

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of

24 HOUR HOME LOAN CORPORATION,
GEORGE FRANCIS ADAIR,
GARY GENE CANN, and
MCFI,

Respondents.

No. H-7616 SF

OAH No. N 1998100337

PROPOSED DECISION

On December 15, 1998, in Oakland, California, Perry O. Johnson, Administrative Law Judge, Office of Administrative Hearings, State of California, heard this matter.

David A. Peters, Counsel, represented complainant.

Joseph W. DiLeonardo, Attorney at Law, 1410 Guerneville Road, Suite 1, Santa Rosa, California 95403, represented respondents 24 Hour Home Loan Corporation, MCFI, and Gary Gene Cann. Respondent Gary Gene Cann was present throughout all phases of the hearing.

Complainant, through its attorney, amended the First Amended Accusation, under the authority of Government Code section 11507, in three areas of that pleading. First, at page 5, complainant did move to strike or delete lines 15 to 24, that comprise paragraph numbered XIV of the pleading. Second, at page 6, complainant did move to strike or delete lines 16 and 17, that comprise paragraph XV, subdivision (4) of the pleading. Finally, at page 7, line 4, complainant changed the word "Danny" to "Donny."

The record remained open for the purpose of providing the parties the ability to file closing written arguments and written rebuttal arguments. An order issued at the hearing of this matter whereby the parties could effect the simultaneous filing of closing arguments on Friday, January 15, 1999. Thereafter, the parties could elect to file rebuttal arguments no later than January 29, 1999, whereupon the record would be closed.

On December 16, 1998, by telefacsimile transmission, through its attorney, respondent MCFI filed a copy of a certificate from the Secretary of State pertaining to the Articles of Incorporation for MCFI. The document was marked as Exhibit "A," and was received in evidence. On January 15, 1999, by telefacsimile transmission, through their attorney, respondents 24 Hour Home Loan Corporation, MCFI, and Gary Gene Cann filed with OAH a Trial Brief. Respondent's written closing argument was marked as Exhibit "B," and was received as argument. On January 15, 1999, through its counsel, complainant filed with OAH a document entitled Complainant's Closing Argument. Complainant's closing argument was marked as Exhibit "20," and received as argument. Although the record was held open for purposes of receiving rebuttal arguments, neither party filed additional briefs.

The record was closed and the matter was deemed submitted on January 29, 1999.

FACTUAL FINDINGS

1. The complainant, Les R. Bettencourt, in his official capacity as a Deputy Real Estate Commissioner of the State of California, made the accusation against respondents.

2. On December 8, 1998, respondent George Francis Adair ("respondent Adair") entered into a written Stipulation and Agreement with complainant. On behalf of the Real Estate Commissioner, Assistant Commissioner Betty R. Ludeman, on December 28, 1998, adopted the Stipulation and Agreement pertaining to respondent Adair as the Decision and Order of the Real Estate Commissioner. The Decision and Order pertaining to respondent Adair became effective on February 4, 1999. A copy of the Decision and Order is attached hereto as Attachment "A."

3. As of January 1, 1995, respondent 24 Hour Home Loan Corporation ("respondent 24 Hour") held a license as a real estate corporation. Its designated broker officer was George Francis Adair. Its main office was at 2525 Cleveland Avenue in the city of Santa Rosa. The real estate corporation acquired a fictitious business name of "Adair Mortgage." On August 27, 1995, the license of the real estate corporation expired; however the license was re-issued on August 28, 1995. On January 31, 1997, the license of respondent 24 Hour was cancelled. The status of designated officer as held by George Francis Adair and the fictitious business name of "Adair Mortgage" also were cancelled on January 31, 1997. Beginning on February 1, 1997, the Department cancelled the real estate broker license of respondent 24 Hour due to the lack of a designated broker officer.

4. On the day of the hearing in this matter respondent 24 Hour voluntarily surrendered its real estate broker corporation license pursuant to Code section 10100.2. By an order, dated December 28, 1998, the Commissioner accepted respondent

24 Hour's voluntary surrender of its license. The Commissioner's order became effective on January 20, 1999. A copy of the Order Accepting Surrender of Real Estate License is attached as Attachment "B."

5. On March 10, 1998, the Department of Real Estate issued a real estate corporation license to respondent MCFI. Its designated broker officer was Gary Gene Cann. Its main office was 1410 Guerneville Road, Suite 1, in the city of Santa Rosa. On August 28, 1998, the license was cancelled. The status of designated officer as lodging in Gary Gene Cann was cancelled on August 28, 1998.

6. As of January 1, 1995, respondent Gary Gene Cann held a license as a real estate broker. He had a main office at 1504 Matanzas Road in the city of Santa Rosa. As of February 14, 1995, respondent Cann added a fictitious business name of "Capital Unlimited." On November 4, 1996, respondent Cann's main office address changed to 209 Santa Rosa Avenue in the city of Santa Rosa. On February 13, 1998, respondent Cann's main office address changed to 8070 Soquel Drive, Suite 250, in the city of Aptos.

On June 2, 1997, the Department approved a branch office license for respondent Cann at 1311 Petaluma Hill Road in the city of Santa Rosa.

On November 17, 1997, the broker license expired; however the license was re-issued on November 18, 1997.

On March 10, 1998, the Department issued a license to respondent Cann as an officer of respondent MCFI. The main office address became 1410 Guerneville Road, Suite 1 in the city of Santa Rosa.

Pursuant to Business and Professions Code section 10475, on August 28, 1998, the broker license issued to respondent Cann was cancelled. The fictitious business name of Capital Unlimited and the branch license for 1311 Petaluma Hill Road in Santa Rosa were also cancelled on August 28, 1998. Also, pursuant to Code section 10475, respondent Cann's broker officer license designation in respondent MCFI was suspended indefinitely on August 28, 1998.

7. Within the three-year period immediately preceding the filing on October 16, 1998, of the Accusation in this matter, within the meaning of Code section 10131, subdivision (d) respondents 24 Hour and Cann engaged in the business of, acted in the capacity of, advertised, or assumed to act as real estate brokers within the State of California. Respondents' acts as real estate brokers included the operation and conduct of a mortgage loan brokerage business with the public. Acts by respondents as a loan brokerage business encompassed soliciting lenders and borrowers for loans secured

directly or collaterally by liens on real property. Also, respondents arranged, processed, and consummated loans on behalf of others in exchange of being paid compensation or in expectation of compensation. Respondents serviced loans by collecting payments thereon on behalf of others.

