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**FILED**

JUL 12 2017

BUREAU OF REAL ESTATE

By B. Nicholas

9 BEFORE THE BUREAU OF REAL ESTATE  
10 STATE OF CALIFORNIA

11 \* \* \*

12 In the Matter of the Accusation of:

13 MAURINE RUTH JOHNSON and,  
14 LINDA E. MYERS  
Respondents.

No. H- 6577 SAC

ACCUSATION

15 The Complainant, TRICIA D. PARKHURST, acting in her official capacity as a  
16 Supervising Special Investigator of the State of California, for cause of Accusation against  
17 MAURINE RUTH JOHNSON ("JOHNSON") and LINDA E. MYERS ("MYERS")  
18 (collectively referred to herein as "Respondents"), is informed and alleges as follows:

19 GENERAL ALLEGATIONS

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21 JOHNSON is presently licensed and/or has license rights under the Real Estate  
22 Law (Part 1 of Division 4 of the Business and Professions Code) ("Code") as a real estate broker.  
23 JOHNSON also holds an individual mortgage loan originator license endorsement.

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25 MYERS is presently licensed and/or has license rights under the Real Estate Law  
26 as a real estate broker. At no time mentioned has MYERS held a mortgage loan originator  
27 license endorsement of any kind.

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

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

10166.01(b) of the Code, including taking residential mortgage loan applications or offering or negotiating terms of a residential mortgage loan for compensation or gain.

Beginning in approximately 2009 and continuing thereafter, JOHNSON and MYERS entered into and participated in an unlawful scheme whereby MYERS conducted mortgage loan brokerage business, as described above in Paragraph 3, under the mortgage loan originator license endorsement held by JOHNSON and/or under the direction and control of JOHNSON. As part of the scheme, JOHNSON earned 20% of the commission on loans closed by MYERS, and MYERS earned 80% of the commission on loans closed by MYERS. Respondents conducted business in this fashion in order to circumvent the Real Estate Law because MYERS has never held a mortgage loan originator license endorsement.

In or about July 2014, Garcia and Benjamin B. ("Buyers") made an offer to purchase residential real property located 411 C. Street, Biggs, CA 95917 ("Subject Property") that was accepted. In or about August 2014, in accordance with the scheme described above in Paragraph 4, MYERS solicited and/or performed the following mortgage loan brokerage services for compensation or gain, including, but not limited to:

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- 1 (a) Solicited, offered, and/or negotiated terms with Buyers in connection with a  
2 residential loan for the purchase of the Subject Property ("Subject Loan");  
3 (b) Solicited, offered and/or negotiated terms with private lender Mark Habib and/or The  
4 Habib Trust to obtain a loan for Buyers of \$65,000 to finance the purchase of the  
5 Subject Property;  
6 (c) Communicated and coordinated with escrow officers with First American Title  
7 Company by requesting documentation necessary to close the Subject Loan;  
8 (d) Directed escrow officers with First American Title Company to incorporate particular  
9 terms in the promissory note regarding the Subject Loan;  
10 (e) Directed escrow officers with the First American Title Company to pay the  
11 commission check regarding the origination of the Subject Loan to JOHNSON; and  
12 (f) Communicated and coordinated with the real estate salesperson and real estate broker  
13 working for Buyers regarding the purchase of the Subject Property with the Subject  
14 Loan.

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16 At all relevant times and in furtherance of the scheme described above in  
17 Paragraph 4, JOHNSON performed the following acts with respect to the Subject Loan:  
18

- 19 (a) Authorized, allowed and/or permitted MYERS to perform acts under JOHNSON's  
20 mortgage loan originator license endorsement, as described above in Paragraph 5;  
21 (b) Executed the Mortgage Loan Disclosure Statement and the Lender/Purchaser  
22 Disclosure Statement; and  
23 (c) Submitted a letter to First American Title Company demanding a commission of  
24 \$2,500 for originating the Subject Loan.

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26 Despite purporting to serve as the mortgage loan originator for the Buyers,  
27 JOHNSON never met Buyers and never had any direct communication with the Buyers.

28 DISHONEST DEALING  
29 (As to JOHNSON and MYERS)

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31 Each and every allegation set forth above in Paragraphs 1 through 7, inclusive, is  
32 incorporated by this reference as if fully set forth herein.  
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As set out above in Paragraphs 4 through 7, Respondents' representations and/or actions were substantially fraudulent, misleading, dishonest and deceitful, and were known by Respondents to be substantially fraudulent, misleading, dishonest and deceitful during the transaction of the Subject Loan.

