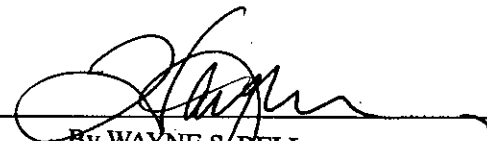


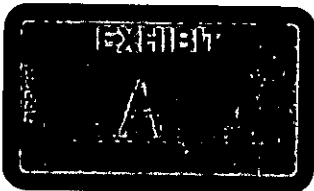
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DEPARTMENT OF REAL ESTATE
Attention: Licensing Flag Section
P. O. Box 187000
Sacramento, CA 95818-7000

This Order shall become effective at 12 o'clock noon on **APR 19 2012**

DATED: 3/27/12


By WAYNE S. BELL
Chief Counsel



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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)	
)	NO. H-10981 SF
TBJ FINANCIAL CORPORATION, a)	
California Corporation, KE LIU,)	
and ELAINE SIE HUI,)	
)	
Respondents.)	

DECLARATION

My name is RONALD P. MAR, and I am currently an officer of TBJ FINANCIAL CORPORATION, which is licensed as a real estate broker and/or has license rights with respect to said license. I am authorized and empowered to sign this declaration on behalf of TBJ FINANCIAL CORPORATION, which is represented in this matter by Mary E. Work, Attorney at Law.

In lieu of proceeding in this matter in accordance with the provisions of the Administrative Procedure Act (Sections 11400 et seq., of the Government Code), TBJ FINANCIAL CORPORATION wishes to voluntarily surrender its real estate license(s) issued by the Department of Real Estate ("Department"), pursuant to Business and Professions Code Section 10100.2.

1 TBJ FINANCIAL CORPORATION understands that by so voluntarily
2 surrendering its license(s), it may be relicensed as a broker only by petitioning for reinstatement
3 pursuant to Section 11522 of the Government Code. TBJ FINANCIAL CORPORATION also
4 understands that by so voluntarily surrendering its license(s), it agrees to the following:

5 1. This Declaration is based on the factual allegations contained in the
6 Accusation filed in this proceeding. In the interest of expediency and economy, TBJ
7 FINANCIAL CORPORATION chooses not to contest these factual allegations, but to remain
8 silent and understands that, as a result thereof, these factual statements, without being denied or
9 admitted, will serve as a prima facie basis for the disciplinary action stipulated to herein.

10 2. The filing of this Declaration shall be deemed as the petition of TBJ
11 FINANCIAL CORPORATION for voluntary surrender.

12 3. It shall also be deemed to be an understanding and agreement by TBJ
13 FINANCIAL CORPORATION that it waives all rights it has to require the Commissioner to
14 prove the allegations contained in the Accusation filed in this matter at a hearing held in
15 accordance with the provisions of the Administrative Procedure Act (Government Code
16 Sections 11400 et seq.), and that it also waives other rights afforded to it in connection with the
17 hearing such as the right to discovery, the right to present evidence in defense of the allegations
18 in the Accusation and the right to cross-examine witnesses.

19 4. TBJ FINANCIAL CORPORATION further agrees that upon acceptance
20 by the Commissioner, as evidenced by an appropriate order, all affidavits and all relevant
21 evidence obtained by the Department in this matter prior to the Commissioner's acceptance, and
22 all allegations contained in the Accusation filed in the Department Case No. H-10924 SF, may
23 be considered by the Department to be true and correct for the purpose of deciding whether to
24 grant relicensure or reinstatement pursuant to Government Code Section 11522.

25 5. TBJ FINANCIAL CORPORATION surrenders all of its licenses and
26 license rights under the Real Estate Law.

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I declare under penalty of perjury under the laws of the State of California that
the above is true and correct and that this declaration was executed February 15,
2012, at San Mateo, California.

