

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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**FILED**

**OCT 29 2025**

DEPARTMENT OF REAL ESTATE

By B dew

In the Matter of the Accusation of:

VICTOR GEORGE MAKRAS,

Respondent.

) DRE No. H-12755 SF

) OAH No. 2025040908

DECISION

The Proposed Decision dated September 4, 2025, of the Administrative Law Judge of the Office of Administrative Hearings, is hereby adopted as the Decision of the Real Estate Commissioner in the above-entitled matter.

The Decision suspends or revokes one or more real estate licenses, but the right to a restricted broker license is granted to Respondent.

Pursuant to Government Code Section 11521, the Department of Real Estate (the Department) may order reconsideration of this Decision on petition of any party. The party seeking reconsideration shall set forth new facts, circumstances, and evidence, or errors in law or analysis, that show(s) grounds and good cause for the Commissioner to reconsider the Decision. If new evidence is presented, the party shall specifically identify the new evidence and explain why it was not previously presented. The Department's power to order reconsideration of this Decision shall expire thirty (30) days after mailing of this Decision, or on the effective date of this Decision, whichever occurs first.

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The right to reinstatement of a revoked real estate license or to the reduction of a penalty is controlled by Section 11522 of the Government Code. A copy of Sections 11521 and 11522 and a copy of the Commissioner's Criteria of Rehabilitation are attached hereto for the information of respondent.

This Decision shall become effective at 12 o'clock noon on NOV 19 2025.

IT IS SO ORDERED

10/29/2025

Chika Sunquist  
REAL ESTATE COMMISSIONER



By: Marcus L. McCarther  
Chief Deputy Real Estate Commissioner

**BEFORE THE  
DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA**

**In the Matter of the Accusation Against:**

**VICTOR GEORGE MAKRAS, Respondent**

**Agency Case No. H-12755-SF**

**OAH No. 2025040908**

**PROPOSED DECISION**

Administrative Law Judge Karen Reichmann, Office of Administrative Hearings, State of California, heard this matter on August 12, 2025, by videoconference.

Real Estate Counsel Jack Gonzalez, Jr., represented complainant Stephanie Yee, Supervising Special Investigator, Department of Real Estate, State of California.

Attorney Mary E. Work represented respondent Victor George Makras, who was present.

The record closed and the matter was submitted for decision on August 12, 2025.

## **FACTUAL FINDINGS**

1. Complainant Stephanie Yee filed the accusation in her official capacity as Supervising Special Investigator, Department of Real Estate (Department), State of California.

2. Respondent Victor George Makras is presently licensed and has license rights under the Real Estate Law, Part 1 of Division 4 of the Business and Professions Code, as a real estate broker. Respondent was initially issued a real estate salesperson license in 1976; he became licensed as a broker in 1978. This is the first disciplinary action against respondent.

3. Respondent was convicted in the United States District Court for the Northern District of California, following a jury trial, of two felony offenses: 1) false statements to a bank/aiding and abetting (18 U.S.C. §§ 1014 and 2); and 2) bank fraud/aiding and abetting (18 U.S.C. §§ 1344(1) & (2), and 2). The District Court's judgment lists the end date of both offenses as April 2015. The District Court sentenced respondent on December 20, 2022, to three years of supervised release (probation). Respondent was also ordered to pay a \$15,000 fine and \$200 assessment, which he promptly paid.

4. The facts and circumstances underlying the offenses are that in September 2012, respondent's company, Makras Real Estate, issued a "Straight Note" (promissory note) to a client, Harlan Kelly, for \$715,000, interest only with monthly payments, secured by Kelly's residence and other property.

In late 2013, Kelly sought a personal loan from respondent. Respondent agreed to pay \$70,000 in credit card debt for Kelly and his wife. In April 2014, Kelly told

respondent he wanted to "cash out" \$200,000, to "pay for money received and money owed" and to pay off his wife's student loans. He asked respondent to "put it in a note saying I owe it all." On May 1, 2014, respondent sent the Kellys a backdated "Straight Note Modification" which purported to amend the September 2012 Straight Note by providing for an "additional advance up to \$200,000."

On June 24, 2014, respondent emailed the Kellys' title company and falsely stated that the principal owed by the Kellys was \$900,000. On July 2, 2014, respondent submitted a document to the Kellys' title company falsely stating that the principal owed was \$915,000.

The Straight Note Modification which falsely stated that the Kellys owed Makras Real Estate \$915,000 was submitted as part of the Kellys' residential loan application to Quicken Loans to refinance their residence.

