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FILED

DEC 17 2009

DEPARTMENT OF REAL ESTATE

By *L. Smith*

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of
ANNA SAYOUNG HONG,
Respondent.

No. H-7805 SF

ORDER GRANTING REINSTATEMENT OF LICENSE

On July 7, 2000, in Case No. H-7805 SF, a Decision was rendered revoking the real estate salesperson license of Respondent effective August 22, 2000, but granting Respondent the right to the issuance of a restricted real estate salesperson license. A restricted real estate salesperson license was issued to Respondent on August 22, 2000, and Respondent has operated as a restricted licensee since that time.

On August 18, 2008, Respondent petitioned for the removal of restrictions attaching to Respondent's real estate salesperson license, and the Attorney General of the State of California has been given notice of the filing of the petition.

I have considered Respondent's petition and the evidence and arguments in support thereof. Respondent has demonstrated to my satisfaction that Respondent meets the requirements of law for the issuance to Respondent of an unrestricted real estate salesperson license and that it would not be against the public interest to issue said license to Respondent.

1 NOW, THEREFORE, IT IS ORDERED that Respondent's petition for
2 reinstatement is granted and that a real estate salesperson license be issued to Respondent if
3 Respondent satisfies the following conditions within twelve (12) months from the date of this
4 order:

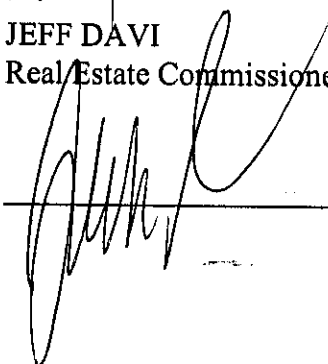
- 5 1. Submittal of a completed application and payment of the fee for a real
6 estate salesperson license.
- 7 2. Submittal of evidence of having, since the most recent issuance of an
8 original or renewal real estate license, taken and successfully completed the continuing education
9 requirements of Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a real estate
10 license.

11 This Order shall become effective immediately.

12 DATED: 12/17/09

13 JEFF DAVI
14 Real Estate Commissioner

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1 DEPARTMENT OF REAL ESTATE
2 P. O. Box 187000
3 Sacramento, CA 95818-7000
4 Telephone: (916) 227-0789

FILED

AUG 02 2000

DEPARTMENT OF REAL ESTATE

By *John P. Lee*

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

11 * * *

12 In the Matter of the Accusation of)
13 JONG M. SHIM and)
14 ANNA SAYOUNG HONG,)
15 Respondents.)

NO. H-7805 SF

STIPULATION AND AGREEMENT
AS TO JONG M. SHIM

16
17 It is hereby stipulated by and between JONG M. SHIM
18 (hereafter Respondent), represented by Frank N. Lee, Attorney
19 at Law, and the Complainant, acting by and through Deidre L.
20 Johnson, Counsel for the Department of Real Estate, as follows
21 for the purpose of settling and disposing the Accusation filed
22 on March 7, 2000, in this matter:

23 1. All issues which were to be contested and all
24 evidence which was to be presented by Complainant and Respondent
25 at a formal hearing on the Accusation, which hearing was to be
26 held in accordance with the provisions of the Administrative
27 Procedures Act (APA), shall instead and in place thereof be

1 submitted solely on the basis of the provisions of this
2 Stipulation and Agreement.

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

6 3. On March 24, 2000, Respondent filed his Notice of
7 Defense pursuant to Section 11505 of the Government Code for the
8 purpose of requesting a hearing on the allegations in the
9 Accusation. Respondent hereby freely and voluntarily withdraws
10 said Notice of Defense. Respondent acknowledges that he
11 understands that by withdrawing said Notice of Defense he will
12 thereby waive his rights to require the Commissioner to prove the
13 allegations in the Accusation at a contested hearing held in
14 accordance with the provisions of the APA, and that he will waive
15 other rights afforded to him in connection with the hearing such
16 as the right to present evidence in defense of the allegations in
17 the Accusation and the right to cross-examine witnesses.

18 4. Respondent, pursuant to the limitations set forth
19 below, hereby admits that the factual allegations in Paragraphs I
20 through V of the Accusation filed in this proceeding are true and
21 correct and the Real Estate Commissioner shall not be required to
22 provide further evidence of such allegations.