During all this time, Wayne DuFloth was the owner of respondent 24 Hour.

8. Beginning on March 10, 1998, after its incorporation under the laws of California within the meaning of Code section 10131, subdivision (d), respondent MCFI 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. Respondent's acts as a real estate broker included the operation and conduct of a mortgage loan brokerage business with the public. Acts by respondent MCFI as a loan brokerage business encompassed soliciting lenders and borrowers for loans secured directly or collaterally by liens on real property. Also, respondent MCFI arranged, processed, and consummated loans on behalf of others in exchange of being paid compensation or in expectation of compensation. Respondent MCFI serviced loans by collecting payments thereon on behalf of others.

Wayne DuFloth is the corporate president of respondent MCFI. Upon the Articles of Incorporation for MCFI as filed with the California Secretary of State on February 26, 1998, Wayne DuFloth appears as the incorporator of the California general purpose corporation.

9. In 1997 Wayne DuFloth was the principal officer of MCFI, a Nevada corporation, when from offices at 1410 Guerneville Road, Suite 1, Santa Rosa, California 95401, that non-California corporate entity engaged in activities of a real estate broker, within the meaning of Code section 10131, subdivision (d).

10. Department auditor Norma Reilly is credible in her description of the audit that she performed between November 10, 1997 and December 17, 1997, of the mortgage broker activity of MCFI, a Nevada corporation, regarding real estate transactions by and through that entity for the period of October 28, 1997 through November 30, 1997.

MCFI, a Nevada corporation, under the direction of Wayne DuFloth, who is the current principal of respondent MCFI, engaged in "table funding" with regard to real estate transactions conducted in 1997. Table funding is a deceptive practice whereby a loan although recorded in the name of a broker is actually funded by another person. The audit report of Department auditor Norma Reilly describes five instances of table funding in 1997 being arranged by MCFI, a Nevada corporation and respondent 24 Hour, when both entities were controlled and dominated by Wayne DuFloth.

11. Wayne DuFloth asserts that his activities in the real estate transactions were carried out by MCFI, a Nevada corporation, as a mortgage banker. However, neither respondent MCFI, nor Wayne DuFloth, offers evidence that the Department of

Corporations or other California regulating agency extended authorization to MCFI, a Nevada corporation, to engage in the business of mortgage banking in the State of California during the period of time covered by the audit by Department auditor Reilly. The Articles of Incorporation for MCFI as filed with the California Secretary of State in late February 1998 specify that MCFI "may be organized under the GENERAL CORPORATION LAW of California other than the banking business...."

12. Before October 16, 1997, at a time when MCFI, a Nevada corporation, was not licensed by the Department of Real Estate, Wayne DuFloth, as principal officer of MCFI, a Nevada corporation, as well as the incorporator and principal officer of respondent MCFI, permitted and facilitated MCFI, a Nevada corporation, to engage in acts for which a real estate license is required as described in Finding 8 above, including but not limited to negotiating a loan to be secured by real property located at 1096 Wikiup Drive, Santa Rosa, California owned by Donny Randall Wells and Lori Ann Wells.

On November 11, 1997, Chicago Title from its office in Santa Rosa paid "MCFI" fourteen thousand eight hundred (\$14,800) dollars as *brokers fees*. Chicago Title, through the designated escrow officer, dispatched a letter to MCFI to the attention of Wayne DuFloth. The business office of MCFI was at 1410 Guerneville Road, Suite 1, Santa Rosa, California. The letter set forth: "Dear Wayne- We have complied with instructions under the subject escrow and enclose the following: Our check in the amount of \$14,800 representing your fees...."

13. Before November 13, 1997, at a time when MCFI, a Nevada corporation, was not licensed by the Department of Real Estate, Wayne DuFloth, as principal officer of MCFI, a Nevada corporation, as well as the incorporator and principal officer of respondent MCFI, permitted and facilitated MCFI, a Nevada corporation, to engage in acts for which a real estate license is required as described in Finding 8 above, including but not limited to negotiating a loan to be secured by real property located at 1933 Marian Lane, Santa Rosa, California owned by Clarence P. Adams and Nina M. Adams.

First American Title Company from its Santa Rosa, California office prepared a final disbursement report, regarding the real estate finance closing for the real property at 1933 Marian Lane in Santa Rosa in the names of the above mentioned owners, wherein on November 21, 1997, MCFI was paid a *broker premium* in the amount of three thousand four hundred thirty (\$3,430) dollars. Also, the records of First American Title Company contain a "Funding Worksheet," which designates MCFI as "broker." The office address of MCFI, a Nevada corporation, was given as 1410 Guerneville Road, Suite #1, Santa Rosa, California.

14. The records of First American Title Company pertaining to the late 1997 transaction regarding the real property known as 1933 Marian Lane, Santa Rosa, contain reference to Wayne DuFloth as being associated with 24 Hour Home Loan. In the first

instance, a preliminary report, dated September 25, 1997, by an escrow officer gives notice of the willingness of the title company to issue a policy of title insurance for the subject property. The preliminary report is addressed to "24 Hour Home Loan, 1410 Guerneville Rd., #1, Santa Rosa, CA 95403, Attn: Wayne DuFloth." On a document designated "Order Sheet" that bears a preparation date of "10-03-1997" the mailing information sets forth: "24 Hour Home Loan, 1410 Guerneville Rd., #1, Santa Rosa, CA, Wayne DuFloth."

15. The acts of Wayne DuFloth, as principal officer of MCFI, a Nevada corporation, reflect that he used the corporate alter ego of MCFI, a Nevada corporation, to willfully disregard or violate the Real Estate Law or the rules and regulations of the Commissioner in the latter's enforcement of the Real Estate Law of the State of California.

16. Wayne DuFloth, by and through his corporate alter ego - MCFI, a Nevada corporation, unlawfully engaged in the business, acted in the capacity of and assumed to act as a real estate broker without first obtaining a real estate license from the Department when MCFI, a Nevada corporation, accepted brokers fees in the real estate finance transactions described in Findings 12 and 13, above.