Respondent's false statements enabled the Kellys to conceal debts and obtain a \$1,300,000 loan from Quicken Loans at a lower interest rate than what they would have been charged for a cash-out loan.

5. On April 7, 2023, the District Court granted respondent's unopposed request to release his passport to enable him to travel while on supervised release. On August 12, 2024, the District Court granted respondent's unopposed motion for early termination of supervised release.

6. Kelly was convicted of numerous offenses and was sentenced to a term in federal prison.

7. Respondent acknowledged the convictions and accepted responsibility for his crimes. He explained that at the time of the offenses, he did not understand his actions to be unlawful. He believed that the Straight Note Modification was valid and that Kelly would repay what he owed. Respondent accepts the verdict of the jury, takes the matter seriously, and has "sharpened" his understanding of the law. He noted that the judge referred to the offenses as "technical" in nature at his sentencing; no restitution was ordered; and he was permitted to continue working as a real estate broker while on supervised release. Respondent does not believe he has performed any other acts of this nature during his career, and stated that he "will do better" moving forward and will do things "the proper way."

8. After the convictions, respondent completed an ethics course offered by the National Association of Realtors. He also attended an ethics course for lawyers presented by the state bar, but was ineligible to receive a certificate of completion because he is not a lawyer. Respondent completed his continuing education requirements ahead of schedule, including courses titled "BSA, Anti-Money Laundering, SARs, and Red Flags Training" and "Complying with Appraisal Independence Requirements." Respondent regularly attends conferences and courses on the real estate industry.

9. Respondent began pursuing a real estate license while he was still in high school and has worked in the industry his entire adult life. Respondent's salesperson license was issued when he was 18 years old. He completed courses in real estate at a community college and obtained his broker license a few years later. After working for another firm for about a decade, he opened Makras Real Estate in 1990. Respondent "loves" the real estate profession, which has enabled him to support his children and other family members.

10. Respondent has a long history of significant professional, civic, and community involvement. He has served on the San Francisco Board of Appeals and Retirement Board, as well as on the Police, Fire, Port, and Public Utilities Commissions. He donates to and is active in several charitable organizations, including some serving the homeless, foster youth, and abused children. He is also active in the Greek community.

11. Four witnesses testified on behalf of respondent:

a. Respondent's wife, Farah Makras, met respondent in 1996 when she was a single mother of one son, and married him in 1998. She and respondent went on to have three children together, including one by adoption. They now have two grandchildren. One of their sons works in real estate with respondent. Two children are in college. Respondent also provides financial support to his mother and mother-in-law. Makras described respondent as a self-made man who is hardworking, humble, generous, and never loses his temper.

With respondent's encouragement, Makras has engaged in community service. She joined the board of Family Builders, which helps families adopt foster children. She confirmed respondent's active involvement in a number of charitable enterprises, including sending supplies to Haiti in the aftermath of a hurricane, donating to two orphanages, and his involvement with the Booker T. Washington community center.

b. Former San Francisco Mayor Art Agnos has known respondent for 36 years. He praised respondent's "unprecedented public service," noting that respondent has served in appointed positions for five different mayors and has had significant involvement in non-profit organizations. Agnos lauded respondent for using his real estate knowledge to further his volunteer efforts, including working with the Booker T.

Washington community center, helping build apartments for teenagers aging out of foster care, and helping create a farmers' market in an underserved neighborhood. He added that respondent has been deeply involved with the Safe & Sound organization which combats child abuse.

Agnos admires respondent for accepting responsibility for his actions and not becoming "bitter" in the face of the criminal prosecution. Agnos does not believe that respondent "did anything wrong" and believes that respondent did not intend to cheat anyone. He emphasized that the District Court Judge called the misconduct "technical."

Agnos has personally used respondent's real estate services and has referred others to him, and all have been satisfied with respondent.

c. Walter Baczkowski is the current CEO of the San Francisco Association of Realtors (SFAR). Respondent was previously the president of the board of directors of SFAR. Baczkowski met respondent in 2012 when he moved to the Bay Area, and they have worked together professionally. Baczkowski detailed some of respondent's community activities, including the Welcome Home project which helps the homeless find housing, the Greek church community, and advocating for homeowners to the state legislature. Respondent continued to volunteer even while on supervised release. Baczkowski has always found respondent to act within the law, and described him as straightforward and honorable. Baczkowski is aware of respondent's felony convictions. He believes that respondent was trying to help his client, was not trying to hide anything, and did not intend to defraud the lender.

d. Herb Meiberger met respondent in 2010, when both were serving as commissioners of the San Francisco Retirement Board. In this role, they were both

fiduciaries responsible for investing billions of dollars on behalf of the members of the retirement system. He commended respondent's professionalism, leadership, and tens of thousands of hours of unpaid public service. Meiberger noted that respondent has expressed remorse for his criminal conduct and did not try to justify his actions.