TBJ FINANCIAL CORPORATION

By: Ronald P. Mar
RONALD P. MAR
Officer of TBJ Financial Corporation

FILED

November 15, 2011

1 MICHAEL B. RICH, Counsel
2 State Bar No. 84257
3 Department of Real Estate
4 P. O. Box 187000
5 Sacramento, CA 95818-7000
6
7 Telephone: (916) 227-0789

DEPARTMENT OF REAL ESTATE

By: 

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11	In the Matter of the Accusation of)	
12	TBJ FINANCIAL CORPORATION, a)	NO. H-10981 SF
13	California Corporation, KE LIU, and)	<u>SECOND AMENDED</u>
14	ELAINE SIE HUI,)	<u>ACCUSATION</u>
15	Respondents.)	

16 The Complainant, E. J. HABERER, II, a Deputy Real Estate Commissioner of
17 the State of California, for this Second Amended Accusation against Respondent TBJ
18 FINANCIAL CORPORATION, a California Corporation, Respondent KE LIU, also known as
19 KE LIU DINIZ, and Respondent ELAINE SIE HUI, (hereinafter collectively "Respondents) is
20 informed and alleges as follows:

21 1

22 The Complainant, E. J. HABERER, II, a Deputy Real Estate Commissioner of
23 the State of California, makes this Accusation against Respondents in his official capacity.

24 2

25 Respondents are presently licensed and/or have license rights under the Real
26 Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereafter "the
27 Code").

1 3

2 At all times herein mentioned, Respondent TBJ FINANCIAL CORPORATION,
3 (hereafter "Respondent TBJ") was and is licensed by the Department of Real Estate (hereinafter
4 "the Department") as a corporate real estate broker.

5 4

6 At all times herein mentioned, Respondent ELAINE SIE HUI (hereinafter
7 "Respondent HUI") was and is licensed by the Department as an individual real estate broker.

8 5

9 At all times herein mentioned, Respondent HUI was licensed by the Department
10 as the designated broker/officer of Respondent TBJ. As said designated broker/officer,
11 Respondent HUI was at all times mentioned herein responsible pursuant to Sections 10159.2
12 and 10177(h) of the Code for the supervision of the activities of the officers, agents, real estate
13 licensees and employees of Respondent TBJ for which a real estate license is required.

14 6

15 Whenever reference is made in an allegation in this Accusation to an act or
16 omission of Respondent TBJ, such allegation shall be deemed to mean that the officers,
17 directors, employees, agents and real estate licensees employed by or associated with
18 Respondent TBJ committed such act or omission while engaged in the furtherance of the
19 business or operations of Respondent TBJ and while acting within the course and scope of their
20 corporate authority and employment.

21 7

22 At all times herein mentioned, Respondent KE LIU (hereinafter "Respondent
23 LIU") was and is licensed by the Department as an individual real estate broker, and was
24 employed by Respondent TBJ pursuant to a broker-salesperson agreement.

25 8

26 Within the three-year period prior to the filing of this Accusation and at all times
27 herein mentioned, Respondents engaged in the business of, acted in the capacity of, advertised,

1 or assumed to act as a real estate broker within the State of California within the meaning of
2 Section 10131(d) of the Code, including the operation of and conduct of a mortgage loan
3 brokerage business with the public wherein lenders and borrowers were solicited for loans to be
4 secured directly or collaterally by liens on real property, wherein such loans were arranged,
5 negotiated, processed, and consummated on behalf of others for compensation or in expectation
6 of compensation, and wherein such loans were serviced and payments thereon were collected on
7 behalf of others.

8 9

9 Within the three-year period prior to the filing of this Accusation:

10 (a) On or about November 14, 2008, Respondents TBJ and LIU submitted to
11 Wells Fargo Bank a loan application on behalf of Albert Woo, for a loan of \$600,000.00, to be
12 secured by real property at 722 Berkshire Drive, Millbrae, California, to finance the purchase of
13 said real property, containing representations, contrary to fact, as Respondents knew or should
14 have known at the time through the exercise of reasonable diligence, that said borrower intended
15 to occupy said real property as his primary residence, that he was receiving gross rental income
16 of \$3,500.00 per month from real property located at 77 Amberwood Circle in South San
17 Francisco, and by concealing from said lender the fact, as Respondents knew or should have
18 known at the time through the exercise of reasonable diligence, that Albert Woo was
19 simultaneously applying for and obtaining a refinance loan of \$388,000.00 from Provident
20 Funding Associates, L.P., to be secured by real property at 77 Amberwood Circle, South San
21 Francisco, California, and that said borrower was also claiming to occupy 77 Amberwood Circle
22 as his primary residence; and,

