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**FILED**  
APR 11 2008  
DEPARTMENT OF REAL ESTATE

*Handwritten signature: R. Mederholt*

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

In the Matter of the Accusation of	)	No. H-23355 LA
	)	
EDDIE P. LAWRENCE,	)	
	)	
	)	
Respondent.	)	

DECISION AFTER RECONSIDERATION

On January 8, 2008, an Order was rendered herein by the Real Estate Commissioner which denied Respondent's petition for reinstatement of Respondent's real estate broker license. Said Order was to become effective on January 31, 2008, and was stayed by separate Order to February 11, 2008.

On January 18, 2008, Respondent petitioned for reconsideration of the Order Denying Reinstatement of License.

On February 11, 2008, an Order Granting Reconsideration was filed, allowing time for additional argument.

///

///

1 I have considered the petition of Respondent and have  
2 concluded that good cause has been presented for reconsideration  
3 of the Order of January 8, 2008, for the limited purpose of  
4 determining whether the disciplinary action therein imposed  
5 should be reduced.

6 I have reconsidered said Order and it is hereby ordered  
7 that the disciplinary action therein imposed, be reduced by  
8 modifying the Order to read as follows:

9 ORDER

10 NOW, THEREFORE, IT IS ORDERED that Respondent's  
11 petition for reinstatement of Respondent's real estate broker  
12 license is denied.

13 I am satisfied, however, that it will not be against  
14 the public interest to issue a restricted real estate broker  
15 license to Respondent.

16 A restricted real estate broker license shall  
17 be issued to Respondent pursuant to Code Section 10156.5  
18 if Respondent within twelve (12) months from the date hereof:

19 (a) takes and passes the written examination required  
20 to obtain a real estate broker license.

21 (b) makes application therefor and pays the  
22 appropriate fee for said license.

23 The restricted license issued to Respondent shall be  
24 subject to all of the provisions of Code Section 10156.7 and to  
25 the following limitations, conditions and restrictions imposed  
26 under authority of Code Section 10156.6:  
27

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

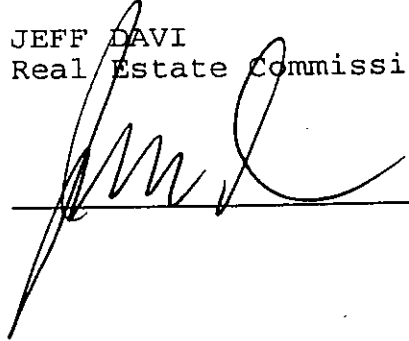
6                   2. The restricted license issued to Respondent  
7 may be suspended prior to hearing by Order of the Real Estate  
8 Commissioner on evidence satisfactory to the Commissioner that  
9 Respondent has violated provisions of the California Real Estate  
10 Law, the Subdivided Lands Law,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

12                   3. Respondent shall not be eligible to apply  
13 for the issuance of an unrestricted real estate license  
14 nor for the removal of any of the conditions, limitations  
15 or restrictions of a restricted license until two (2) years  
16 from the date of issuance of any restricted license.

17                   As hereby modified and amended, the Order of  
18 January 8, 2008, shall become effective at 12 o'clock noon on  
19 MAY - 1 2008

20 IT IS SO ORDERED 4-8-08

21 JEFF DAVI  
22 Real Estate Commissioner

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FEB 11 2008

DEPARTMENT OF REAL ESTATE

By *K. Contreras*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of )	NO. H-23355 LA
EDDIE P. LAWRENCE,	)
Respondent.	)

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ORDER GRANTING RECONSIDERATION

On January 8, 2008, an Order Denying Reinstatement of License was signed in the above-entitled matter. Said Order was to become effective on January 31, 2008 and was stayed by separate Order to February 11, 2008.

On January 18, 2008, Respondent petitioned for reconsideration of the Order of January 8, 2008.

I find that there is good cause to reconsider the Order of January 8, 2008. Reconsideration is hereby granted.

///  
///  
///

1 Respondent shall have until February 29, 2008 in which  
2 to file written argument in further support of his petition for  
3 reconsideration. Counsel for the Department of Real Estate  
4 shall submit any written reply to said argument within fifteen  
5 (15) days thereafter.