23 5. Without admitting the truth of the allegations
24 contained in the remaining paragraphs of the Accusation,
25 Respondent stipulates that he will not interpose a defense
26 thereto. This Stipulation is based on the factual allegations as
27 to Respondent contained in the Accusation. In the interests of

1 expedience and economy, Respondent chooses not to contest these
2 allegations, but to remain silent and understand that, as a
3 result thereof, these factual allegations, without being admitted
4 or denied, will serve as the basis for the disciplinary action
5 stipulated to herein. The Real Estate Commissioner shall not be
6 required to provide further evidence to prove said factual
7 allegations.

8 6. It is understood by the parties that the Real
9 Estate Commissioner may adopt the Stipulation and Agreement as
10 the decision in this matter thereby imposing the penalty and
11 sanctions on the real estate licenses and license rights of
12 Respondent as set forth in the below "Order". In the event that
13 the Commissioner in her discretion does not adopt the Stipulation
14 and Agreement, it shall be void and of no effect, and Respondent
15 shall retain the rights to a hearing and proceeding on the
16 Accusation under all the provisions of the APA and shall not be
17 bound by any admission or waiver made herein.

18 7. Respondent has received, read and understands the
19 "Notice Concerning Costs of Audit." Respondent understands, by
20 agreeing to this Stipulation and Agreement, and after the
21 findings set forth below in the "Determination of Issues" become
22 final, that the Commissioner may charge Respondent for the costs
23 of an audit that may be conducted pursuant to Section 10148 of
24 the Business and Professions Code. The maximum cost of said
25 audit will not exceed \$2,200.00.

26 8. The Order or any subsequent Order of the Real
27 Estate Commissioner made pursuant to this Stipulation and

1 Agreement shall not constitute an estoppel, merger or bar to any
2 further administrative or civil proceedings by the Department of
3 Real Estate with respect to any matters which were not
4 specifically alleged to be causes for accusation in this
5 proceeding.

6 DETERMINATION OF ISSUES

7 By reason of the foregoing stipulations, admissions and
8 waivers and for the purpose of settlement of the pending
9 Accusation as to Respondent without a hearing, it is stipulated
10 and agreed that the following determination of issues shall be
11 made:

12 The acts and/or omissions of Respondent as stipulated
13 above violate Section 10240 of the California Business and
14 Professions Code (hereafter the Code), and Sections 2726, 2831,
15 and 2831.1 of Title 10, California Code of Regulations, and
16 constitute grounds for the suspension or revocation of all real
17 estate license and license rights of Respondent under the
18 provisions of Sections 10137, 10177(d) and 10177(h) of the Code.

19 ORDER

20 A. All real estate licenses and license rights of
21 Respondent JONG M. SHIM shall be suspended for a period of ninety
22 (90) days from the effective date of the Decision.

23 B. Sixty (60) days of said suspension are stayed for a
24 period of two (2) years upon the following terms and conditions:

- 25 (1) Respondent shall obey all laws, rules and
26 regulations governing the rights, duties and
27

responsibilities of a real estate licensee in the State of California; and

(2) The Commissioner may, if a final subsequent determination is made, after hearing or upon stipulation, that cause for disciplinary action against the license(s) of Respondent has occurred within two (2) years from the effective date of the Decision, vacate and set aside the stay order and reimpose all or a portion of the stayed suspension. Should no order vacating the stay be made pursuant to this condition or conditions B(3) and/or C below, the stay imposed herein shall become permanent.

(3) Pursuant to Section 10148 of the Business and Professions Code, Respondent shall pay the Commissioner's reasonable costs for a subsequent audit as a result of the trust fund violations found herein. In calculating the amount of the Commissioner's reasonable costs, the Commissioner may use the estimated average hourly salary for all Department personnel performing audits of real estate brokers, and shall include an allocation for travel costs, including mileage, time to and from the auditor's place of work and per diem. Respondent shall pay such costs within sixty (60) days of receiving an invoice for the audit from the Commissioner detailing the activities.

