

1 DEPARTMENT OF REAL ESTATE  
2 P. O. Box 187007  
3 Sacramento, CA 95818-7007

4 Telephone: (916) 227-0789

**FILED**  
JUN 19 2012

DEPARTMENT OF REAL ESTATE  
By R. Mar

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

11 \* \* \*

12 In the Matter of the Accusation of )  
13 ) NO. H-11138 SF  
14 DIVERSIFIED LOAN SERVICES, INC. and )  
15 JOSEPH LOPES SOARES, ) STIPULATION AND AGREEMENT  
16 Respondents. )

17 It is hereby stipulated by and between Respondents DIVERSIFIED LOAN  
18 SERVICES, INC., ("DIVERSIFIED") and JOSEPH LOPES SOARES ("SOARES"),  
19 (collectively "Respondents"), acting by and through Laurence J. McEvoy, Esq., Counsel for  
20 Respondents, and the Complainant, acting by and through Annette E. Ferrante, Esq., Counsel for  
21 the Department of Real Estate ("Department"), as follows for the purpose of settling and  
22 disposing of the Accusation filed on May 19, 2011, in this matter:

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

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

4                   3.     Respondents filed a Notice of Defense pursuant to Section 11505 of the  
5 Government Code for the purpose of requesting a hearing on the allegations in the Accusation.  
6 Respondents hereby freely and voluntarily withdraw said Notice of Defense. Respondents  
7 acknowledge that Respondents understand that by withdrawing said Notice of Defense,  
8 Respondents will thereby waive Respondents' right to require the Real Estate Commissioner  
9 ("Commissioner") to prove the allegations in the Accusation at a contested hearing held in  
10 accordance with the provisions of the APA and that Respondents will waive other rights  
11 afforded to Respondents in connection with the hearing such as the right to present evidence in  
12 defense of the allegations in the Accusation and the right to cross-examine witnesses.

13                  4.     This Stipulation is based on the factual allegations contained in the  
14 Accusation. In the interest of expedience and economy, Respondents choose not to contest these  
15 factual allegations, but to remain silent and understand that, as a result thereof, these factual  
16 statements will serve as a prima facie basis for the "Determination of Issues" and "Order" set  
17 forth below. The Real Estate Commissioner shall not be required to provide further evidence to  
18 prove such allegations.

19                  5.     This Stipulation and Respondents' decision not to contest the Accusation  
20 are made for the purpose of reaching an agreed disposition in this proceeding and are expressly  
21 limited to this proceeding and any other proceeding or case in which the Department of Real  
22 Estate (herein "the Department"), the state or federal government, an agency of this state, or an  
23 agency of another state is involved.

24                  6.     It is understood by the parties that the Commissioner may adopt the  
25 Stipulation and Agreement as her decision in this matter, thereby imposing the penalty and  
26 sanctions on Respondents' real estate licenses and license rights as set forth in the "Order"

27 ///

1 and Sections 2831, 2831.1, 2831.2, and 2834 of Title 10 of the California Code of Regulations  
2 (“the Regulations”).

3 II.

4 The acts and omissions of Respondent SOARES as described in the Accusation  
5 are grounds for the suspension or revocation of the licenses and license rights of Respondent  
6 SOARES under the provisions of Sections 10159.2 and 10177(h) of the Code, and Section  
7 2725 of Title 10 of the Regulations.

8 ORDER

9 I.

10 1. Respondents DIVERSIFIED and SOARES, jointly and severally, shall  
11 pay the sum of \$2,638.83 for the Commissioner’s cost of the audit which led to this  
12 disciplinary action. Respondents shall pay such cost within sixty (60) days of receiving an  
13 invoice therefore from the Commissioner. The Commissioner may indefinitely suspend all  
14 licenses and licensing right of Respondents pending a hearing held in accordance with Section  
15 11500, et seq., of the Government Code, if payment is not timely made as provided for herein,  
16 or as provided for in a subsequent agreement between Respondents and the Commissioner.  
17 The suspension shall remain in effect until payment is made in full or until Respondents enter  
18 into an agreement satisfactory to the Commissioner to provide for payment, or until a decision  
19 providing otherwise is adopted following a hearing held pursuant to this condition.