The acts and/or omissions of Respondents, as alleged above in Paragraphs 3 through 9, are grounds for the revocation or suspension of Respondents' real estate licenses and license rights and JOHNSON's mortgage loan originator license endorsement rights, under Sections 10176(a) (making a substantial misrepresentation), 10176(i) (fraud or dishonest dealing), 10177(d) (willfully violated the real estate law), 10177(g) (negligence/incompetence) and/or 10177(j) (fraud or dishonest dealing) of the Code.

FAILURE TO OBTAIN AN MLO ENDORSEMENT  
(As to MYERS only)

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

As set out above in Paragraphs 3 through 5, MYERS, on behalf of Buyers and/or Mark Habib and/or The Habib Trust, engaged in the business as a mortgage loan originator as that term is defined by Section 10166.01(b)(1) (definition of mortgage loan originator) of the Code, which includes, but is not limited to, the conduct of mortgage loan brokerage activities, prior to obtaining a real estate license endorsement identifying that MYERS is a licensed mortgage loan originator, in violation of Section 10166.02(b) (failure to obtain license endorsement) of the Code.

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The acts and/or omissions of MYERS, on behalf of Buyers and/or Mark Habib and/or The Habib Trust, constitute grounds for the suspension or revocation of all licenses and license rights of MYERS, under Sections 10166.051 (grounds for discipline – violation of license endorsement and notice requirements) and 10177(d) of the Code, in conjunction with Section 10166.02(b) (failure to obtain license endorsement) of the Code.

UNAUTHORIZED USE OF FICTITIOUS BUSINESS NAME

(As to MYERS only)

Each and every allegation set forth above in Paragraphs 1 through 13, inclusive, is incorporated by this reference as if fully set forth herein.

In the course of the activities described above in Paragraph 5, MYERS indicated in correspondence regarding the Subject Loan that she was operating under the then unlicensed fictitious business name of "Summit Real Estate."

The acts and/or omissions of MYERS, as described above in Paragraph 15, constitute grounds for the suspension or revocation of all licenses and license rights of MYERS under Sections 10177(d) and 10159.5 (operating under a fictitious business name without approval from the Bureau) of the Code, in conjunction with Section 2731 (unauthorized use of fictitious business name) of Title 10 of the California Code of Regulations ("the Regulations").

PRIOR DISCIPLINARY ACTION

(As to MYERS)

Effective August 17, 2009, in Case No. 4937 SAC, the Real Estate Commissioner revoked MYERS' real estate broker license and granted MYERS a real estate salesperson license for violating Sections 10145 (trust fund violations), 10159.5, 10176(a), 10176(b) (making false

1 promises), 10176(i), 10177(d), and 10233 (failing to obtain written authorization before servicing  
2 a promissory note) of the Code, in conjunction with Sections 2831 (failure maintain written  
3 control records), 2831.1 (failure to keep separate records for each beneficiary), 2831.2 (failure to  
4 maintain monthly trust account reconciliations), 2832.1 (trust fund shortage), and 2731 of the  
5 Regulations.

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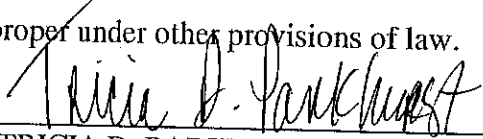
7 Effective August 17, 1998, in Case No. H-3333 SAC, the Real Estate  
8 Commissioner suspended MYERS' real estate broker license for violating Section 10145  
9 10177(d) and 10177(g) of the Code.

10 DEMAND FOR COSTS

11 19

12 Section 10106 of the Code provides, in pertinent part, that in any order issued in  
13 resolution of a disciplinary proceeding before the Bureau of Real Estate ("Bureau"), the  
14 Commissioner may request the Administrative Law Judge to direct a licensee found to have  
15 committed a violation of this part to pay a sum not to exceed the reasonable costs of the  
16 investigation and enforcement of the case.

17 WHEREFORE, Complainant prays that a hearing be conducted on the  
18 allegations of this Accusation and that upon proof thereof, a decision be rendered revoking all  
19 license and license rights of Respondents under the Real Estate Law (Part 1 of Division 4 of the  
20 Business and Professions Code), for the cost of investigation and enforcement as permitted by  
21 law, and for such other and further relief as may be proper under other provisions of law.

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23 TRICIA D. PARKHURST  
24 Supervising Special Investigator

25 Dated at Sacramento, California,  
26 this 17<sup>th</sup> day of July, 2017.  
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