12. Respondent submitted six additional letters addressed to the Commissioner. All letter writers are aware of respondent's convictions.

a. Former San Francisco Mayor Willie L. Brown has known respondent for more than 30 years. He wrote of respondent's extensive public service to the City and County of San Francisco, including serving on numerous commissions under several mayors without any allegations of misconduct. He also commended respondent's support of local organizations, youth groups, and underserved communities. Brown wrote that since his convictions, respondent increased his service to the community and distanced himself from former associates who were involved in the criminal case.

b. Susan Brown is the Executive Director of the Willie L. Brown Institute of Politics and Public Service (Brown Institute). The Brown Institute is a nonprofit organization dedicated to preparing individual for public service, including through a fellowship program with San Francisco State University. Brown wrote that respondent has been an active and dedicated member of the Board of Directors since 2014, and that his commitment to the Brown Institute's mission and values is evident. She praises his engagement, integrity, and thoughtful leadership.

c. Eleni Kounalakis, the Lieutenant Governor of California, has known respondent for more than 30 years. They met through the Greek community. Kounalakis wrote that she admires and respects respondent, and believes he embodies the Greek principle of "philotimo" - a commitment to living a life of honor.

d. John Dunbar has known respondent for more than 30 years. He was an employee of Makras Real Estate for about seven years and learned valuable skills that he has used in subsequent employment outside the real estate industry. Dunbar wrote that respondent is knowledgeable, puts his clients' interests first, and is direct when providing advice about real estate transactions. Respondent's advice prevented Dunbar from making an unrealistic offer on a property.

e. Attorney Steven Kay has known respondent for more than 35 years. They serve together on the board of the Brown Institute, with the goal of developing and supporting a well-educated, diverse, and committed workforce. Kay wrote that respondent is "an individual with unimpeachable integrity, morals, and of the highest possible character."

f. Former California Real Estate Commissioner Jeff Davi wrote that he thinks highly of respondent's significant efforts serving the San Francisco and Northern California communities and the real estate industry. He believes that respondent has demonstrated his rehabilitation, and he urged the Commissioner to impose discipline less than outright license revocation.

12. In connection with the investigation and prosecution of this accusation, the Department has incurred expenses of \$2,072.80. These costs consist of \$1,232.80 in investigation costs and \$840 for legal services. The costs are supported by certifications by Supervising Special Investigator Stephanie Yee and Counsel Jack Gonzalez, Jr. These costs are found to be reasonable.

## LEGAL CONCLUSIONS

1. Business and Professions Code sections 490 and 10177, subdivision (b), authorize the Department to suspend or revoke the license of an individual who has been convicted of a felony or of a crime that is substantially related to the qualifications, functions, or duties of a real estate licensee. Respondent's two felony convictions for bank fraud and making false statements to a bank arose from his licensed activities and are substantially related to his duties, because the underlying conduct involved fraudulently obtaining funds, false statements, deceit, and the commission of unlawful acts with the intent of conferring a financial benefit upon himself. (Cal. Code Regs., tit. 10, § 2910, subd. (a)(1), (2), (4), & (8).)

Cause to suspend or revoke respondent's license was established for respondent's criminal convictions, in light of the matters set forth in Finding 3.

2. Business and Professions Code section 10177, subdivision (j), authorizes the Department to suspend or revoke the license of an individual who has engaged in fraud or dishonest dealing. Cause for discipline was established, in light of the matters set forth in Findings 3 and 4.

3. In California Code of Regulations, title 10, section 2912, the Department has established criteria to be used in evaluating the rehabilitation of a licensee who has committed a criminal offense. These include the passage of no less than two years from the most recent offense, payment of restitution, expungement of convictions, successful completion of probation, abstinence from alcohol in cases involving alcohol use, payment of court fines, stability of family life, completion of educational programs, significant community involvement, and change in attitude.