6 IT IS SO ORDERED 2-11-08.

7 JEFF DAVI  
8 Real Estate Commissioner

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10 By:   
11 BARBARA J. BIGBY  
12 Chief Deputy Commissioner  
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FILED  
JAN 23 2008  
DEPARTMENT OF REAL ESTATE

*R. Madenwald*

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \* \* \*

In the Matter of the Accusation of ) DRE No. H-23355 LA  
  ) )  
EDDIE P. LAWRENCE,                    ) )  
  ) )  
  ) )  
Respondent.                             ) )

ORDER STAYING EFFECTIVE DATE

On January 8, 2008, an Order Denying Reinstatement of License was rendered in the above-entitled matter to become effective January 31, 2008.

IT IS HEREBY ORDERED that the effective date of the Order Denying Reinstatement of License of January 8, 2008, is stayed for a period of ten days.

The Order Denying Reinstatement of License of January 8, 2008, shall become effective at 12 o'clock noon February 11, 2008.

DATED: *January 22, 2008*

JEFF DAVI  
Real Estate Commissioner  
*Dolores Weeks*  
By: Dolores Weeks  
Regional Manager

*Auto  
file*

**FILED**  
JAN 11 2008  
DEPARTMENT OF REAL ESTATE

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BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of ) NO. H-23355 LA  
)  
EDDIE P. LAWRENCE, )  
)  
Respondent. )

ORDER DENYING REINSTATEMENT OF LICENSE

On February 8, 1989, a Decision was rendered herein  
revoking Respondent's real estate broker license, but granting  
Respondent the right to apply for and be issued a restricted  
real estate salesperson license. Respondent failed to apply  
for said license in a timely manner.

On or about September 16, 1996, Respondent petitioned  
for reinstatement of Respondent's real estate broker license.  
An Order Denying Reinstatement of License was filed on August  
22, 1997.

///

1 On or about April 10, 2007, Respondent again  
2 petitioned for reinstatement of said license and the Attorney  
3 General of the State of California has been given notice of the  
4 filing of the petition.  
5

6 I have considered Respondent's petition and the  
7 evidence and arguments in support thereof. Respondent has  
8 failed to demonstrate to my satisfaction that Respondent  
9 has undergone sufficient rehabilitation to warrant the  
10 reinstatement of Respondent's real estate broker license,  
11 in that:  
12

13 I

14 In the Decision which revoked Respondent's real  
15 estate broker license, there were determination of issues  
16 made that there was cause to discipline Respondent's license  
17 pursuant to Business and Professions Code ("Code") Sections  
18 10176(a) and 10177(g).  
19

20 II

21 In 1985 Respondent was licensed as a real estate  
22 broker. During a period of time between April, 1985 and July,  
23 1985, Respondent solicited and negotiated a purchase money loan  
24 secured by real property for certain purchaser/borrowers.  
25 Respondent and the purchaser/borrowers, made certain  
26 misrepresentations to the lender in order to induce the lender  
27 to make the loan and issue a mortgage insurance policy. In



1 reliance on the misrepresentations, the lender loaned money  
2 secured by real property and the loan was insured.

3                 Respondent caused, allowed or permitted said  
4 misrepresentations. The lender would not have made the loan  
5 if it had known the true facts.  
6

7   III

8                 The burden of proving rehabilitation rests with the  
9 petitioner (Feinstein v. State Bar (1952) 39 Cal. 2d 541).

10 A petitioner is required to show greater proof of honesty and  
11 integrity than an applicant for first-time licensure. The  
12 proof must be sufficient to overcome the prior adverse judgment  
13 on the applicant's character (Tardiff v. State Bar (1980) 27  
14 Cal. 3d 395).

15                 The Department has developed criteria in Title 10,  
16 Chapter 6, California Code of Regulations ("Regulation") 2911  
17 to assist in evaluating the rehabilitation of an applicant for  
18 reinstatement of a license. Among the criteria relevant in  
19 this proceeding are:  
20  
21

22                 2911(j) - Respondent has not provided proof that  
23 Respondent has paid a civil judgment against him in the amount  
24 of \$6,500.

25                 2911(n)(1) - Respondent has not shown a change  
26 in attitude from that which existed at the time of the conduct  
27 in question. As part of the petition application process,

1 Respondent had an interview with a Deputy Real Estate  
2 Commissioner. Respondent did not accept responsibility for the  
3 acts which led to the discipline against him.