23 (b) On or about November 14, 2008, Respondents TBJ and LIU submitted to
24 Provident Funding Associates, L.P., a loan application on behalf of Albert Woo for a loan of
25 \$388,000.00, to be secured by real property at 77 Amberwood Circle, South San Francisco,
26 California, for the purpose of refinancing the existing mortgage secured by said property,
27 containing representations, contrary to fact, as Respondents knew or should have known at the

1 time through the exercise of reasonable diligence, that said borrower intended to occupy said
2 real property as his primary residence, and by concealing from said lender the fact, as
3 Respondents knew or should have known at the time through the exercise of reasonable
4 diligence, that Albert Woo was simultaneously applying for and obtaining a loan of \$600,000.00
5 to finance his purchase of 722 Berkshire Drive, Millbrae, California, and that said borrower was
6 also claiming 722 Berkshire Drive as his primary residence.

7 9

8 The acts and omissions of Respondent TBJ, and Respondent LIU described in
9 Paragraph 8, above, constitute misrepresentation, fraud, deceit, and dishonest dealing.

10 10

11 The facts alleged in Paragraphs 8 and 9, above, are grounds for the suspension or
12 revocation of the licenses and licensing rights of Respondent TBJ and Respondent LIU under:

- 13 (a) Under 10176(a) of the Code (making a substantial misrepresentation);
14 (b) Under Section 10176(b) of the Code (making any false promises of a
15 character likely to influence, persuade or induce);
16 (c) Under Section 10176(i) of the Code (any other conduct, whether of the
17 same or a different character than specified in this section, which
18 constitutes fraud or dishonest dealing);
19 (d) Under Section 10177(j) of the Code (any other conduct, whether of the
20 same or a different character than specified in this section, which
21 constitutes fraud or dishonest dealing); and/or,
22 (e) Under Section 10177(g) of the Code (demonstrated negligence or
23 incompetence in performing an act for which he or she is required to hold
24 a license).

25 ///

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27 /

1 SECOND CAUSE OF ACTION

2 11

3 There is hereby incorporated in this Second, separate and distinct, Cause of
4 Action, all of the allegations contained in Paragraphs 1 through 10, inclusive, of the Accusation
5 with the same force and effect as if herein fully set forth.

6 12


7 At all times above mentioned, Respondent HUI was responsible, as the
8 designated broker officer of Respondent TBJ, for the supervision and control of the activities
9 conducted on behalf of the corporation by its officers and employees. Respondent HUI failed to
10 exercise reasonable supervision and control over the mortgage brokering activities of
11 Respondent TBJ. In particular, Respondent HUI permitted, ratified, and/or caused the conduct
12 described in the First Cause of Action, above, to occur, and failed to take reasonable steps,
13 including but not limited to the review of loan applications, review of transactional documents,
14 preventing misrepresentations and false statements on loan applications, the supervision of
15 employees, and the implementation of policies, rules, procedures, and systems to ensure the
16 compliance of the corporation with the Real Estate Law.

17 13

18 The above acts and/or omissions of Respondent HUI constitute grounds for the
19 suspension or revocation of the licenses and licensing rights of Respondent under the provisions
20 of Section 10159.2 of the Code (designated broker/officer responsible for supervision and
21 control of activities conducted on behalf of corporation by officers, licensed salespersons and
22 employees to secure compliance with the Real Estate Law) and Section 2725, Chapter 6, Title
23 10, California Code of Regulations (broker shall: exercise reasonable supervision over licensed
24 employees; establish policies and procedures for compliance with Real Estate Law; supervise
25 transactions requiring a real estate license; trust fund handling; etc.), all in conjunction with
26 Section 10177(d) of the Code (suspension or revocation of license for willful disregard or
27 violation of the Real Estate Law, §§ 10000 et seq. and §§ 1000 et seq. of the Code, or of the

1 Regulations), and/or Section 10177(h) of the Code (suspension or revocation for broker or
2 designated broker/officer who fails to exercise reasonable supervision of licensed employees or
3 licensed activities of broker corporation).

