) of the Code, and Sections 10177(h) and 10159.2 of the Code.

31.

WONG failed to exercise reasonable supervision over the acts and/or omissions of SAZIA and its employees in such a manner as to allow the acts and/or omissions as described above in Paragraphs 22 through 25, to occur, which constitutes cause for the suspension or revocation of the licenses, license rights, endorsements and endorsement rights of WONG under Sections 10177(d) and/or 10177(g) of the Code, and Sections 10177(h) and 10159.2 of the Code.

COST RECOVERY

Section 10106 of the Code provides, in pertinent part, that in any order issued in resolution of a disciplinary proceeding before the Department, the Commissioner may request the Administrative Law Judge to direct a licensee found to have committed a violation of this part to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof, a decision be rendered revoking all

1 licenses and license rights of all Respondents named herein under the Real Estate Law (Part 1  
2 of Division 4 of the Business and Professions Code), for the cost of investigation and  
3 enforcement as permitted by law, and for such other and further relief as may be proper under  
4 other provisions of law.

5  
6   
7 TRICIA D. SOMMERS  
8 Deputy Real Estate Commissioner

9  
10 Dated at Sacramento, California,  
11 this 18<sup>th</sup> day of March, 2013.

12  
13 DISCOVERY DEMAND

14 Pursuant to Sections 11507.6, *et seq.* of the *Administrative Procedure Act*, the  
15 Department hereby makes demand for discovery pursuant to the guidelines set forth in the  
16 *Administrative Procedure Act*. Failure to provide Discovery to the Department may result in the  
17 exclusion of witnesses and documents at the hearing or other sanctions that the Office of  
18 Administrative Hearings deems appropriate.

19  
20  
21  
22  
23  
24  
25  
26  
27