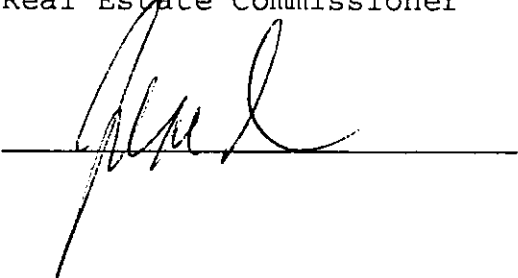
4  
5 Given the fact that Respondent has not established  
6 that Respondent has complied with Regulation 2911(j)  
7 and (n)(1), I am not satisfied that Respondent is sufficiently  
8 rehabilitated to receive a real estate broker license.

9 NOW, THEREFORE, IT IS ORDERED that Respondent's  
10 petition for reinstatement of Respondent's real estate broker  
11 license is denied.

12  
13 This Order shall become effective at 12 o'clock noon  
14 on JAN 31 2008

15 DATED: 1-8-08

16 JEFF DAVI  
17 Real Estate Commissioner

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DEPARTMENT OF REAL ESTATE

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DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \* \*

In the Matter of the Accusation of )	No. H-23355 LA
)	
EDDIE PAUL LAWRENCE )	
)	
)	
Respondent. )	
_____ )	

ORDER DENYING RECONSIDERATION

On August 18, 1997, an Order Denying Reinstatement of License was signed in the above entitled matter to become effective September 29, 1997.

I have given due consideration to the petition of Respondent. I find no good cause to reconsider the Decision of August 18, 1997, and reconsideration is hereby denied.

IT IS SO ORDERED 10/20 1997.

[Signature]  
 JIM ANTT, JR.  
 Real Estate Commissioner

*Handwritten notes*

**FILED**  
AUG 27 1997  
DEPARTMENT OF REAL ESTATE

By *R. Muederholz*

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DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \* \* \*

In the Matter of the Accusation of	)	No. H-23355 LA
	)	
EDDIE PAUL LAWRENCE	)	
	)	
Respondent.	)	
_____	)	

ORDER STAYING EFFECTIVE DATE

On August 18, 1997, an Order Denying Reinstatement of License was rendered in the above entitled matter to become effective September 11, 1997.

IT IS HEREBY ORDERED that the effective date of the Order of August 18, 1997, is stayed for forty (40) days.

The Order of August 18, 1997, shall become effective at 12 o'clock noon on September 29, 1997.

DATED: August 27, 1997.

*Randolph Brendia*  
 \_\_\_\_\_  
 Randolph Brendia  
 Regional Manager

*Sachs*  
*July*

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**FILED**  
AUG 22 1997  
DEPARTMENT OF REAL ESTATE

By *K. Muderholt*

DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \* \* \*

In the Matter of the Accusation of ) No. H-23355 LA  
 )  
 )  
 EDDIE PAUL LAWRENCE )  
 )  
 Respondent. )  
 )  
 )

ORDER DENYING REINSTATEMENT OF LICENSE

On February 8, 1989, a Decision was rendered herein revoking the real estate broker license of EDDIE PAUL LAWRENCE, (hereinafter referred to as Respondent), effective March 2, 1989. Respondent was given the right to apply for and receive a restricted real estate salesperson license but failed to apply for said license in a timely manner.

On September 16, 1996, Respondent petitioned for reinstatement of said real estate broker license and the Attorney General of the State of California has been given notice of the filing of said Petition.

1  
2 I have considered the petition of Respondent and the  
3 evidence submitted in support thereof. Respondent has failed to  
4 demonstrate to my satisfaction that he has undergone sufficient  
5 rehabilitation to warrant the reinstatement of his real estate  
6 broker license at this time. This determination has been made  
7 in light of Respondent's history of acts and conduct which are  
8 substantially related to the qualifications, functions and  
9 duties of a real estate licensee. That history includes:

10 I

11 In the Decision which revoked the real estate broker  
12 license of Respondent there was a Determination of Issues made  
13 pursuant to a Stipulation that cause existed to discipline the  
14 petitioner pursuant to Sections 10176(a) and 10177(g) of the  
15 California Business and Professions Code (Code) by reason of the  
16 fact that Respondent had conspired with several borrowers to  
17 submit false information to a lender. In an interview with a  
18 Deputy Real Estate Commissioner, Lawrence now claims a person in  
19 his office arranged the loan and that Respondent was innocent of  
20 any wrongdoing. This is evidence of a lack of rehabilitation and  
21 is cause to deny Respondent's petition pursuant to Section  
22 2911(a) of Chapter 6, Title 10, California Code of Regulations  
23 (Regulations).