1 performed during the audit and the amount of time
2 spent performing those activities. The total
3 costs shall not exceed \$2,200.00. The
4 Commissioner may, in her discretion, vacate and
5 set aside the stay order, if payment is not timely
6 made as provided for herein, or as provided for in
7 a subsequent agreement between Respondent and the
8 Commissioner. The vacation and the set aside of
9 the stay shall remain in effect until payment is
10 made in full, or until Respondent enters into an
11 agreement satisfactory to the Commissioner to
12 provide for payment. Should no order vacating the
13 stay be issued, either in accordance with this
14 condition or conditions B(2) and/or C herein, the
15 stay imposed herein shall become permanent.

16 C. If Respondent petitions the Department in writing
17 pursuant to Section 10175.2 of the Code prior to the effective
18 date of the Decision, the remaining thirty (30) days of said
19 suspension shall be stayed upon condition that:

20 (1) Respondent shall pay a monetary penalty pursuant
21 to Section 10175.2 of the Code at the rate of \$100
22 for each day of suspension for a total monetary
23 penalty of \$3,000.00.

24 (2) Said payment shall be in the form of a cashier's
25 check or certified check made payable to the
26 Recovery Account of the Real Estate Fund. Said
27

1 check must be received by the Department prior to
2 the effective date of the Decision in this matter.

3 (3) No further cause for disciplinary action against
4 the real estate license(s) of Respondent occurs
5 within two (2) years from the effective date of
6 the Decision.

7 (4) If Respondent fails to pay the monetary penalty in
8 accordance with the terms and conditions of the
9 Decision, the Commissioner may, without a hearing,
10 order the immediate execution of all or any part
11 of the stayed suspension, in which event,
12 Respondent shall not be entitled to any repayment
13 nor credit, prorated or otherwise, for money paid
14 to the Department under the terms of this
15 Decision.

16 (5) If Respondent pays the monetary penalty and if no
17 further cause for disciplinary action against the
18 real estate license(s) of Respondent occurs within
19 two (2) years from the effective date of the
20 Decision, the stay hereby granted in this
21 condition and in condition B above shall become
22 permanent.

23 (6) If the Real Estate Commissioner determines that
24 further cause for disciplinary action against
25 Respondent has occurred within two (2) years from
26 the effective date of the Decision, the stay of
27 suspension hereby granted to Respondent, or such



1 portion of the stay as the Real Estate
2 Commissioner shall deem appropriate, shall be
3 vacated.

4
5 May 12, 2000
6 DATED

Deidre L. Johnson
7 DEIDRE L. JOHNSON
8 Counsel for the Complainant

9 * * *

10 I have read the Stipulation and Agreement, understand
11 that I have the right to consult counsel, or have consulted
12 counsel, and its terms are understood by me and are agreeable and
13 acceptable to me. I understand that I am waiving rights given to
14 me by the California Administrative Procedure Act, and I
15 willingly, intelligently and voluntarily waive those rights,
16 including the right of requiring the Commissioner to prove the
17 allegations in the Accusation at a hearing at which I would have
18 the right to cross-examine witnesses against me and to present
19 evidence in defense and mitigation of the charges.

20 5/11/2000
21 DATED

Jong M. Shim
22 JONG M. SHIM
23 Respondent

24 APPROVED AS TO FORM:

25 5/11/00
26 DATED

Frank N. Lee
27 FRANK N. LEE
Attorney for Respondent

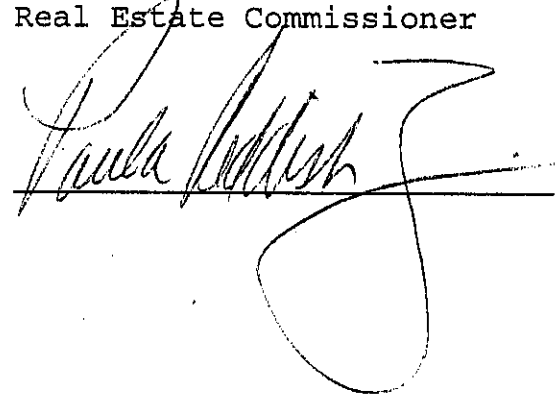
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* * *

The foregoing Stipulation and Agreement is hereby
adopted as my Decision and shall become effective at 12 o'clock
noon on August 22, 2000.

IT IS SO ORDERED July 7, 2000.