20 2. Respondents DIVERSIFIED and SOARES, jointly and severally, shall  
21 pay the Commissioner’s costs, not to exceed \$2,638.83, of any audit conducted pursuant to  
22 Section 10148 of the Code to determine if Respondents have corrected the violations described  
23 in the Determination of Issues, above, and any other violations found in the audit which led to  
24 this disciplinary action. In calculating the amount of the Commissioner’s reasonable cost, the  
25 Commissioner may use the estimated average hourly salary for all persons performing audits  
26 of real estate brokers, and shall include an allocation for travel time to and from the auditor’s

27 ///


1 place of work. Respondents shall pay such cost within sixty (60) days of receiving an invoice  
2 therefore from the Commissioner detailing the activities performed during the audit and the  
3 amount of time spent performing those activities. If Respondents fail to pay such cost within  
4 the sixty (60) days, the Commissioner may indefinitely suspend all licenses and licensing  
5 rights of Respondents under the Real Estate Law until payment is made in full or until  
6 Respondents enter into an agreement satisfactory to the Commissioner to provide for payment.  
7 Upon full payment, the indefinite suspension provided for in this paragraph shall be stayed.

8 II.

9 1. Respondent SOARES shall, within six (6) months from the effective date  
10 of this Order, take and pass the Professional Responsibility Examination administered by the  
11 Department, including the payment of the appropriate examination fee. If Respondent  
12 SOARES fails to satisfy this condition, the Commissioner may order the suspension of all  
13 licenses and licensing rights of Respondent SOARES until he passes the examination.

14 2. Notwithstanding any other provision of this Order, all licenses and  
15 licensing rights of Respondent SOARES are suspended unless and until he provides proof  
16 satisfactory to the Commissioner that he has taken and successfully completed the continuing  
17 education course on Trust Fund Accounting and Handling specified in Section 10170.5(a)(3) of  
18 the Code. The course must have been completed no earlier than one hundred twenty (120) days  
19 prior to the effective date of this Order, and proof must be submitted prior to the effective date  
20 of this Order, to prevent suspension of Respondent SOARES's license pursuant to this  
21 condition.

22 4-4-12  
23 \_\_\_\_\_  
DATED

  
23 \_\_\_\_\_  
ANNETTE E. FERRANTE, Counsel  
24 Department of Real Estate

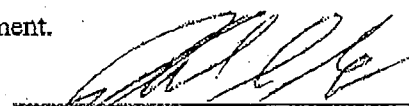
1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

\*\*\*

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 hearing at which I would have the right to cross-examine witnesses against me and to present evidence in defense and mitigation of the charges. Respondents can signify acceptance and approval of the terms and conditions of this Stipulation and Agreement by faxing a copy of the signature page, as actually signed by Respondents, to the Department at fax number (916) 227-9458. Respondents agree, acknowledge and understand that by electronically sending to the Department a fax copy of Respondents' actual signatures as they appear on the Stipulation and Agreement, that receipt of the faxed copy by the Department shall be as binding on Respondents as if the Department had received the original signed Stipulation and Agreement.

3/30/12

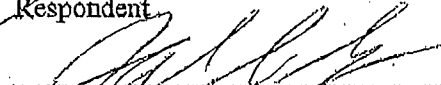
DATED



JOSEPH LOPES SOARES,  
Respondent

3/30/12

DATED



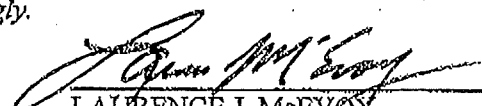
JOSEPH LOPES SOARES,  
As Designated Officer of Respondent  
DIVERSIFIED LOAN SERVICES, INC.

\*\*\*

I have reviewed this Stipulation and Agreement and Order as to form and content and have advised my clients accordingly.

3/30/12

DATED



LAURENCE J. McEVoy,  
Attorney for Respondents  
DIVERSIFIED LOAN SERVICES, INC.  
and JOSEPH LOPES SOARES

LJM

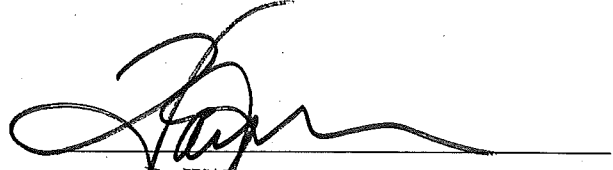
1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

\* \* \*

The foregoing Stipulation and Agreement is hereby adopted by me as my  
Decision in this matter as to Respondents DIVERSIFIED LOAN SERVICES, INC. and  
JOSEPH LOPES SOARES, and shall become effective at 12 o'clock noon on  
JUL 10 2012.

IT IS SO ORDERED June 15, 2012

Real Estate Commissioner



By WAYNE S. BEL  
Chief Counsel