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

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12 _____
13 E. J. HABERER, II,
14 Deputy Real Estate Commissioner

14 Dated at Oakland, California,
15 this 14 day of November, 2011.

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At all times herein mentioned, Respondent TBJ FINANCIAL CORPORATION, (hereafter "Respondent TBJ") was and is licensed by the Department of Real Estate (hereinafter "the Department") as a corporate real estate broker.

4

At all times herein mentioned, Respondent ELAINE SIE HUI (hereinafter "Respondent HUI") was and is licensed by the Department as an individual real estate broker.

5

At all times herein mentioned, Respondent HUI was licensed by the Department as the designated broker/officer of Respondent TBJ. As said designated broker/officer, Respondent HUI was at all times mentioned herein responsible pursuant to Sections 10159.2 and 10177(h) of the Code for the supervision of the activities of the officers, agents, real estate licensees and employees of Respondent TBJ for which a real estate license is required.

6

Whenever reference is made in an allegation in this Accusation to an act or omission of Respondent TBJ, such allegation shall be deemed to mean that the officers, directors, employees, agents and real estate licensees employed by or associated with Respondent TBJ committed such act or omission while engaged in the furtherance of the business or operations of Respondent TBJ and while acting within the course and scope of their corporate authority and employment.

7

At all times herein mentioned, Respondent KE LIU (hereinafter "Respondent LIU") was and is licensed by the Department as an individual real estate broker, and was employed by Respondent TBJ pursuant to a broker-salesperson agreement.

8

Within the three-year period prior to the filing of this Accusation and at all times herein mentioned, Respondents engaged in the business of, acted in the capacity of, advertised,

1 or assumed to act as a real estate broker within the State of California within the meaning of
2 Section 10131(d) of the Code, including the operation of and conduct of a mortgage loan
3 brokerage business with the public wherein lenders and borrowers were solicited for loans to be
4 secured directly or collaterally by liens on real property, wherein such loans were arranged,
5 negotiated, processed, and consummated on behalf of others for compensation or in expectation
6 of compensation, and wherein such loans were serviced and payments thereon were collected on
7 behalf of others.

8 9

9 Within the three-year period prior to the filing of this Accusation:

10 (a) On or about November 14, 2008, Respondents submitted to Wells Fargo
11 Bank a loan application on behalf of Albert Woo, for a loan of \$600,000.00, to be secured by
12 real property at 722 Berkshire Drive, Millbrae, California, to finance the purchase of said real
13 property, containing representations, contrary to fact, as Respondents knew or should have
14 known at the time through the exercise of reasonable diligence, that said borrower intended to
15 occupy said real property as his primary residence, that he was receiving gross rental income of
16 \$3,500.00 per month from real property located at 77 Amberwood Circle in South San
17 Francisco, and by concealing from said lender the fact, as Respondents knew or should have
18 known at the time through the exercise of reasonable diligence, that Albert Woo was
19 simultaneously applying for and obtaining a refinance loan of \$388,000.00 from Provident
20 Funding Associates, L.P., to be secured by real property at 77 Amberwood Circle, South San
21 Francisco, California, and that said borrower was also claiming to occupy 77 Amberwood Circle
22 as his primary residence; and,

23 (b) On or about November 14, 2008, Respondents submitted to Provident
24 Funding Associates, L.P., a loan application on behalf of Albert Woo for a loan of \$388,000.00,
25 to be secured by real property at 77 Amberwood Circle, South San Francisco, California, for the
26 purpose of refinancing the existing mortgage secured by said property, containing
27 representations, contrary to fact, as Respondents knew or should have known at the time through

1 the exercise of reasonable diligence, that said borrower intended to occupy said real property as
2 his primary residence, and by concealing from said lender the fact, as Respondents knew or
3 should have known at the time through the exercise of reasonable diligence, that Albert Woo
4 was simultaneously applying for and obtaining a loan of \$600,000.00 to finance his purchase of
5 722 Berkshire Drive, Millbrae, California, and that said borrower was also claiming 722
6 Berkshire Drive as his primary residence.