PAULA REDDISH ZINNEMANN
Real Estate Commissioner



1 DEPARTMENT OF REAL ESTATE
2 P. O. Box 187000
3 Sacramento, CA 95818-7000
4 Telephone: (916) 227-0425

FILED
AUG 02 2000

DEPARTMENT OF REAL ESTATE

By Juan C. Cruz

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

11 * * *

12 In the Matter of the Accusation of)
13 JONG M. SHIM and) NO. H-7805 SF
14 ANNA SAYOUNG HONG,) STIPULATION AND AGREEMENT
15 Respondents.) AS TO ANNA SAYOUNG HONG

16 It is hereby stipulated by and between ANNA SAYOUNG
17 HONG (Respondent), and the Complainant, acting by and through
18 Deidre L. Johnson, Counsel for the Department of Real Estate,
19 as follows for the purpose of settling and disposing of the
20 Accusation filed on March 7, 2000:

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

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

5 3. On March 10, 2000, Respondent filed a Notice of
6 Defense pursuant to Section 11505 of the Government Code for the
7 purpose of requesting a hearing on the allegations in the
8 Accusation. Respondent hereby freely and voluntarily withdraws
9 said Notice of Defense. Respondent acknowledges that she
10 understands that by withdrawing said Notice of Defense she will
11 thereby waive the right to require the Commissioner to prove the
12 allegations in the Accusation at a contested hearing held in
13 accordance with the provisions of the APA, and that she will
14 waive other rights afforded to her in connection with the hearing
15 such as the right to present evidence in defense of the
16 allegations in the Accusation and the right to cross-examine
17 witnesses.

18 4. Respondent, pursuant to the limitations set forth
19 below, hereby admits that the factual allegations set forth in
20 the Accusation as to her are true and correct and the Real Estate
21 Commissioner shall not be required to provide further evidence of
22 such allegations.

23 5. It is understood by the parties that the Real
24 Estate Commissioner may adopt the Stipulation and Agreement as
25 the decision in this matter thereby imposing the penalties and
26 sanctions on the real estate license and license rights of
27 Respondents as set forth in the below "Order". In the event that

1 the Commissioner in her discretion does not adopt the Stipulation
2 and Agreement, it shall be void and of no effect, and Respondent
3 shall retain the right to a hearing and proceeding on the
4 Accusation under all the provisions of the APA and shall not be
5 bound by any admissions or waivers made herein.

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

12 DETERMINATION OF ISSUES

13 By reason of the foregoing stipulations, admissions and
14 waivers and for the purpose of settlement of the pending
15 Accusation as to Respondent without a hearing, it is stipulated
16 and agreed that the following determination of issues shall be
17 made:

18 The acts and/or omissions of Respondent ANNA SAYOUNG
19 HONG as stipulated in Paragraph 4 above, violate Section 10130 of
20 the Business and Professions Code (the Code), and constitute
21 grounds for disciplinary action under the provisions of
22 Section 10177(d) of the Code.

23 ORDER

24 A. All real estate license(s) and license rights of
25 Respondent ANNA SAYOUNG HONG are hereby revoked.

26 B.. A restricted real estate salesperson license shall
27 be issued to Respondent pursuant to Section 10156.6 of the Code

1 if she makes application therefor and pays to the Department of
2 Real Estate the appropriate fee for said license within ninety
3 (90) days from the effective date of the decision.

4 C. The restricted license issued to Respondent shall
5 be subject to all of the provisions of Section 10156.7 of the
6 Business and Professions Code and to the following limitations,
7 conditions, and restrictions imposed under authority of Section
8 10156.6 of that Code:

9 (1) The restricted license issued to Respondent
10 may be suspended prior to hearing by Order
11 of the Real Estate Commissioner in the
12 event of Respondent's conviction or plea of
13 nolo contendere to a crime which is
14 substantial related to Respondent's fitness
15 or capacity as a real estate licensee.

16 (2) The restricted license issued to Respondent
17 may be suspended prior to hearing by Order
18 of the Real estate Commissioner on evidence
19 satisfactory to the Commissioner that
20 Respondent has violated provisions of the
21 California Real Estate Law, the Subdivided
22 Lands Law, Regulations of the Real Estate
23 Commissioner or conditions attaching to the
24 restricted license.