Respondent Gary Cann

17. On September 17, 1996, the Superior Court for the State of California, in and for the County of Sonoma, in Case No. 208395, entered a final judgment against respondent Cann. The Superior Court entered a default judgment due to respondent Cann's failure to appear. The judgment awarded plaintiffs in the civil action: compensatory damages in the amount of \$153,760.30; prejudgment interest in the amount of \$69,000; punitive and exemplary damages in the amount of \$50,000; attorneys fees in the amount of \$50,000; costs of suit in the amount of \$670. Upon credits in the amount of \$28,273.51 being deducted the total judgment against respondent Cann was at \$295,156.79.

The First Amended Complaint for Damages, upon which the judgment rested, set forth acts and omissions on the part of respondent Cann that consisted of fraud, deceit and intentional misrepresentation in the conduct of a real estate transaction for which a real estate license was required.

18. On September 17, 1996, the Superior Court for the County of Sonoma, through the Honorable Elaine Watters, issued a Statement of Decision. The six page court decision, the Statement of Decision addresses, among other things, that respondent Cann made fraudulent representations to the plaintiffs in the civil action. Moreover, the court found that respondent Cann made the misrepresentations while in his capacity as a real estate professional.

19. Respondent Cann's offer of factors in mitigation and extenuation is unsupported by corroborating and independent evidence and is based upon hearsay representations.

Respondent Cann unpersuasively asserts that upon his receipt of the complaint in the subject civil lawsuit he contacted the attorneys for the co-defendants. Respondent Cann incredibly claims that the attorney indicated that respondent's defense would be taken on by that lawyer. However, respondent Cann's defense was not accepted and he unknowingly did not file on his own behalf an Answer to the Complaint. Respondent Cann produces no corroborating witnesses on this matter, nor does he present correspondence to or from the identified lawyer who purportedly failed to defend his interests.

Respondent further unpersuasively advances that at the time when he should have defended himself against the civil lawsuit he had significant cardiovascular illnesses. Yet, respondent Cann introduces no medical record, or corroborating witness, in support of either the onset of his heart and hypertension disorders, or the disabling effects of the diseases.

20. On August 28, 1998, the Real Estate Commissioner paid the sum of \$40,000.00 from the Real Estate Recovery Account pursuant to Code Chapter 6.5, Part 1, Division 4, on account of the judgment against respondent Cann described in Finding 12 above. Pursuant to section 10475 of the Code all licenses and licensing rights of respondent under the Real Estate Law (Part 1 of Division 4 of the Code) were automatically suspended effective on the date of payment from the Real Estate Recovery Account.

21. Respondent Cann offers no evidence of having paid any portion of the money judgment for which damages, fees and costs in the amount of \$295,157 were entered against him alone.

22. Respondent Cann has not repaid to the Commissioner any part of the \$40,000 as paid from the Real Estate Recovery Account to the victims of his fraudulent acts.

23. Since the judgment of money damages as entered against respondent Cann in September 1996, he presents no evidence that he had corrected the business practices responsible for his wrongful acts.

24. Respondent Cann presents no evidence that he has completed, or engaged in sustained enrollment in, formal educational training courses for his economic self-improvement.

25. Respondent Cann has not made significant or conscientious involvement in community, church or privately-sponsored programs designed to provide social benefits or to ameliorate social problems.

26. Respondent Cann presents no evidence from family members, family or other persons familiar with his previous conduct that led to the civil judgment against him as well as familiar with his current attitudes and behavioral patterns so as to establish that respondent Cann has a changed attitude in conducting functions and duties of a real estate licensee so as to avoid any hint that consumers may be defrauded.

CONCLUSIONS OF LAW

1. Cause for disciplinary action against the license issued to respondent MCFI exists under Business and Professions Code section 10177(d), in conjunction with Code sections 10130 and 10139 as those sections interact with Code section 10177, subdivision (f), by reason of the matters set forth in Findings 9, 10, 12, 13, 15, and 16.

When a corporation is used by an individual to circumvent a statute, perpetrate a fraud or accomplish some other wrongful or inequitable purpose, a court or an administrative adjudicative body may disregard the corporate entity. Hence, the court or administrative adjudicative body may treat acts of the supposed corporation as if the acts were done by the individual himself. Such exercise of the discretion by the court or administrative adjudicative body involves the disregard of the "fiction" of the corporate entity, and is also deemed an exercise to "pierce the corporate veil." (9 Witkin, *Summary of Cal. Law* (9th ed., 1989) Corporations, § 12, p. 524.) The exercise of a judicial tribunal to disregard the corporate fiction is also called the doctrine of "alter ego." (*Communist Party v. 522 Valencia, Inc.* (1995) 35 Cal.App.4th 980, 993.)

As the First District Court of Appeal said in *Communist Party v. 522 Valencia, Inc.*, *supra*, 35 Cal.App.4th at 993:

In general, the two requirements for applying the alter ego doctrine are that (1) there is such a unity of interest and ownership between the corporation and the individual ... controlling it that their separate personalities no longer exist, and (2) failure to disregard the corporate entity would sanction a fraud or promote injustice. [Citations omitted.] ... The issue ... is whether in the particular case presented, justice and equity can best be accomplished and fraud and unfairness defeated by disregarding the distinct entity of the corporate form. [Citations omitted.]

In the context of this matter, the people of the State of California, and the equitable application of the Commissioner's regulations, would suffer if respondent MCFI were to escape discipline against its corporate real estate broker license under the

facts of this matter. Its incorporator and principal officer, Wayne DuFloth, dominate respondent MCFI. In 1997, MCFI, a Nevada corporation, at the direction of Wayne DuFloth carried out acts and functions for which a real estate broker license was necessary. All indications are that Wayne DuFloth dictated each and every act and function of MCFI, a Nevada corporation, as well as respondent MCFI. In this matter, justice and equity can best be accomplished and unfairness defeated by disregarding the distinct entity of the corporate form of MCFI insofar as the defense that respondent MCFI was incorporated on February 28, 1998. Justice and fairness to the public interest would be undermined upon respondent MCFI avoiding discipline against its license due to its incorporation occurring after the violations of law by its predecessor, MCFI, a Nevada corporation, and the principal officer of both entities, Wayne DuFloth.

2. Cause for disciplinary action against the license and license rights of respondent Cann exists under Business and Professions Code section 10177.5, by reason of the matters set forth in Finding 17.

In the civil case by which respondent Cann became subject to a final judgment upon grounds that included fraudulent misrepresentations and deceit, the Superior Court's Statement of Decision set forth that respondent Cann "had a fiduciary responsibility to plaintiffs in that he acted as a real estate loan agent, subject to regulation under Business and Professions Code section 10000, et. seq." Code section 10000 specifically prescribes that "the part (Part 1, Licensing of Persons) may be cited as the Real Estate Law. Hence, respondent Cann falls squarely within the meaning of Code section 10177.5 as a licensee whose license may be suspended or revoked.