7 9

8 The acts and omissions of Respondent TBJ, Respondent LIU, and Respondent
9 HUI described in Paragraph 8, above, constitute misrepresentation, fraud, deceit, and dishonest
10 dealing.

11 10

12 The facts alleged in Paragraphs 8 and 9, above, are grounds for the suspension or
13 revocation of the licenses and licensing rights of Respondent TBJ, Respondent LIU, and
14 Respondent HUI under:

- 15 (a) Under 10176(a) of the Code (making a substantial misrepresentation);
16 (b) Under Section 10176(b) of the Code (making any false promises of a
17 character likely to influence, persuade or induce);
18 (c) Under Section 10176(i) of the Code (any other conduct, whether of the
19 same or a different character than specified in this section, which
20 constitutes fraud or dishonest dealing);
21 (d) Under Section 10177(j) of the Code (any other conduct, whether of the
22 same or a different character than specified in this section, which
23 constitutes fraud or dishonest dealing); and/or,
24 (e) Under Section 10177(g) of the Code (demonstrated negligence or
25 incompetence in performing an act for which he or she is required to hold
26 a license).

27 ///

1 SECOND CAUSE OF ACTION

2 11

3 There is hereby incorporated in this Second, separate and distinct, Cause of
4 Action, all of the allegations contained in Paragraphs 1 through 10, inclusive, of the Accusation
5 with the same force and effect as if herein fully set forth.

6 12

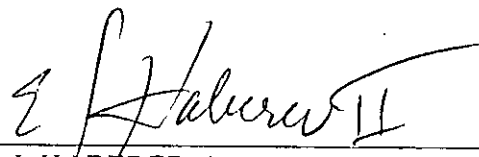
7 At all times above mentioned, Respondent HUI was responsible, as the
8 designated broker officer of Respondent TBJ, for the supervision and control of the activities
9 conducted on behalf of the corporation by its officers and employees. Respondent HUI failed to
10 exercise reasonable supervision and control over the mortgage brokering activities of
11 Respondent TBJ. In particular, Respondent HUI permitted, ratified, and/or caused the conduct
12 described in the First Cause of Action, above, to occur, and failed to take reasonable steps,
13 including but not limited to the review of loan applications, review of transactional documents,
14 preventing misrepresentations and false statements on loan applications, the supervision of
15 employees, and the implementation of policies, rules, procedures, and systems to ensure the
16 compliance of the corporation with the Real Estate Law.

17 13

18 The above acts and/or omissions of Respondent HUI constitute grounds for the
19 suspension or revocation of the licenses and licensing rights of Respondent under the provisions
20 of Section 10159.2 of the Code (designated broker/officer responsible for supervision and
21 control of activities conducted on behalf of corporation by officers, licensed salespersons and
22 employees to secure compliance with the Real Estate Law) and Section 2725, Chapter 6, Title
23 10, California Code of Regulations (broker shall: exercise reasonable supervision over licensed
24 employees; establish policies and procedures for compliance with Real Estate Law; supervise
25 transactions requiring a real estate license; trust fund handling; etc.), all in conjunction with
26 Section 10177(d) of the Code (suspension or revocation of license for willful disregard or
27 violation of the Real Estate Law, §§ 10000 et seq. and §§ 1000 et seq. of the Code, or of the

1 Regulations), and/or Section 10177(h) of the Code (suspension or revocation for broker or
2 designated broker/officer who fails to exercise reasonable supervision of licensed employees or
3 licensed activities of broker corporation).

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

9
10
11 
12 _____
13 E. J. HABERER, II,
14 Deputy Real Estate Commissioner

14 Dated at Oakland, California,
15 this 22nd day of July, 2011.

FLAG

1 MICHAEL B. RICH, Counsel
2 State Bar No. 84257
3 Department of Real Estate
4 P. O. Box 187000
5 Sacramento, CA 95818-7000
6 Telephone: (916) 227-0789

FILED
JUL 28 2010
DEPARTMENT OF REAL ESTATE
By *[Signature]*

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)
12 TBJ FINANCIAL CORPORATION, a) NO. H-10981 SF
13 California Corporation, KE LIU,) ACCUSATION
14 and ELAINE SIE HUI,)
15 Respondents.)