25 (3) Respondent shall not be eligible to apply
26 for the issuance of an unrestricted real
27 estate license, nor the removal of any of

1 the conditions of the restricted license,
2 until one (1) year has elapsed from the
3 effective date of this Decision.

4 (4) Respondent shall submit with any
5 application for license under an employing
6 broker, or any application for transfer to
7 a new employing broker, a statement signed
8 by the prospective employing real estate
9 broker on a form approved by the Department
10 of Real Estate which shall certify:

11 (a) That the employing broker has read the
12 Decision of the Commissioner which
13 granted the right to a restricted
14 license; and

15 (b) That the employing broker will
16 exercise close supervision over the
17 performance by the restricted licensee
18 relating to activities for which a
19 real estate license is required.

20 (5) Respondent's original real estate
21 salesperson license was issued subject to
22 the provisions of Section 10153.4 of the
23 Business and Professions Code, and the
24 restricted real estate salesperson license
25 issued to Respondent shall be similarly
26 limited, to wit: Respondent shall, within
27 eighteen (18) months of the issuance of

1 Respondent's original real estate
2 salesperson license under the provisions of
3 Section 10153.4 of the Business and
4 Professions Code, submit evidence
5 satisfactory to the Commissioner of
6 successful completion, at an accredited
7 institution, of two of the courses listed
8 in Section 10153.2, other than real estate
9 principles, advanced legal aspects of real
10 estate, advanced real estate finance or
11 advanced real estate appraisal. If
12 Respondent fails to present satisfactory
13 evidence of successful completion of said
14 courses, the restricted license shall be
15 automatically suspended effective eighteen
16 (18) months after issuance of Respondent's
17 original real estate salesperson license.
18 Said suspension shall not be lifted until
19 Respondent has submitted the required
20 evidence of course completion and the
21 Commissioner has given written notice to
22 the Respondent of lifting the suspension.

- 23 (6) Respondent shall, within six (6) months
24 from the effective date of this Decision,
25 take and pass the Professional
26 Responsibility Examination administered by
27 the Department including the payment of the

1 appropriate examination fee. If Respondent
2 fails to satisfy this condition, the
3 Commissioner may order suspension of the
4 restricted license until Respondent passes
5 the examination.
6

7
8 June 27, 2000
9 DATED

Deidre L. Johnson
10 DEIDRE L. JOHNSON
11 Counsel for the Complainant

12 * * *

13 I have read the Stipulation and Agreement, understand
14 that I have the right to discuss it with counsel, and its terms
15 are understood by me and are agreeable and acceptable to me. I
16 understand that I am waiving rights given to me by the California
17 Administrative Procedure Act, and I willingly, intelligently and
18 voluntarily waive those rights, including the right of requiring
19 the Commissioner to prove the allegations in the Accusation at a
20 hearing at which I would have the right to cross-examine
21 witnesses against me and to present evidence in defense and
22 mitigation of the charges.
23

24 6/23/00

25 DATED

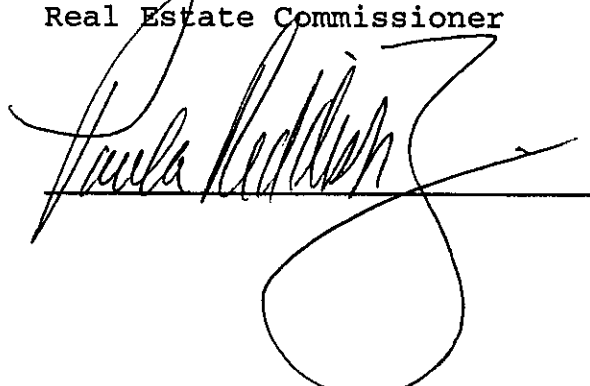
Anna Sayoung Hong
26 ANNA SAYOUNG HONG
27 Respondent

1 * * *

2 The foregoing Stipulation and Agreement is hereby
3 adopted as my Decision and shall become effective at 12 o'clock
4 noon on August 22, 2000.