24 II

25 At the present time Respondent owes the IRS and the  
26 Franchise Tax Board some \$113,000 in back taxes. This is further  
27 evidence of a lack of rehabilitation and is cause to deny his  
petition pursuant to Section 2911(i) of the Regulations.

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III

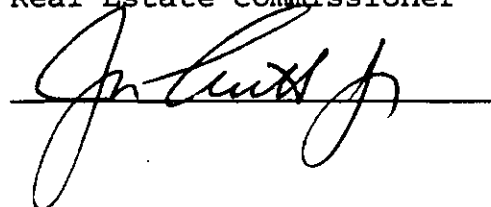
Respondent is 50% owner of a licensed real estate corporation named S.E.D. Financial Network Inc. (SED). SED's designated broker is Kenneth Gordon. The main office address of SED is Respondent's residence in Hacienda Heights, California. SED has no licensees other than Gordon who lost his hearing in late 1993 and, because of a stroke, cannot write well. During a period of time thereafter Respondent was involved with Gordon in soliciting for and thereafter negotiating at least ten loans secured by real property on behalf of borrowers named Esparaza, Glenn, Antoun, Nelson, Davis, Harmon, Washington, Mullins and Grice. Said activities by Respondent are those of a real estate broker as defined by Section 10131(d) of the Code. By conducting said activities without a license Respondent was in violation of Section 10130 of the Code. This is further cause to deny his petition pursuant to Section 10177(d) of the Code.

NOW, THEREFORE, IT IS ORDERED that Respondent's petition for reinstatement of license is denied.

This Order shall become effective at 12 o'clock noon on September 11 1997.

DATED: 8/18/97

JIM ANTT, JR.  
Real Estate Commissioner



FILED

DEPARTMENT OF REAL ESTATE

FEB 10 1989

STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE

BY *B. Niederholt*

\* \* \* \*

In the Matter of the Accusation of )  
 )  
 EDDIE P. LAWRENCE, individually )  
 dba Lawrence & Associates, )  
 )  
 )  
 )  
 )  
 Respondent. )

No. H- 23355 LA

DECISION

The Proposed Decision dated January 31, 1989  
 of Randolph Brendia, Regional Manager, Department of Real Estate,  
 is hereby adopted as the Decision of the Real Estate Commissioner  
 in the above-entitled matter.

This Decision shall become effective at 12 o'clock  
noon on March 2, 1989.

IT IS SO ORDERED February 8, 1989.

JAMES A. EDMONDS, JR.  
 Real Estate Commissioner

By: *John R. Liberator*  
 JOHN R. LIBERATOR  
 Chief Deputy Commissioner



DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \* \*

In the Matter of the Accusation of ) No. H-23355 LA  
 )  
 EDDIE P. LAWRENCE, individually )  
 dba Lawrence & Associates, )  
 )  
 Respondent. )  
 \_\_\_\_\_ )

PROPOSED DECISION

This matter was presided over by Randolph Brendia, Regional Manager, Department of Real Estate, as the designee of the Real Estate Commissioner, in Los Angeles, California, on January 31, 1989.

Sean Crahan, Counsel, represented the Complainant. Respondent EDDIE P. LAWRENCE appeared and represented himself.

The matter was submitted upon a written Stipulation entered into by and between the parties hereto. Pursuant to the said Stipulation, the following findings of fact and determination of issues are made and the following Decision and Order are proposed, certified and recommended for adoption:

FINDINGS OF FACT

I

The Complainant, Robert D. Gilmore, a Deputy Real Estate Commissioner of the State of California, made the Accusation in his official capacity.

II

EDDIE P. LAWRENCE (hereinafter referred to as Respondent) is presently licensed and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code, hereafter cited as the Code). At all times herein mentioned, Respondent was licensed by the Department of Real Estate of the State of California as a real estate broker, individually and dba Lawrence & Associates. Respondent's license expired on July 29, 1988, but respondent retains the right to a late renewal thereof.