The Statement of Decision by the Superior Court for Sonoma County definitively outlines the fraudulent representations by respondent Cann that exposed him to the civil judgment for money damages when it pointed out:

With regard to the issue of whether or not defendant GARY CANN made fraudulent representations and what those representations were, the Court's decision is that defendant CANN did make fraudulent representations to the plaintiffs, and these fraudulent representations included: i) The representation [that] preceded the first loan that the appraised value of the security real property was \$205,000; ii) The representation made prior to the second loan that the estimated value of the property was \$208,000, and that its loan to value ratio was 50.7%; iii) The representation that "the owner of the property has been our client for some time, and has a proven track record of good stability."

The Superior Court's Statement of Decision goes on to set forth that respondent Cann's "representation were willfully false and he knew their falsity at the time he made them... In perpetrating his fraud, [respondent] GARY CANN took all of the retirement

savings of [two named plaintiffs] and his conduct is therefore oppressive as well as being fraudulent....”

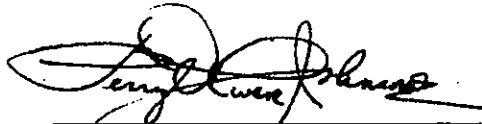
3. Respondent Cann offers no competent evidence in support of his rehabilitation from the Superior Court judgment regarding his past fraudulent acts. Nor does respondent Cann offer persuasive evidence in support of mitigation and extenuation that would support a conclusion that it would be in the public interest to grant respondent Cann a probationary license.

ORDER

1. All licenses and licensing rights of respondent MCFI under the Real Estate Law are revoked.

2. All licenses and licensing rights of respondent Gary Gene Cann under the Real Estate Law are revoked.

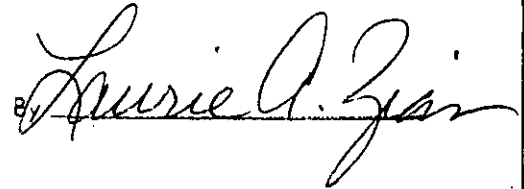
DATED: February 26th 1999



PERRY O. JOHNSON
Administrative Law Judge
Office of Administrative Hearings

1 Department of Real Estate
2 P. O. Box 187000
3 Sacramento, CA 95818-7000
4
5 Telephone: (916) 227-0789
6
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FILED
JAN 15 1999
DEPARTMENT OF REAL ESTATE



8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of) No. H-7616 SF
12)
13 24 HOUR HOME LOAN CORPORATION,) OAH NO. N-1998100337
14 GEORGE FRANCIS ADAIR,)
15 GARY GENE CANN, and) STIPULATION AND AGREEMENT
MCFI,)
Respondents.)

16 It is hereby stipulated by and between GEORGE FRANCIS
17 ADAIR (hereinafter "Respondent ADAIR") and the Complainant, acting
18 by and through David A. Peters, Counsel for the Department of Real
19 Estate, as follows for purpose of settling and disposing of the
20 Accusation filed on October 16, 1998 in this matter:

21 1. All issues which were to be contested and all
22 evidence which was to be presented by Complainant and Respondent
23 ADAIR at a formal hearing on the Accusation, which hearing was to
24 be held in accordance with the provisions of the Administrative
25 Procedure Act (APA) (Government Code Section 11500 et seq.), shall
26 instead and in place thereof be submitted solely on the basis of
27 the provisions of this Stipulation and Agreement.

1 2. Respondent ADAIR has received, read and
2 understands the Statement to Respondent ADAIR, the Discovery
3 Provisions of the APA and the Accusation filed by the Department
4 of Real Estate in this proceeding.

5 3. On September 22, 1998, Respondent ADAIR filed a
6 Notice of Defense pursuant to Section 11505 of the Government Code
7 for the purpose of requesting a hearing on the allegations in the
8 Accusation. Respondent ADAIR hereby freely and voluntarily
9 withdraws said Notice of Defense. Respondent ADAIR acknowledges
10 that he understands that by withdrawing said Notice of Defense he
11 will thereby waive his right to require the Commissioner to prove
12 the allegations in the Accusation at a contested hearing held in
13 accordance with the provisions of the APA and that he will waive
14 other rights afforded to him in connection with the hearing such
15 as the right to present evidence in defense of the allegations in
16 the Accusation and the right to cross-examine witnesses.

17 4. This Stipulation is based on the factual
18 allegations contained in the Accusation. In the interest of
19 expedience and economy, Respondent ADAIR chooses not to contest
20 these allegations, but to remain silent and understands that, as a
21 result thereof, these factual allegations, without being admitted
22 or denied, will serve as a prima facie basis for the disciplinary
23 action stipulated to herein. The Real Estate Commissioner shall
24 not be required to provide further evidence to prove said factual
25 allegations.

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1 5. It is understood by the parties that the Real
2 Estate Commissioner may adopt the Stipulation and Agreement as his
3 Decision in this matter, thereby imposing the penalty and
4 sanctions on Respondent ADAIR's real estate license and license
5 rights as set forth in the below "Order". In the event that the
6 Commissioner in his discretion does not adopt the Stipulation and
7 Agreement, it shall be void and of no effect, and Respondent ADAIR
8 shall retain the right to a hearing and proceeding on the
9 Accusation under all the provisions of the APA and shall not be
10 bound by any admissions or waiver made herein.

11 6. The Order or any subsequent Order of the Real
12 Estate Commissioner made pursuant to this Stipulation and
13 Agreement shall not constitute an estoppel, merger or bar to any
14 further administrative or civil proceedings by the Department of
15 Real Estate with respect to any matters which were not
16 specifically alleged to be causes for accusation in this
17 proceeding.

18 7. Respondent ADAIR has received, read, and
19 understands the "Notice Concerning Costs of Subsequent Audits".
20 Respondent ADAIR understands that by agreeing to this Stipulation
21 and Agreement, the findings set forth below in the DETERMINATION
22 OF ISSUES become final, and that the Commissioner may charge
23 Respondent ADAIR for the costs of any audit conducted pursuant to
24 Section 10148 of the Business and Professions Code to determine if
25 the violations have been corrected.