4. Respondent was convicted of two felony offenses, which arose from false statements and documents submitted on behalf of a client applying for a residential loan. Although the date of conviction is relatively recent (December 2022), and supervised release ended only one year ago, the underlying criminal acts took place more than 10 years ago. Respondent complied with the terms of supervised release, including promptly paying the \$15,000 fine. Supervised release was terminated early. Respondent has no other criminal history. There was no indication that alcohol played any role in the offenses. Respondent is a devoted husband and father and enjoys a stable family life. After his convictions, respondent completed additional education, including taking two ethics courses. Respondent has a long history of significant community involvement and continued in these activities despite his convictions. Although respondent did not initially believe that he did anything wrong, he has accepted responsibility for his actions and expressed a commitment to understanding and following the law.

Respondent has been licensed for almost 50 years without any prior discipline and there was no evidence that he has been involved in any other fraudulent activity. Despite his convictions, he maintains a strong reputation in the community.

Weighing the rehabilitation criteria, it is determined that issuance of a restricted broker license is the appropriate discipline and would not be against the public interest. Respondent will also be required to take and pass the Professional Responsibility Examination.

## **Costs**

5. Business and Professions Code section 10106 authorizes the Department to recover in disciplinary proceedings its reasonable costs of investigation and

enforcement. In *Zuckerman v. Board of Chiropractic Examiners* (2002) 29 Cal.4th 32, the California Supreme Court set forth factors to be considered in determining the reasonableness of costs sought pursuant to statutory provisions such as Business and Professions Code section 10106. These factors include: (a) whether the licensee has been successful at hearing in getting charges dismissed or reduced; (b) the licensee's subjective good faith belief in the merits of his or her position; (c) whether the licensee has raised a colorable challenge to the proposed discipline; (d) the financial ability of the licensee to pay; and (e) whether the scope of the investigation was appropriate in light of the alleged misconduct.

None of these factors support a reduction of the costs sought in this matter. Respondent will be ordered to pay the full costs of the Department's investigation and enforcement.

## **ORDER**

All licenses and licensing rights of respondent Victor George Makras under the Real Estate Law (Bus. & Prof. Code, § 10000 et seq.) are revoked; provided, however, a restricted real estate broker license is issued to respondent pursuant to Business and Professions Code section 10156.5 if respondent makes application therefor and pays to the Department of Real Estate the appropriate fee for the restricted license within 90 days from the effective date of this Decision.

The restricted license issued to respondent will be subject to all the provisions of section 10156.7 of the Business and Professions Code and to the following limitations, conditions and restrictions imposed under authority of section 10156.6 of that Code:

1. The restricted license issued to respondent may be suspended prior to hearing by Order of the Real Estate Commissioner in the event of respondent's conviction or plea of nolo contendere to a crime which is substantially related to respondent's fitness or capacity as a real estate licensee.

2. The restricted license issued to respondent may be suspended prior to hearing by Order of the Real Estate Commissioner on evidence satisfactory to the Commissioner that respondent has violated provisions of the California Real Estate Law, the Subdivided Lands Law, Regulations of the Real Estate Commissioner or conditions attaching to the restricted license.

3. Respondent will not be eligible to apply for the issuance of an unrestricted real estate license nor for the removal of any of the conditions, limitations or restrictions of a restricted license until five years have elapsed from the effective date of this Decision.

4. Respondent must, within nine months from the effective date of this Decision, present evidence satisfactory to the Real Estate Commissioner that respondent has, since the most recent issuance of an original or renewal real estate license, taken and successfully completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a real estate license. If respondent fails to satisfy this condition, the Commissioner may order the suspension of the restricted license until the respondent presents such evidence. The Commissioner must afford respondent the opportunity for a hearing pursuant to the Administrative Procedure Act to present such evidence.

5. Respondent must notify the Commissioner in writing within 72 hours of any arrest by sending a certified letter to the Commissioner at the Department of Real

Estate, 651 Bannon Street, Suite 507, Sacramento, CA 95811. The letter must set forth the date of respondent's arrest, the crime for which respondent was arrested and the name and address of the arresting law enforcement agency. Respondent's failure to timely file written notice will constitute an independent violation of the terms of the restricted license and will be grounds for the suspension or revocation of that license.

6. Respondent shall, within six months from the effective date of this Decision, take and pass the Professional Responsibility Examination administered by the Department including the payment of the appropriate examination fee. If respondent fails to satisfy this condition, the Commissioner may order suspension of respondent's license until respondent passes the examination.

7. It is a condition of the restricted license that respondent must pay the Department's reasonable costs of enforcement of this case in the amount of \$2,072.80 within 30 days of the issuance of the restricted license.

DATE: **09/04/2025**

*Karen Reichmann*

KAREN REICHMANN

Administrative Law Judge

Office of Administrative Hearings