III

Between on or about April 16, 1985 and on or about July 2, 1985, Respondent, acting as agent for others, for or in expectation of compensation, solicited borrowers for and/or negotiated a purchase money loan secured by real property located at 4934 Vista De Oro Avenue, Los Angeles, California (hereafter the Property). The purchaser/borrowers were Stephanie K. Baurac (Baurac), Gwendolyn Bernard (Bernard), Sheri Y. Lawrence (Lawrence), Kerwin Lenford (Lenford), and Garland R. Young (Young). The lender was City Federal Savings and Loan Association (CFSL).

IV

During this time, the purchaser/borrowers made the following representations to CFSL through Respondent:

- a. The purchaser/borrowers intended to reside at the Property as their primary residence.
- b. Some of the purchaser/borrowers were related to other purchaser/borrowers.
- c. The purchaser/borrowers were providing approximately \$27,000 in cash toward equity and closing costs from their savings and tax refunds.
- d. The purchaser/borrowers intended to repay the loan.
- e. The purchaser/borrowers had sufficient aggregate income to make payments on the loan. Specifically, Baurac represented that she had been employed at Executive Opportunities for three years with a monthly income of \$2,278.
- f. Young had available to him approximately \$38,000 cash assets which would be available after the close of escrow.

V

Respondent transmitted said representations to CFSL to induce CFSL to make the loan and to induce issuance of a policy of mortgage insurance. In reliance on those representations, CFSL loaned approximately \$211,000 secured by the Property. Republic Mortgage Insurance Company (RMIC) insured the loan.

VI

The true facts were as follows:

- a. The purchaser/borrowers did not intend to reside at the Property as their primary residence.
- b. The purchaser/borrowers were not related to other purchaser/borrowers.

c. The purchaser/borrowers were not providing any cash from their tax refunds and/or savings toward the equity or closing costs of the purchase of the property.

d. The purchaser/borrowers had no intention to repay the loan.

e. The purchaser/borrowers did not have sufficient aggregate income to make the payments on the loan. Specifically, Baurac was never employed by a business called Executive Opportunities.

f. Young in fact had approximately \$38,000 in cash. However, this representation was misleading because Young had no intention to repay the loan.

#### VII

Each representation set forth in Paragraph 4 above was a substantial misrepresentation.

#### VIII

Respondent knew or should have known said representations were false at the times they were made or transmitted by Respondent to CFSL.

#### IX

Respondent owed a duty of due care toward CFSL to avoid making misrepresentations to it. Respondent breached his duty of due care by causing, allowing, or permitting misrepresentations to be made to CFSL. Respondent's breach of this duty actually and proximately caused CFSL to make the loan which it would not have made had it known the true facts. Respondent's breach caused RMIC to insure the loan.

#### DETERMINATION OF ISSUES

Cause for disciplinary action against Respondent EDDIE P. LAWRENCE exists pursuant to Code Sections 10176(a) and 10177(g).

#### ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

The real estate broker license or rights thereto of respondent, EDDIE P. LAWRENCE, are hereby revoked. However, no sooner than one hundred eighty (180) days from the effective date of this decision nor later than one year from the effective date of this decision, Respondent may apply for a restricted

real estate salesperson license which shall be issued pursuant to the provisions of Sections 10156.5, 10156.6 and 10156.7 of the Business and Professions Code, subject to the following terms and conditions:

1. Said restricted license may be suspended prior to hearing by order of the Real Estate Commissioner in the event of Respondent's conviction (including conviction on a plea of nolo contendere) of a crime which bears a significant relation to respondent's qualifications, functions, or duties as a real estate licensee.

2. Said restricted license 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 this restricted license.

3. The restricted license to be issued upon application of the Respondent shall not confer any property right in the privileges to be exercised thereunder.

4. Respondent shall not petition the Commissioner for the removal of any of said conditions, limitations or restrictions of said restricted license or for reinstatement as a broker, prior to the expiration of two (2) years from the date of issuance of the restricted license.

5. Respondent shall, with his application for a restricted salesperson license, present evidence satisfactory to the Real Estate Commissioner that he 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.

6. Respondent shall, within six months from the effective date of the restricted license, 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 the restricted license until Respondent passes the examination.