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DETERMINATION OF ISSUES

By reason of the foregoing stipulations, admissions and waivers and solely for the purpose of settlement of the pending Accusation without hearing, it is stipulated and agreed that the following determination of issues shall be made:

I

The conduct of the Respondent ADAIR, as described in the Accusation, is grounds for the suspension or revocation of the real estate license and license rights of Respondent ADAIR under the provisions of Section 10176(e) of the Business and Professions Code and Section 10177(d) of the Business and Professions Code in conjunction with Sections 10145 and 10232.2 of the Business and Professions Code.

ORDER

I

The real estate broker license and license rights of Respondent GEORGE FRANCIS ADAIR under the Real Estate Law are suspended for a period of ninety (90) days from the effective date of this Order; provided, however, all of said suspension shall be stayed for two (2) years upon the following terms and conditions:

- 1. Respondent shall obey all laws, rules and regulations governing the rights, duties, and responsibilities of a real estate licensee in the State of California;

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1 2. That no final subsequent determination be made,
2 after hearing or upon stipulation, that cause for
3 disciplinary action occurred within two (2) years
4 of the effective date of this Order;

5 3. Respondent shall pay, pursuant to Section 10148 of
6 the Business and Professions Code, the
7 Commissioner's reasonable cost for an audit to
8 determine if Respondent has corrected the trust
9 fund violations found in Paragraphs XI and XII of
10 the Accusation. In calculating the amount of the
11 Commissioner's reasonable costs, the Commissioner
12 may use the estimated average hourly salary for
13 all persons performing audits of real estate
14 brokers, and shall include an allocation for
15 travel costs, including mileage, time to and from
16 the auditor's place of work, and per diem.

17 (a) Respondent shall pay such cost within sixty
18 (60) days of receipt of an invoice from the
19 Commissioner detailing the activities
20 performed during the audit and the amount of
21 time spent performing those activities;

22 (b) If Respondent fails to pay, within sixty (60)
23 days from receipt of the invoice specified
24 above, the Commissioner's reasonable costs
25 for an audit to determine if Respondent has
26 corrected the violations found in Paragraphs
27 XI and XII of the Accusation, the

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Commissioner may order the indefinite suspension of Respondent's real estate license and license rights. The suspension shall remain in effect until payment is made in full, or until Respondent enters into an agreement satisfactory to the Commissioner to provide for such payment. The Commissioner may impose further reasonable disciplinary terms and conditions upon Respondent's real estate license and license rights as part of any such agreement; and

(c) Should no order vacating the stay be issued, either in accordance with this condition or any other condition of this Order, the stay imposed herein shall become permanent.

12/8/98

DATED

David A. Peters


DAVID A. PETERS, Counsel
DEPARTMENT OF REAL ESTATE

* * *

I have read the Stipulation and Agreement, and its terms are understood by me and are agreeable and acceptable to me. I understand that I am waiving rights given to me by the California Administrative Procedure Act (including but not limited to Sections 11506, 11508, 11509, and 11513 of the Government Code), and I willingly, intelligently, and voluntarily waive those rights, including the right of requiring the Commissioner to prove the allegations in the Accusation at a

1 hearing at which I would have the right to cross-examine
2 witnesses against me and to present evidence in defense and
3 mitigation of the charges.

4
5 12-8-98
6 DATED

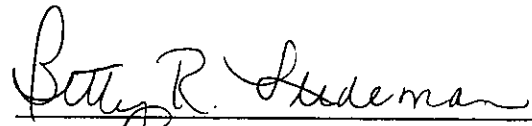

7 GEORGE FRANCIS ADAIR
8 Respondent

9 * * *

10 The foregoing Stipulation and Agreement for Settlement
11 is hereby adopted by the Real Estate Commissioner as his Decision
12 and Order and shall become effective at 12 o'clock noon on
13 February 4, 1999

14 IT IS SO ORDERED December 28, 1998

15 JIM ANTT, JR.
16 Real Estate Commissioner

17 
18 BY: Betty R. Ludeman
19 Assistant Commissioner

FILED
DEC 31 1998
DEPARTMENT OF REAL ESTATE

Laurie A. Zain

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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	No. H-7616 SF
)	
24 HOUR HOME LOAN CORPORATION,)	
GEORGE FRANCIS ADAIR,)	
GARY GENE CANN, and)	
MCFI,)	
)	
Respondents.)	

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSE

On October 16, 1998, a First Amended Accusation was filed in this matter against the above-named Respondents.

On December 15, 1998, Respondent 24 HOUR HOME LOAN CORPORATION only petitioned the Commissioner to voluntarily surrender its real estate corporation license pursuant to Section 10100.2 of the Business and Professions Code.

IT IS HEREBY ORDERED that Respondent 24 HOUR HOME LOAN CORPORATION's petition for voluntary surrender of its real estate corporation license is accepted as of the effective date of this Order as set forth below, based upon the understanding and agreement expressed in Respondent's Declaration dated December 15, 1998 (attached as Exhibit "A" hereto).

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This Order shall become effective at 12 o'clock

noon on January 20, 1999.

DATED: December 28, 1998

JIM ANTT, JR.
Real Estate Commissioner

Betty R. Ludeman

BY: Betty R. Ludeman
Assistant Commissioner

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	No. H-7616 SF
)	
24 HOUR HOME LOAN CORPORATION,)	
GEORGE FRANCIS ADAIR,)	
GARY GENE CANN, and)	
MCFI,)	
Respondents.)	

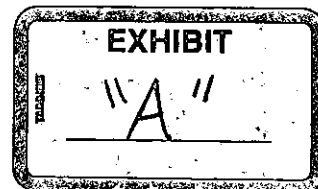
DECLARATION

My name is WAYNE DUFLOTH.

I am the President for 24 HOUR HOME LOAN CORPORATION in the above-entitled case. I am represented by attorney JOSEPH W. D. LEONARDO in this matter.

Pursuant to Business and Professions Code Section 10100.2, I wish to voluntarily surrender the real estate license of 24 HOUR HOME LOAN CORPORATION issued by the Department of Real Estate.

