

**FILED**

**MAY 16 2018**

**BUREAU OF REAL ESTATE**

By S. Bleck

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9 **BEFORE THE BUREAU OF REAL ESTATE**

10 **STATE OF CALIFORNIA**

11 \* \* \*

12 In the Matter of the Accusation of )  
13 LEANN SUE SMITH, ) NO. H-6685 SAC  
14 Respondent. ) ACCUSATION  
15 )

16 The Complainant, TRICIA D. PARKHURST, a Supervising Special Investigator  
17 of the State of California, for cause of Accusation against LEANN SUE SMITH (SMITH), is  
18 informed and alleges as follows:

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20 The Complainant makes this Accusation in her official capacity.

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22 At all times herein mentioned, SMITH was and is presently licensed and/or has  
23 license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and  
24 Professions Code (the Code), by the Bureau of Real Estate (the Bureau) as a real estate broker.

25 3

26 SMITH engaged in the business of, acted in the capacity of, advertised or  
27 assumed to act as a real estate broker in the State of California, within the meaning of Section

1 10131(a) of the Code, including the operation and conduct of a residential resale brokerage  
2 wherein SMITH bought, sold, or offered to buy or sell, solicited or obtained listings of, and  
3 negotiated the purchase, sale or exchange of real property or business opportunities, all for or in  
4 expectation of compensation.

5 FIRST CAUSE OF ACTION

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7 Complainant refers to Paragraphs 1 through 3, above, and incorporates the same,  
8 herein by reference.

9 5

10 On or about September 29, 2015, Kathleen and Daniel V. (Attempted Buyers)  
11 made an offer, through real estate salesperson Dawn Meyers (Meyers) to purchase that certain  
12 real property commonly known as 463-915 Rains Road, Janesville, California, (Rains Road  
13 Property).

14 6

15 SMITH was the listing agent for the Rains Road Property. The Asset Manager  
16 for Caliber Home Loans, advised SMITH that there was a requirement on the Rains Road  
17 Property that Buyers would have to finance their purchase through an FHA 203K ReHab  
18 Financing or use Escrow Money.

19 7

20 SMITH failed to advise Meyers of the financing requirements for the Rains Road  
21 Property.

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23 Since the Attempted Buyers were unaware of the financing requirements, they  
24 obtained a commitment for traditional funding to purchase the Rains Road Property.

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SMITH represented to Attempted Buyers that there was an accepted offer from another buyer, when in fact, at the time, the Asset Manager had not made a final decision on which offer to accept.

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The ultimate Buyers, whom SMITH also represented, submitted an offer that was lower than that of the Attempted Buyers, but since it was with the required ReHab Financing, it was accepted by the Asset Manager.

11

On or about October 21, 2015, Attempted Buyers learned that their offer was rejected because it was not with the required ReHab Financing.

12

Escrow on the Rains Road Property closed in or around the end of October 2015.

13

The acts and or omissions of SMITH alleged above, constitute violations of Sections 10176(a) (substantial misrepresentation) and 10176(i) (other act constituting fraud or dishonest dealing) and are grounds for the suspension or revocation of the licenses and license rights of SMITH under Sections 10176(a), 10176(i), 10177(d) (willful disregard/violation of Real Estate Law) and 10177(g) (negligence/incompetence real estate licensee) of the Code.

SECOND CAUSE OF ACTION

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

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SMITH represented potential buyer, Nicole K. on the attempted purchase of that certain real property commonly known as 324 Delwood Street, Westwood, California, (Delwood Property).

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On or about September 1, 2015, SMITH emailed a Conditional Approval Letter (CAL) dated September 1, 2015, to Shelley Ceaglio (Ceaglio), the listing agent for the Delwood Property. The letter was purported to be authored by Jean Loosemore (Loosemore) of Summit Funding.

17

Ceaglio replied to SMITH's communication by email, pointing out that the CAL was addressed to Darin and Judy, the wrong people, on the salutation line.

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On or about September 2, 2015, SMITH emailed another CAL, which was dated September 2, 2015. The name on the salutation line was corrected to Nicole, but was otherwise identical to the September 1, 2015, letter.

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Subsequent to the receipt of the two CALs, Ceaglio learned that Loosemore did not draft the CALs and that Loosemore had never met Nicole K.

20

Loosemore advised others at Summit Funding of the fraudulent CALs and their counsel sent a Cease and Desist letter to SMITH to stop her activity.

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After Ceaglio learned of SMITH's actions, Ceaglio rejected the offer to purchase the Delwood Property from SMITH's client, and refunded the earnest money deposit from her own funds.

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The acts and or omissions of SMITH alleged above, constitute violations of Sections 10176(a) (substantial misrepresentation) and 10176(i) (other act constituting fraud or dishonest dealing) and are grounds for the suspension or revocation of the licenses and license rights of SMITH under Sections 10176(a), 10176(i), 10177(d) (willful disregard/violation of Real Estate Law) and 10177(g) (negligence/incompetence real estate licensee) of the Code.

COSTS

Section 10106 of the Code provides, in pertinent part, that in any order issued in resolution of a disciplinary proceeding before the Bureau, 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 imposing disciplinary action against all licenses and license rights of Respondents under the Code, and for such other and further relief as may be proper under other provisions of law.

  
TRICIA D. PARKHURST  
Supervising Special Investigator

Dated at Sacramento, California,  
this 10<sup>th</sup> day of May, 2018.

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DISCOVERY DEMAND

The Bureau of Real Estate hereby requests discovery pursuant to Section 11507.6 of the California Government Code. Failure to provide discovery to the Bureau may result in the exclusion of witnesses and/or documents at the hearing, and other sanctions as the Administrative Law Judge deems appropriate.