5 IT IS SO ORDERED July 7, 2000.

6
7 PAULA REDDISH ZINNEMANN
8 Real Estate Commissioner
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FILED
APR 7 2000

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE

By Kathleen Contreras

In the Matter of the Accusation of

JONG M. SHIM, and
ANNA SAYOUNG HONG,

Case No. H-7805 SF

OAH No. N-2000040010

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, the Elihu Harris State

Building, 1515 Clay Street, Suite 206, Oakland, California 94612

on May 17, 2000, and May 18, 2000, 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: April 7, 2000

By Deidre L. Johnson
DEIDRE L. JOHNSON kc Counsel

1 DEIDRE L. JOHNSON, Counsel
2 State Bar No. 66322
3 Department of Real Estate
4 P. O. Box 187000
5 Sacramento, CA 95818-7000
6
7 Telephone: (916) 227-0789

FILED
MAR 07 2000

DEPARTMENT OF REAL ESTATE

By Juan Sanchez

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

11 * * *

12 In the Matter of the Accusation of)
13 JONG M. SHIM, and) NO. H-7805 SF
14 ANNA SAYOUNG HONG,)
15 Respondents.) ACCUSATION

16 The Complainant, Les R. Bettencourt, a Deputy Real
17 Estate Commissioner of the State of California, for causes of
18 accusation against JONG M. SHIM and ANNA SAYOUNG HONG, is
19 informed and alleges as follows:

20 PRELIMINARY ALLEGATIONS

21 I

22
23 The Complainant, Les R. Bettencourt, a Deputy Real
24 Estate Commissioner of the State of California, makes this
25 Accusation against Respondents in his official capacity and not
26 otherwise.

27 ///

1 II

2 Respondents JONG M. SHIM and ANNA SAYOUNG HONG are
3 presently licensed and/or have license rights under the Real
4 Estate Law, Part 1 of Division 4 of the California Business and
5 Professions Code (hereafter the Code).

6 III

7 At all times herein mentioned, Respondent JONG M. SHIM
8 (hereafter SHIM) was and is licensed by the Department of Real
9 Estate (hereafter the Department) as a real estate broker,
10 individually and doing business as PACIFIC COAST FUNDING GROUP.

11 IV

12 On or about June 23, 1994, the conditional real estate
13 salesperson license of Respondent ANNA SAYOUNG HONG (hereafter
14 HONG) was suspended by the Department pursuant to Section 10153.4
15 of the Code. The suspended license expired on December 21, 1996,
16 with no right of late renewal thereof. At no time herein between
17 December 21, 1996, and February 17, 1999, was HONG licensed by
18 the Department as either a real estate broker or salesperson. On
19 or about February 17, 1999, HONG was licensed by the Department
20 as a conditional real estate salesperson subject to Section
21 10153.4 of the Code.

22 V

23 At all times herein mentioned, Respondent SHIM engaged
24 in the business of, acted in the capacity of, advertised or
25 assumed to act as a real estate broker within the State of
26 California, for or in expectation of compensation, wherein
27 lenders and/or borrowers were solicited for loans secured

1 directly or collaterally by liens on real property, and wherein
2 such loans were arranged, negotiated, processed, and/or
3 consummated.

4 FIRST CAUSE OF ACTION

5 VI

6 Beginning in or about January of 1999, the Department
7 conducted an audit of the books and records of SHIM. During the
8 course of the mortgage loan activities described above, SHIM
9 received and disbursed funds in trust on behalf of others,
10 including but not limited to credit report and appraisal fees,
11 and, beginning in about December of 1998, deposited or caused the
12 deposit of the trust funds into a bank account at Bank of the
13 West, California, Account No. 049-005796, entitled "PACIFIC COAST
14 FUNDING TRUST ACCOUNT."

15 VII

16 In connection with the receipt and disbursement of
17 trust funds as above alleged, SHIM:

- 18 (a) Failed to maintain a written control record of all
19 trust funds received and disbursed containing all
20 information required by Section 2831 of Title 10,
21 California Code of Regulations (hereafter the
22 Regulations); and,
23 (b) Failed to maintain a separate record for each
24 beneficiary or transaction containing all
25 information required by Section 2831.1 of the
26 Regulations, including but not limited to daily
27 balances.