I understand that by so voluntarily surrendering the real estate license of 24 HOUR HOME LOAN CORPORATION, I agree to the following:

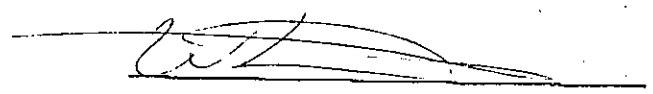


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The filing of my petition shall be deemed to be an understanding and agreement by me that upon acceptance by the Commissioner, as evidenced by an appropriate order, all affidavits and all relevant evidence obtained in the investigation prior to the acceptance and all allegations contained in the Accusation and First Amended Accusation filed in Department of Real Estate Case No. H-7616 SF may be considered by the Department to be true and correct for the purpose of deciding whether or not to grant reinstatement of the real estate license of 24 HOUR HOME LOAN CORPORATION.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

DATED: 12-15-98



BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

By Laurie A. Zain

In the Matter of the Accusation of

24 HOUR HOME LOAN CORPORATION,
GEORGE FRANCIS ADAIR,
GARY GENE CANN, and
MCFI

}

Case No. H-7616 SF

OAH No. N-1998100337

Respondent

NOTICE OF HEARING ON ACCUSATION

To the above named respondent:

You are hereby notified that a hearing will be held before the Department of Real Estate at the
Office of Administrative Hearings, 1515 Clay Street, Suite 206,
Oakland, CA 94612

on December 15 and 16, 1998, at the hour of 9:00 AM,
or as soon thereafter as the matter can be heard, upon the Accusation served upon you. If you object to the place of hearing, you must notify the presiding administrative law judge of the Office of Administrative Hearings within ten (10) days after this notice is served on you. Failure to notify the presiding administrative law judge within ten days will deprive you of a change in the place of the hearing.

You may be present at the hearing. You have the right to be represented by an attorney at your own expense. You are not entitled to the appointment of an attorney to represent you at public expense. You are entitled to represent yourself without legal counsel. If you are not present in person nor represented by counsel at the hearing, the Department may take disciplinary action against you based upon any express admission or other evidence including affidavits, without any notice to you.

You may present any relevant evidence and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the production of books, documents or other things by applying to the Department of Real Estate.

The hearing shall be conducted in the English language. If you want to offer the testimony of any witness who does not proficiently speak the English language, you must provide your own interpreter and pay his or her costs. The interpreter must be certified in accordance with Sections 11435.30 and 11435.55 of the Government Code.

DEPARTMENT OF REAL ESTATE

Dated: November 4, 1998

By David A. Peters
DAVID A. PETERS *Counsel*

1 DAVID A. PETERS, Counsel (SBN 99528)
2 Department of Real Estate
3 P. O. Box 187000
4 Sacramento, CA 95818-7000

5 Telephone: (916) 227-0789
6 -or- (916) 227-0781 (Direct)

FILED
OCT 16 1998

DEPARTMENT OF REAL ESTATE

By *Laurie A. Zain*

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11	In the Matter of the Accusation of)	No. H-7616 SF
12	24 HOUR HOME LOAN CORPORATION,)	<u>FIRST AMENDED</u>
13	GEORGE FRANCIS ADAIR,)	<u>ACCUSATION</u>
14	GARY GENE CANN, and)	
15	MCFI,)	
	Respondents.)	

16 The Complainant, Les R. Bettencourt, a Deputy Real
17 Estate Commissioner of the State of California for cause of
18 Accusation against 24 HOUR HOME LOAN CORPORATION dba Adair
19 Mortgage & Investment (hereinafter "Respondent 24 HOUR"), GEORGE
20 FRANCIS ADAIR, (hereinafter "Respondent ADAIR"), GARY GENE CANN
21 dba Capital Unlimited, (hereinafter "Respondent CANN"), and MCFI
22 (hereinafter "Respondent MCFI"), is informed and alleges as
23 follows:

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V

At all times herein mentioned, Respondent CANN was licensed as a real estate broker and from on or about March 10, 1998 as the designated broker-officer of Respondent MCFI.

VI

Within the three year period immediately preceding the filing of this Accusation through on or about March 10, 1998 Respondent MCFI was unlicensed. Beginning on or about March 10, 1998 Respondent MCFI was licensed as a real estate broker corporation acting by and through its designated broker-officer Respondent CANN.

VII

Whenever reference is made in an allegation in this Accusation to an act or omission of "Respondents", such allegation shall be deemed to mean the act or omission of each of the Respondents named in the caption thereof, acting individually, jointly and severally.

VIII

At various times within the three-year period immediately preceding the filing of this Accusation, Respondents engaged in the business of, acted in the capacity of, advertised, or assumed to act as real estate brokers within the State of California, within the meaning of Section 10131(d) of the Code, including the operation and conduct of a mortgage loan brokerage business with the public wherein lenders and borrowers were solicited for loans secured directly or collaterally by liens on real property, wherein such loans were arranged, negotiated,

1 processed, and consummated on behalf of others for compensation or
2 in expectation of compensation, and wherein such loans were
3 serviced and payments thereon were collected or behalf of others.

4 IX

5 During the course of the mortgage loan brokerage
6 activities described in Paragraph VIII above, Respondents 24 HOUR
7 and ADAIR received and disbursed funds held in trust on behalf of
8 another or others.

9 X

10 Within the three-year period immediately preceding the
11 filing of this Accusation and continuing through on or about
12 November 30, 1997, Respondent maintained the following trust fund
13 accounts:

14	<u>ACCOUNT NAME AND NO.</u>	<u>BANK</u>
15	24 Hour Home Loan Corporation dba	National Bank of the
16	Adair Mortgage, 24 Hour Home Loan	Redwoods
17	Servicing Trust Acct. #1	Santa Rosa, California
18	Account No. 2702686	
19	(hereinafter "Trust #1")	
20	24 Hour Home Loan Corporation dba	National Bank of the
21	Adair Mortgage Co. Trust Acct. #2	Redwoods
22	Account No. 2704369	Santa Rosa, California
23	(hereinafter "Trust #2")	

24 XI

25 In connection with the receipt and disbursement of trust
26 funds described in Paragraph IX above, Respondents 24 HOUR and
27 ADAIR failed to maintain trust funds in Trust #2 until disbursed
by Respondents 24 HOUR and ADAIR in accordance with instructions
from the person entitled to the funds in violation of Section
10145 of the Code.

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XII

In connection with the receipt and disbursement of trust funds described in Paragraph IX above, Respondents 24 HOUR and ADAIR commingled their own money or property with the money or property of others which was received or held by Respondents 24 HOUR and ADAIR in violation of Section 10176(e) of the Code.