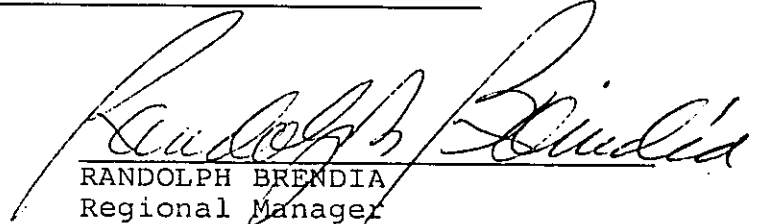
7. Respondent shall submit to the Real Estate Commissioner as a condition to the employment by or transfer to a new employing broker with said applications for license or transfer, a statement signed by the employing broker which shall certify:

(a) That the prospective employing broker has read the Decision of the Commissioner which granted the right to a restricted license;

(b) That, as employing broker, he or she  
will carefully review all transactions and  
documents prepared by the restricted licensee  
and otherwise exercise close supervision over  
the restricted licensee.

DATED: \_\_\_\_\_

1-31-89



RANDOLPH BRENDIA  
Regional Manager  
Department of Real Estate

*Sacto  
file*

BEFORE THE  
DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

FILED  
OCT 20 1988

DEPARTMENT OF REAL ESTATE  
BY *R. V. ...*

In the Matter of the Accusation of

EDDIE P. LAWRENCE,

Case No. H-23355 LA  
OAH No. L-43569

Respondent(s)

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 \_\_\_\_\_  
Office of Administrative Hearings, 314 West First Street, Los Angeles  
7th, 8th,  
on the 9th & 10th day of February, 19 89, at the hour of 9:00 a.m., or as soon thereafter  
as the matter can be heard, upon the charges made in the Accusation served upon you.

You may be present at the hearing, and you may be represented by counsel, but you are neither required to be present at the hearing nor to be represented by counsel. If you are not present in person nor represented by counsel at the hearing, the Department may take disciplinary action against you upon any express admissions, 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. The interpreter must be approved by the hearing officer conducting the hearing as someone who is proficient in both English and the language in which the witness will testify. You are required to pay the costs of the interpreter unless the hearing officer directs otherwise.

DEPARTMENT OF REAL ESTATE

By *Sean Cahoon*  
Counsel

Dated: October 20, 1988

cc: Eddie P. Lawrence  
Sacto.  
OAH  
VL

*Fact  
Done*

1 SEAN CRAHAN, Counsel  
2 Department of Real Estate  
3 107 South Broadway, Room 8107  
4 Los Angeles, California 90012  
5  
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7  
8 (213) 620-4790

FILED

MAY 19 1988

DEPARTMENT OF REAL ESTATE  
BY K. [Signature]

8 DEPARTMENT OF REAL ESTATE  
9 STATE OF CALIFORNIA

10 \* \* \* \*

11	In the Matter of the Accusation of	)	No. H-23355 LA
12	EDDIE P. LAWRENCE, individually	)	<u>A C C U S A T I O N</u>
13	DBA Lawrence & Associates,	)	
14	Respondent.	)	

15 The Complainant, Robert D. Gilmore, a Deputy Real  
16 Estate Commissioner of the State of California, for cause of  
17 accusation against EDDIE P. LAWRENCE, individually, dba Lawrence  
18 & Associates, alleges as follows:

19 1.

20 The Complainant, Robert D. Gilmore, a Deputy Real  
21 Estate Commissioner of the State of California, makes this  
22 Accusation in his official capacity.

23 2.

24 EDDIE P. LAWRENCE (hereinafter referred to as  
25 Respondent) is presently licensed and/or has license rights under  
26 the Real Estate Law (Part 1 of Division 4 of the Business and  
27 Professions Code, hereafter cited as the Code). At all times

1 herein mentioned, Respondent was licensed by the Department of  
2 Real Estate of the State of California as a real estate broker,  
3 individually and dba Lawrence & Associates.

4 3.

5 Between on or about April 16, 1985 and on or about  
6 July 2, 1985, Respondent, acting as agent for others, for or in  
7 expectation of compensation, solicited borrowers for and/or  
8 negotiated a purchase money loan secured by real property located  
9 at 4934 Vista De Oro Avenue, Los Angeles, California (hereafter  
10 the Property). The purchaser/borrowers were Stephanie K. Baurac  
11 (Baurac), Gwendolyn Bernard (Bernard), Sheri Y. Lawrence (Lawrence),  
12 Kerwin Lenford (Lenford), and Garland R. Young (Young). The  
13 lender was City Federal Savings and Loan Association (CSFL).

