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FILED

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BUREAU OF REAL ESTATE

By B. Nicholas

BEFORE THE BUREAU OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of:)	NO. H- 6513 SAC
)	
SHEILA EVONNE GREEN,)	<u>FIRST AMENDED</u>
)	<u>ACCUSATION</u>
Respondent.)	
_____)	

The Complainant, THOMAS CAMERON, a Supervising Auditor II of the State of California, makes this First Amended Accusation in his official capacity against SHEILA EVONNE GREEN ("Respondent"), and is informed and alleges as follows:

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Respondent is presently licensed by the California Bureau of Real Estate ("Bureau") and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) ("Code") as a real estate broker.

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Respondent also holds individual mortgage loan originator license endorsement number 1235844.

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At all times herein mentioned, Respondent conducted real estate activity under her individual broker license and the fictitious business name "Catalyst Property Management Solutions," registered with the Bureau.

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At all times mentioned, Respondent engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate broker within the State of California within the meaning of section 10131(b) of the Code, including the operation and conduct of a property management business with the public wherein, on behalf of others, for compensation or in expectation of compensation, Respondent leased or rented and offered to lease or rent, and solicited for prospective tenants of real property or improvements thereon, and collected rents from real property or improvements thereon.

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While acting as a real estate licensee as described in Paragraph 4, Respondent accepted or received funds in trust (trust funds) from or on behalf of owners and tenants in connection with the leasing, renting, and collection of rents on real property or improvements thereon, as alleged herein, and thereafter from time-to-time made disbursements of said trust funds.

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The trust funds accepted or received by Respondent, as described in Paragraph 5, were deposited or caused to be deposited by Respondent into a trust account maintained by Respondent for the handling of trust funds, and thereafter, from time-to-time, Respondent made disbursements of said trust funds, identified as follows:

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TRUST ACCOUNT # 1	
Bank Name and Location:	Wells Fargo 5120 Laguna Boulevard Elk Grove, California 95758
Account No.:	XXXXXX9519
Entitled:	Catalyst Property Mgmt Solutions Trust Account
Signatories:	Sheila Green (REB)
No. of Signatures Required:	One

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Beginning on or about April 12, 2016, and continuing intermittently through June 24, 2016, an audit was conducted of Respondent's records. The auditor herein examined the records for the period of January 1, 2015, through February 29, 2016.

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In the course of the activities described in Paragraph 4, Respondent:

(a) caused, suffered or permitted the balance of funds in Trust Account #1 to contain a shortage of \$44,295.57 without the prior written consent of each and every owner of such funds, in violation of section 10145 of the Code and section 2832.1 of title 10, California Code of Regulations ("Regulations");

(b) failed to maintain accurate written control record of all trust funds received and disbursed from Trust Account #1 in violation of section 10145 of the Code and section 2831 of the Regulations; and

(c) failed to accurately reconcile at least once a month, the balance of all separate beneficiary or transaction records with the balance of the control records for Trust Account #1 in violation of section 10145 of the Code and section 2831.2 of the Regulations.

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

1 As to Paragraph 8(a), under section 10177(d) and/or 10177(g) of the Code, in
2 conjunction with section 10145 of the Code and section 2832.1 of the Regulations;

3 As to Paragraph 8(b), under section 10177(d) and/or 10177(g) of the Code, in
4 conjunction with section 10145 of the Code and section 2831 of the Regulations; and

5 As to Paragraph 8(c), under section 10177(d) and/or 10177(g) of the Code, in
6 conjunction with section 10145 of the Code and section 2831.2 of the Regulations;

7 APPLICATION FRAUD

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9 On or about May 26, 2017, Respondent made renewal application to the Bureau
10 for the renewal of her mortgage loan originator license endorsement (“MLO Renewal
11 Application”).

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13 The Regulatory Action section of Respondent’s MLO Renewal Application
14 described above in Paragraph 10, states: “Is there a pending regulatory action proceeding against
15 you for any alleged violation described in (K) through (L)?” Section (K)(2) of Respondent’s
16 MLO Renewal Application asks, “[h]as any State or federal regulatory agency . . . ever . . . found
17 you to have been involved in a violation of a financial service-related business regulation(s) or
18 statute(s)? Section (K)(4) of Respondent’s MLO Renewal Application asks, “[h]as any State or
19 federal regulatory agency . . . ever . . . entered an order against you in connection with a financial
20 services-related activity? Section (K)(5) of Respondent’s MLO Renewal Application asks,
21 “[h]as any State or federal regulatory agency . . . ever . . . revoked your registration or license?
22 Section (K)(6) of Respondent’s MLO Renewal Application asks, “[h]as any State or federal
23 regulatory agency . . . ever . . . denied or suspended your registration or license or application for
24 licensure, disciplined you, or otherwise by order, prevented you from associating with a financial
25 services-related business or restricted your activities? Finally, section (K)(9) of Respondent’s
26 MLO Renewal Application asks, “[h]as any State or federal regulatory agency . . . ever . . .
27 entered an order concerning you in connection with any license or registration?”

1 Respondent concealed and failed to disclose the pending regulatory action by the Bureau for
2 Respondent's violations of the Code, as described above in Paragraphs 8 and 9, which, if proven
3 would:

- 4 (a) constitute a violation of a financial service-related business regulation(s)
5 or statute(s);
- 6 (b) involve the execution of an order against Respondent in connection with a
7 financial service-related activity;
- 8 (c) potentially revoke Respondent's license;
- 9 (d) potentially suspend or discipline Respondent's license; and/or
- 10 (e) lead to an order concerning Respondent in connection with her license.

11 12

12 The facts alleged above in Paragraphs 10 and 11 show that Respondent procured
13 or attempted to procure a real estate License Endorsement by fraud, misrepresentation or deceit,
14 or by making a material misstatement of fact in said MLO Renewal Application, which constitute
15 grounds for the suspension or revocation of all licenses and license rights of Respondent pursuant
16 the provisions of section 10177(a) and/or 10177(j) of the Code.

17 COST RECOVERY

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19 The acts and/or omissions of Respondent, as alleged above, entitle the Bureau to
20 reimbursement of the costs of its audit pursuant to section 10148(b) of the Code.

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

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1 WHEREFORE, Complainant prays that a hearing be conducted on the allegations
2 of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary
3 action against all licenses and license rights of Respondent under the Code, for the cost of the
4 audit, investigation, and enforcement as permitted by law, and for such other and further relief as
5 may be proper under other provisions of law.

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9 THOMAS CAMERON
10 Supervising Auditor II

11 Dated at Sacramento, California,
12 this 30th day of August, 2017.

13 DISCOVERY DEMAND

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