16 The Complainant, E. J. HABERER, II, a Deputy Real Estate Commissioner of
17 the State of California, for this Accusation against Respondent TBJ FINANCIAL
18 CORPORATION, a California Corporation, Respondent KE LIU, also known as KE LIU
19 DINIZ, and Respondent ELAINE SIE HUI, is informed and alleges as follows:

20 1

21 The Complainant, E. J. HABERER, II, a Deputy Real Estate Commissioner of
22 the State of California, makes this Accusation against Respondents in his official capacity.

23 2

24 Respondents TBJ FINANCIAL CORPORATION, KE LIU, and ELAINE SIE
25 HUI are presently licensed and/or have license rights under the Real Estate Law, Part 1 of
26 Division 4 of the California Business and Professions Code (hereafter "the Code").

27 ///

1 3

2 At all times herein mentioned, Respondent TBJ FINANCIAL CORPORATION,
3 (hereafter "Respondent TBJ") was and is licensed by the Department of Real Estate (hereinafter
4 "the Department") as a corporate real estate broker.

5 4

6 At all times herein mentioned, Respondent ELAINE SIE HUI (hereinafter
7 "Respondent HUI") was and is licensed by the Department as an individual real estate broker.

8 5

9 At all times herein mentioned, Respondent HUI was licensed by the Department
10 as the designated broker/officer of Respondent TBJ. As said designated broker/officer,
11 Respondent HUI was at all times mentioned herein responsible pursuant to Sections 10159.2
12 and 10177(h) of the Code for the supervision of the activities of the officers, agents, real estate
13 licensees and employees of Respondent TBJ for which a real estate license is required.

14 6

15 Whenever reference is made in an allegation in this Accusation to an act or
16 omission of Respondent TBJ, such allegation shall be deemed to mean that the officers,
17 directors, employees, agents and real estate licensees employed by or associated with
18 Respondent TBJ committed such act or omission while engaged in the furtherance of the
19 business or operations of Respondent TBJ and while acting within the course and scope of their
20 corporate authority and employment.

21 7

22 At all times herein mentioned, Respondent KE LIU (hereinafter "Respondent
23 LIU") was and is licensed by the Department as an individual real estate broker, and was
24 employed by Respondent TBJ pursuant to a broker-salesperson agreement.

25 8

26 Within the three-year period prior to the filing of this Accusation and at all times
27 herein mentioned, Respondents engaged in the business of, acted in the capacity of, advertised,

1 or assumed to act as a real estate broker within the State of California within the meaning of
2 Section 10131(d) of the Code, including the operation of and conduct of a mortgage loan
3 brokerage business with the public wherein lenders and borrowers were solicited for loans to be
4 secured directly or collaterally by liens on real property, wherein such loans were arranged,
5 negotiated, processed, and consummated on behalf of others for compensation or in expectation
6 of compensation, and wherein such loans were serviced and payments thereon were collected on
7 behalf of others.

8 9

9 Within the three-year period prior to the filing of this Accusation:

10 (a) On or about November 14, 2008, Respondents submitted to Wells Fargo
11 Bank a loan application on behalf of Albert Woo, for a loan of \$600,000.00, to be secured by
12 real property at 722 Berkshire Drive, Millbrae, California, to finance the purchase of said real
13 property, containing representations, contrary to fact, as Respondents knew or should have
14 known at the time through the exercise of reasonable diligence, that said borrower intended to
15 occupy said real property as his primary residence, that his income was \$13,049.57 per month,
16 and by concealing from said lender the fact, as Respondents knew or should have known at the
17 time through the exercise of reasonable diligence, that Albert Woo was simultaneously applying
18 for and obtaining a refinance loan of \$388,000.00 from Provident Funding Associates, L.P., to
19 be secured by real property at 77 Amberwood Circle, South San Francisco, California, and that
20 said borrower was also claiming to occupy 77 Amberwood Circle as his primary residence; and,