VIII

Respondent SHIM failed to prepare and deliver to borrowers, or cause to be delivered, a written borrower disclosure statement as required by Section 10240 containing all of the information required by Section 10241 of the Code prior to the borrower becoming obligated to complete the loan, and/or failed to retain timely executed copies of such statements with the records of the company, including but not limited to the following:

BORROWER	LOAN AMOUNT	DATE CLOSED
Yoo, Sung	\$300,000	3/13/98
Won, Ming	\$ 63,000	10/7/97
Fukui, Kenneth	\$288,000	11/19/98
Bae, Peter	\$350,000	11/4/98
Kim, Charles	\$549,000	10/20/98

IX

Respondent SHIM failed to have a written agreement with licensed real estate salesperson NANCY CHUNG, covering material aspects of the relationship such as supervision, duties and compensation, as required by Section 2726 of the Regulations.

X

The acts and/or omissions of Respondent SHIM as alleged above constitute grounds for disciplinary action under the following provisions:

- 1 (a) As to Paragraph VII(a), under Section 2831 of the
2 Regulations in conjunction with Section 10177(d) of
3 the Code;
4 (b) As to Paragraph VII(b), under Section 2831.1 of the
5 Regulations in conjunction with Section 10177(d) of
6 the Code;
7 (c) As to Paragraph VIII, under Section 10240 of the Code
8 in conjunction with Section 10177(d) of the Code; and,
9 (d) As to Paragraph IX, under Section 2726 of the
10 Regulations in conjunction with Section 10177(d) of
11 the Code.

12 SECOND CAUSE OF ACTION

13 XI

14 During the period from at least the Spring of 1997 to
15 February 17, 1999, Respondent HONG was employed by or associated
16 with SHIM when HONG was not duly licensed, and HONG performed
17 activities for SHIM for which a real estate license is required,
18 for or in expectation of compensation. HONG solicited and/or
19 negotiated loans in various transactions including but not
20 limited to the following:

21

BORROWER	LOAN AMOUNT	DATE CLOSED
Yun, Joshua	\$ 43,000	11/5/97
Kim, Richard	\$412,5000	4/16/98
Naderi, Ramin	\$425,000	7/9/98
Cho, Kyeongjae	\$405,750	8/2/98
Park, Myung	\$ 83,000	9/2/98

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1 XII

2 The acts and/or omissions of Respondent HONG as alleged
3 above violate Section 10130 of the Code, and constitute grounds
4 for disciplinary action against HONG pursuant to Section 10177(d)
5 of the Code.

6 XIII

7 The above acts and/or omissions of SHIM in employing
8 and/or compensating HONG, when HONG was not duly licensed by the
9 Department constitute grounds for disciplinary action against
10 SHIM pursuant to Sections 10137 and 10177(d) of the Code.

11 THIRD CAUSE OF ACTION

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13 XIV

14 Within the three years last past, SHIM delegated
15 management of the daily business of PACIFIC COAST FUNDING GROUP
16 to licensed real estate salesperson NANCY CHUNG. SHIM thereafter
17 failed to retain overall responsibility for supervision of the
18 company.

19 XV

20 Within the three years last past, SHIM failed to
21 exercise reasonable supervision over the activities of the
22 company, and permitted, ratified and/or caused the conduct
23 described in the first and second causes of action to occur.
24 SHIM failed to reasonably or adequately review, oversee, inspect
25 and manage the personnel and activities of the company, and/or to
26 establish reasonable policies, rules, procedures and systems for
27 such review, oversight, inspection and management, including but

1 not limited to the maintenance of trust fund, disclosure, and
2 licensing records in compliance with the law.

3 XVI

4 The acts and/or omissions of Respondent SHIM as alleged
5 above constitute grounds for disciplinary action under the
6 provisions of Section 10177(h) of the Code.

7 WHEREFORE, Complainant prays that a hearing be
8 conducted on the allegations of this Accusation and that upon
9 proof thereof a decision be rendered imposing disciplinary action
10 against all licenses and license rights of Respondents under the
11 Real Estate Law (Part 1 of Division 4 of the Business and
12 Professions Code), and for such other and further relief as may
13 be proper under other provisions of law.

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18 LES R. BETTENCOURT
19 Deputy Real Estate Commissioner
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21 Dated at Oakland, California,
22 this 25th day of February, 2000.
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