XIII

Within the three-year period immediately preceding the filing of the Accusation, Respondent 24 HOUR and ADAIR failed to notify the Department of Real Estate that Respondent 24 HOUR met the threshold criteria provided for in Section 10232 of the Code, for calendar year 1996, in conformance with Section 10232.2 of the Code.

XIV

On, before or after March 17, 1997, at a time when Respondent 24 HOUR's real estate broker license was cancelled by the Department of Real Estate for lack of a designated broker-officer, Respondent 24 HOUR engaged in acts for which a real estate license is required as described in Paragraph VIII above, including but not limited to negotiating a loan to be secured by real property located at 8470 Old Oak Road, Windsor, California owned by David S. Jacobson and Teresa Jacobson. On or about March 24, 1997, Respondent 24 HOUR, in connection with said licensed acts, received compensation in the amount of \$2,380.00 in violation of Section 10137 of the Code.

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1 XV

2 The acts and/or omissions of Respondents 24 HOUR and
3 ADAIR described above are grounds for the suspension or revocation
4 of Respondents 24 HOUR and ADAIR's licenses and/or license rights
5 under the following sections of the Code and of Title 10,
6 California Code of Regulations (hereinafter "the Code"), as
7 follows:

8 (1) As to Paragraph XI under Section 10177(d) of the
9 Code in conjunction with Section 10145 of the Code, as to
10 Respondents 24 HOUR and ADAIR;

11 (2) As to Paragraph XII under Section 10176(e) of the
12 Code, as to Respondents 24 HOUR and ADAIR;

13 (3) As to Paragraph XIII under Section 10177(d) in
14 conjunction with Section 10232.2 of the Code, as to Respondent 24
15 HOUR; and

16 (4) As to Paragraph XIV under Section 10137 of the
17 Code, as to Respondent 24 HOUR.

18 SECOND CAUSE OF ACCUSATION

19 XVI

20 There is hereby incorporated in this second, separate
21 and distinct Cause of Accusation, all of the allegations contained
22 in Paragraphs I through VIII of the First Cause of Accusation with
23 the same force and effect as if herein fully set forth.

24 XVII

25 On or before, October 16, 1997, at a time when
26 Respondent MCFI was not licensed by the Department of Real Estate,
27 Respondent MCFI, engaged in acts for which a real estate license

1 is required as described in Paragraph VIII above, including but
2 not limited to negotiating a loan to be secured by real property
3 located at 1096 Wikiup Drive, Santa Rosa, California owned by
4 Danny Randall Wells and Lori Ann Wells.

5 XVIII

6 On or before November 13, 1997, at a time when
7 Respondent MCFI was not licensed by the Department of Real Estate,
8 Respondent MCFI, engaged in acts for which a real estate license
9 is required as described in Paragraph VIII above, including but
10 not limited to negotiating a loan to be secured by real property
11 located at 1933 Marian Lane, Santa Rosa, California owned by
12 Clarence P. Adams and Nina M. Adams.

13 XIX

14 The acts and/or omissions of Respondent MCFI described
15 in this Second Cause of Accusation are grounds for the suspension
16 or revocation of Respondent MCFI's licenses and license rights
17 under Section 10177(d) of the Code in conjunction with Sections
18 10130 and 10139 of the Code all in conjunction with Section
19 10177(f) of the Code.

20 THIRD CAUSE OF ACCUSATION

21 XX

22 There is hereby incorporated in this third, separate and
23 distinct Cause of Accusation, all of the allegations contained in
24 Paragraphs I, V, and VI of the First Cause of Accusation with the
25 same force and effect as if herein fully set forth.

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XXI

On or about September 17, 1996, in the Superior Court for the State of California, in and for the County of Sonoma, in Case No. 208395 a Final Judgment was entered against Respondent CANN based on grounds of fraud, misrepresentation, or deceit with reference to a transaction for which a real estate license is required.

XXII

The facts set forth in Paragraph XXI above, constitute cause under Section 10177.5 of the Code for suspension or revocation of all licenses and license rights of Respondent CANN under the Real Estate Law.

PRIOR ADMINISTRATIVE ACTION

On August 28, 1998, the Real Estate Commissioner paid the sum of \$40,000.00 from the Real Estate Recovery Account pursuant to Chapter 6.5, Part 1, Division 4 of the Code on account of the judgment against Respondent CANN described in Paragraph XXI above. Pursuant to Section 10475 of the Code all licenses and licensing rights of Respondent under the Real Estate Law (Part 1 of Division 4 of the Code) were automatically suspended effective on the date of payment from the Real Estate Recovery Account.

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1 DAVID A. PETERS, Counsel (SBN 99528)
Department of Real Estate
2 P. O. Box 187000
Sacramento, CA 95818-7000
3
4 Telephone: (916) 227-0789
-or- (916) 227-0781 (Direct)

FILED
SEP 14 1998
DEPARTMENT OF REAL ESTATE

By *Laurie A. Zia*

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

12 In the Matter of the Accusation of)
13 24 HOUR HOME LOAN CORPORATION,) No. H-7616 SF
GEORGE FRANCIS ADAIR,) ACCUSATION
14 GARY GENE CANN, and)
MCFI,)
15 Respondents.)
16

17 The Complainant, Les R. Bettencourt, a Deputy Real
18 Estate Commissioner of the State of California for cause of
19 Accusation against 24 HOUR HOME LOAN CORPORATION dba Adair
20 Mortgage & Investment (hereinafter "Respondent 24 HOUR"), GEORGE
21 FRANCIS ADAIR, (hereinafter "Respondent ADAIR"), GARY GENE CANN
22 dba Capital Unlimited, (hereinafter "Respondent CANN"), and MCFI
23 (hereinafter "Respondent MCFI"), is informed and alleges as
24 follows:

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1 V

2 At all times herein mentioned, Respondent CANN was
3 licensed as a real estate broker and from on or about March 10,
4 1998 as the designated broker-officer of Respondent MCFI.

5 VI

6 Within the three year period immediately preceding the
7 filing of this Accusation through on or about March 10, 1998
8 Respondent MCFI was unlicensed. Beginning on or about March 10,
9 1998 Respondent MCFI was licensed as a real estate broker
10 corporation acting by and through it designated broker-officer
11 Respondent CANN.

12 VII

13 Whenever reference is made in an allegation in this
14 Accusation to an act or omission of "Respondents", such allegation
15 shall be deemed to mean the act or omission of each of the
16 Respondents named in the caption thereof, acting individually,
17 jointly and severally.