14 4.

15 During this time, the purchaser/borrowers made the  
16 following representations to CFSL through Respondent:

17 a. The purchaser/borrowers were bona fide purchasers  
18 of the Property from Paul and Margee O'Neal and that there existed  
19 a bona fide agreement of sale of the Property at \$235,000 financed  
20 by a proposed loan of approximately \$211,500 from CFSL.

21 b. The purchaser/borrowers intended to reside at the  
22 Property as their primary residence.

23 c. Some of the purchaser/borrowers were related to  
24 other purchaser/borrowers.

25 d. The purchaser/borrowers were providing approxi-  
26 mately \$27,000 in cash toward equity and closing costs from their  
27 savings and tax refunds.



1 e. The purchaser/borrowers intended to repay the  
2 loan.

3 f. The purchaser/borrowers had sufficient aggregate  
4 income to make payments on the loan. Specifically, Baurac  
5 represented that she had been employed at Executive Opportunities  
6 for three years with a monthly income of \$2,278.

7 g. Young had available to him approximately \$38,000  
8 cash assets which would be available after the close of escrow.

9 5.

10 Respondent transmitted said representations to CFSL to  
11 induce CFSL to make the loan and to induce issuance of a policy  
12 of mortgage insurance. In reliance on those representations,  
13 CFSL loaned approximately \$211,000 secured by the Property.  
14 Republic Mortgage Insurance Company (RMIC) insured the loan.

15 6.

16 The true facts were as follows:

17 a. The purchaser/borrowers had no intention to  
18 purchase the property. Respondent resided on said property and  
19 title was held in the name of Paul and Margee O'Neal. Respondent  
20 was at all times herein pertinent the husband of Margee O'Neal.  
21 The property was at the time in foreclosure and Respondent created  
22 a fictitious sale to the purchaser/borrowers to refinance the  
23 debt obligations secured by the Property.

24 b. The purchaser/borrowers did not intend to reside at  
25 the Property as their primary residence.

26 c. The purchaser/borrowers were not related to other  
27 purchaser/borrowers.

1 d. The purchaser/borrowers were not providing any  
2 cash from their tax refunds and/or savings toward the equity or  
3 closing costs of the purchase of the property.

4 e. The purchaser/borrowers had no intention to repay  
5 the loan.

6 f. The purchaser/borrowers did not have sufficient  
7 aggregate income to make the payments on the loan. Specifically,  
8 Baurac was never employed by a business called Executive  
9 Opportunities.

10 g. Young in fact had approximately \$38,000 in cash.  
11 However, this representation was misleading because Young had no  
12 intention to repay the loan.

13 7.

14 Each representation set forth in Paragraph 4 above was  
15 a substantial misrepresentation.

16 8.

17 Respondent knew or should have known said representa-  
18 tions were false at the times they were made or transmitted by  
19 Respondent to CFSL.

20 9.

21 Respondent owed a duty of due care toward CFSL to  
22 avoid making misrepresentations to it. Respondent breached his  
23 duty of due care by causing, allowing, or permitting misrepresenta-  
24 tions to be made to CFSL. Respondent's breach of this duty  
25 actually and proximately caused CFSL to make the loan which it  
26 would not have made had it known the true facts. Respondent's  
27 breach caused RMIC to insure the loan.

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10.

The conduct or omissions of Respondent as set forth above subject his real estate license and license rights to suspension or revocation under the following provisions of the B & P Code:

1. Section 10176(a) for substantial misrepresentations
2. Section 10176(i) for fraud or dishonest dealing.
3. Section 10177(g) for negligence in a transaction for which a real estate license was required.
4. Section 10177(j) for fraud and/or dishonest dealing in a transaction not requiring Respondent to be licensed.

WHEREFORE, complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action against all licenses and license rights of respondent EDDIE P. LAWRENCE, individually, dba Lawrence & Associates, under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Los Angeles, California  
this 19th day of May, 1988.

  
Deputy Real Estate Commissioner

cc: Eddie P. Lawrence  
Sacto.  
VL