21 (b) On or about November 14, 2008, Respondents submitted to Provident
22 Funding Associates, L.P., a loan application on behalf of Albert Woo for a loan of \$388,000.00,
23 to be secured by real property at 77 Amberwood Circle, South San Francisco, California, for the
24 purpose of refinancing the existing mortgage secured by said property, containing
25 representations, contrary to fact, as Respondents knew or should have known at the time through
26 the exercise of reasonable diligence, that said borrower intended to occupy said real property as
27 his primary residence, that his income was \$16,108.10 per month, and by concealing from said

1 lender the fact, as Respondents knew or should have known at the time through the exercise of
2 reasonable diligence, that Albert Woo was simultaneously applying for and obtaining a loan of
3 \$600,000.00 to finance his purchase of 722 Berkshire Drive, Millbrae, California, and that said
4 borrower was also claiming 722 Berkshire Drive as his primary residence.

5 10.

6 The acts and omissions of Respondent TBJ, Respondent LIU, and Respondent
7 HUI described in Paragraph 9, above, constitute misrepresentation, fraud, deceit, and dishonest
8 dealing.

9 11

10 The facts alleged in Paragraphs 9 and 10, above, are grounds for the suspension
11 or revocation of the licenses and licensing rights of Respondent TBJ, Respondent LIU, and
12 Respondent HUI under:

- 13 (a) Under 10176(a) of the Code (making a substantial misrepresentation);
- 14 (b) Under Section 10176(b) of the Code (making any false promises of a
15 character likely to influence, persuade or induce);
- 16 (c) Under Section 10176(i) of the Code (any other conduct, whether of the
17 same or a different character than specified in this section, which
18 constitutes fraud or dishonest dealing);
- 19 (d) Under Section 10177(j) of the Code (any other conduct, whether of the
20 same or a different character than specified in this section, which
21 constitutes fraud or dishonest dealing); and/or,
- 22 (e) Under Section 10177(g) of the Code (demonstrated negligence or
23 incompetence in performing an act for which he or she is required to hold
24 a license).

25 ///

26 ///

27 ///

1 SECOND CAUSE OF ACTION

2 12

3 There is hereby incorporated in this Second, separate and distinct, Cause of
4 Action, all of the allegations contained in Paragraphs 1 through 11, inclusive, of the Accusation
5 with the same force and effect as if herein fully set forth.

6 13

7 At all times above mentioned, Respondent HUI was responsible, as the
8 designated broker officer of Respondent TBJ, for the supervision and control of the activities
9 conducted on behalf of the corporation by its officers and employees. Respondent HUI failed to
10 exercise reasonable supervision and control over the mortgage brokering activities of
11 Respondent TBJ. In particular, Respondent HUI permitted, ratified, and/or caused the conduct
12 described in the First Cause of Action, above, to occur, and failed to take reasonable steps,
13 including but not limited to the review of loan applications, review of transactional documents,
14 preventing misrepresentations and false statements on loan applications, the supervision of
15 employees, and the implementation of policies, rules, procedures, and systems to ensure the
16 compliance of the corporation with the Real Estate Law.

17 14

18 The above acts and/or omissions of Respondent HUI constitute grounds for the
19 suspension or revocation of the licenses and licensing rights of Respondent under the provisions
20 of Section 10159.2 of the Code (designated broker/officer responsible for supervision and
21 control of activities conducted on behalf of corporation by officers, licensed salespersons and
22 employees to secure compliance with the Real Estate Law) and Section 2725, Chapter 6, Title
23 10, California Code of Regulations (broker shall: exercise reasonable supervision over licensed
24 employees; establish policies and procedures for compliance with Real Estate Law; supervise
25 transactions requiring a real estate license; trust fund handling; etc.), all in conjunction with
26 Section 10177(d) of the Code (suspension or revocation of license for willful disregard or
27 violation of the Real Estate Law, §§ 10000 et seq. and §§ 1000 et seq. of the Code, or of the

1 Regulations), and/or Section 10177(h) of the Code (suspension or revocation for broker or
2 designated broker/officer who fails to exercise reasonable supervision of licensed employees or
3 licensed activities of broker corporation).

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

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12 E. J. HABERER, II,
13 Deputy Real Estate Commissioner

14 Dated at Oakland, California,
15 this 27th day of July, 2010.