18 IX

19 At various times within the three-year period
20 immediately preceding the filing of this Accusation, Respondents
21 engaged in the business of, acted in the capacity of, advertised,
22 or assumed to act as real estate brokers within the State of
23 California, within the meaning of Section 10131(d) of the Code,
24 including the operation and conduct of a mortgage loan brokerage
25 business with the public wherein lenders and borrowers were
26 solicited for loans secured directly or collaterally by liens on
27 real property, wherein such loans were arranged, negotiated,

1 processed, and consummated on behalf of others for compensation or
2 in expectation of compensation, and wherein such loans were
3 serviced and payments thereon were collected or behalf of others.

4 X

5 During the course of the mortgage loan brokerage
6 activities described in Paragraph IX above, Respondents 24 HOUR
7 and ADAIR received and disbursed funds held in trust on behalf of
8 another or others.

9 XI

10 Within the three-year period immediately preceding the
11 filing of this Accusation and continuing through on or about
12 November 30, 1997, Respondent maintained the following trust fund
13 accounts:

14	<u>ACCOUNT NAME AND NO.</u>	<u>BANK</u>
15	24 Hour Home Loan Corporation dba	National Bank of the
16	Adair Mortgage, 24 Hour Home Loan	Redwoods
17	Servicing Trust Acct. #1	Santa Rosa, California
	Account No. 2702686	
	(hereinafter "Trust #1")	
18	24 Hour Home Loan Corporation dba	National Bank of the
19	Adair Mortgage Co. Trust Acct. #2	Redwoods
20	Account No. 2704369	Santa Rosa, California
	(hereinafter "Trust #2")	

21 XII

22 In connection with the receipt and disbursement of trust
23 funds described in Paragraph X above, Respondents 24 HOUR and
24 ADAIR failed to maintain trust funds in Trust #2 until disbursed
25 by Respondents 24 HOUR and ADAIR in accordance with instructions
26 from the person entitled to the funds in violation of Section
27 10145 of the Code.

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XIII

In connection with the receipt and disbursement of trust funds described in Paragraph X above, Respondents 24 HOUR and ADAIR commingled their own money or property with the money or property of others which was received or held by Respondents 24 HOUR and ADAIR in violation of Section 10176(e) of the Code.

IX

Within the three-year period immediately preceding the filing of the Accusation, Respondent 24 HOUR and ADAIR failed to notify the Department of Real Estate that Respondent 24 HOUR met the threshold criteria provided for in Section 10232 of the Code, for calendar year 1996, in conformance with Section 10232.2 of the Code.

X

On, before or after March 17, 1997, at a time when Respondent 24 HOUR's real estate broker license was cancelled by the Department of Real Estate for lack of a designated broker-officer, Respondent 24 HOUR engaged in acts for which a real estate license is required as described in Paragraph IX above, including but not limited to negotiating a loan to be secured by real property located at 8470 Old Oak Road, Windsor, California owned by David S. Jacobson and Teresa Jacobson. On or about March 24, 1997, Respondent 24 HOUR, in connection with said licensed acts, received compensation in the amount of \$2,380.00 in violation of Section 10137 of the Code.

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1 XI

2 The acts and/or omissions of Respondents 24 HOUR and
3 ADAIR described above are grounds for the suspension or revocation
4 of Respondents 24 HOUR and ADAIR's licenses and/or license rights
5 under the following sections of the Code and of Title 10,
6 California Code of Regulations (hereinafter "the Code"), as
7 follows:

8 (1) As to Paragraph XII under Section 10177(d) of the
9 Code in conjunction with Section 10145 of the Code, as to
10 Respondents 24 HOUR and ADAIR;

11 (2) As to Paragraph XIII under Section 10176(e) of the
12 Code, as to Respondents 24 HOUR and ADAIR;

13 (3) As to Paragraph IX under Section 10177(d) in
14 conjunction with Section 10232.2 of the Code, as to Respondent 24
15 HOUR; and

16 (4) As to Paragraph X under Section 10137 of the Code,
17 as to Respondent 24 HOUR.

18 SECOND CAUSE OF ACCUSATION

19 XII

20 There is hereby incorporated in this second, separate
21 and distinct Cause of Accusation, all of the allegations contained
22 in Paragraphs I through IX of the First Cause of Accusation with
23 the same force and effect as if herein fully set forth.

24 XIII

25 On or before, October 16, 1997, at a time when
26 Respondent MCFI was not licensed by the Department of Real Estate,
27 Respondent MCFI, engaged in acts for which a real estate license

1 is required as described in Paragraph IX above, including but not
2 limited to negotiating a loan to be secured by real property
3 located at 1096 Wikiup Drive, Santa Rosa, California owned by
4 Danny Randall Wells and Lori Ann Wells.

5 XIV

6 On or before November 13, 1997, at a time when
7 Respondent MCFI was not licensed by the Department of Real Estate,
8 Respondent MCFI, engaged in acts for which a real estate license
9 is required as described in Paragraph IX above, including but not
10 limited to negotiating a loan to be secured by real property
11 located at 1933 Marian Lane, Santa Rosa, California owned by
12 Clarence P. Adams and Nina M. Adams.

13 XV

14 The acts and/or omissions of Respondent MCFI described
15 in this Second Cause of Accusation are grounds for the suspension
16 or revocation of Respondent MCFI's licenses and license rights
17 under Section 10177(d) of the Code in conjunction with Sections
18 10130 and 10139 of the Code all in conjunction with Section
19 10177(f) of the Code.

20 THIRD CAUSE OF ACCUSATION

21 XVI

22 There is hereby incorporated in this third, separate and
23 distinct Cause of Accusation, all of the allegations contained in
24 Paragraphs I, V, and VI of the First Cause of Accusation with the
25 same force and effect as if herein fully set forth.

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XVII

On or about September 17, 1996, in the Superior Court for the State of California, In and For the County of Sonoma, in Case No. 208395 a Final Judgment was entered against Respondent CANN based on grounds of fraud, misrepresentation, or deceit with reference to a transaction for which a real estate license is required.

XVIII

The facts set forth in Paragraph XVII above, constitute cause under Section 10177.5 of the Code for suspension or revocation of all licenses and license rights of Respondent CANN under the Real Estate Law..

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 Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) and for such other and further relief as may be proper under other provisions of law.


LES R. BETTENCOURT
Deputy Real Estate Commissioner

Dated at San Francisco, California,
this 10th day of September, 1998.