

1 Department of Real Estate
107 South Broadway, Room 8107
2 Los Angeles, California 90012
3 (213) 620-4790
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FILED

JUL 23 1990

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

8 DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * * *

11 TO:)	No. H-24180 LA
)	
12 R.C. TEMME CORPORATION)	<u>ORDER TO DESIST</u>
13 a California corporation, and)	
14 RICHARD CLAYTON TEMME,)	<u>AND REFRAIN</u>
individually and as designated)	
14 officer of R.C. Temme Corporation)	
15)	

16 The Real Estate Commissioner of the State of California
17 (hereinafter "Commissioner") has caused an investigation to be
18 made of your activities as real estate brokers and, based on the
19 findings of that investigation, as set forth below, is of the
20 opinion that you have violated Sections 2725, 2830, 2831, 2831.1,
21 2831.2, 2832.1 and 2834 of Chapter 6, Title 10, California Code
22 of Regulations (hereinafter the "Regulations") and that you have
23 subjected yourself to possible discipline under Section 10176(e)
24 of the Business and Professions Code (Code).

25 I

26 At all times herein mentioned, you, R. C. TEMME
27 CORPORATION (hereinafter RCT), a California corporation, were and

1 now are licensed by the Department of Real Estate of the State of
2 California (hereinafter "Department") as a corporate real estate
3 broker through RICHARD CLAYTON TEMME (hereinafter TEMME) as
4 designated officer.

5 II

6 At all times herein mentioned, you, TEMME, were and
7 now are licensed by the Department as a real estate broker,
8 individually and as designated officer of RCT.

9 III

10 All further references herein to "you" include the
11 parties identified in Paragraphs I through II, above, and also
12 include the officers, directors, employees, agents and real estate
13 licensees employed by or associated with said parties and who were
14 acting within the course and scope of their authority and employ-
15 ment.

16 IV

17 At all times herein mentioned, you engaged in the
18 business of, acted in the capacity of, advertised or assumed to
19 act as real estate brokers in the State of California within the
20 meaning of Section 10131(d) of the Code, for or in expectation of
21 compensation, wherein you solicited borrowers and lenders interested
22 in making or acquiring loans secured by liens on real property,
23 negotiated said loans, and thereafter serviced said loans.

24 V

25 In connection with the aforesaid activities requiring
26 a real estate license, from June, 1989, to November 11, 1989, you
27 accepted or received funds in trust (hereinafter "trust funds")

1 from or on behalf of your various principals and thereafter made
2 disbursements of such funds.

3 VI

4 On March 27, 1990, the Department completed an
5 examination of your books and records relating to your activities
6 requiring a license which revealed violations of the Regulations
7 which occurred during a period of almost six months ending
8 November 11, 1989, as set forth in the following paragraphs.

9 VII

10 As of November 11, 1989, you maintained among other
11 accounts, three accounts at Transworld Bank in Woodland Hills.
12 One account you used for the sale of trust deeds to private
13 investors (#655-017151, hereinafter TA #1). The second account
14 was used by you to remit borrower's payments to lenders (#655-
15 027688, hereinafter TA #2). In addition, you maintained trust
16 funds in an account (#655-817034, hereinafter TA #3) for borrower
17 William Spencer.

18 VIII

19 In connection with the trust funds referred to in
20 Paragraph VII, above, you acted in violation of the Regulations in
21 that:

22 a. TA #3 was not designated as a trust account in
23 violation of Section 2830 of the Regulations.

24 b. You failed to keep complete and accurate records
25 of all trust funds deposited in TA #1, TA #2 and TA #3 and kept
26 no records of trust funds not placed in a trust account in violation
27 of Section 2831 of the Regulations.

1 c. You failed to maintain a separate record for each
2 beneficiary who had funds in TA #1 as required by Section 2831.1
3 of the Regulations.

4 d. You kept no reconciliation of your control records
5 for trust funds in TA #1 and TA #2 with the separate records for
6 each beneficiary or transaction as required by Section 2831.2 of
7 the Regulations.

8 e. You disbursed or allowed the disbursements of funds
9 from your Disbursement Account without the prior written consent
10 of every principal, who then was an owner of funds in said Account,
11 where the disbursement of said funds reduced the balance of funds
12 in TA #1 and TA #2 to an amount which was, on November 11, 1989,
13 \$7077.71 less than the existing aggregate trust fund liability
14 to all owners of said funds in said account.

15 f. You permitted an unlicensed person covered by no
16 fidelity bond to be a signatory on TA #3 in violation of Section
17 2834 of the Regulations.

18 IX

19 You, TEMME, failed to review, initial and date every
20 instrument prepared or signed by your real estate licensees, in
21 connection with transactions for which a real estate license was
22 required, which might have had a material effect upon the rights
23 or obligations of a party to the transactions, in violation of
24 Section 2725 of the Regulations.

25 X

26 And finally, you mixed trust funds received by you and
27 deposited in TA #2 with loan payments received by you for loans

1 wholly owned by RCT, thus subjecting yourselves to discipline
2 under Section 10176(e) of the Code.

3

4 NOW, THEREFORE, YOU ARE ORDERED TO DESIST AND REFRAIN
5 from activities requiring a real estate license unless and until
6 you are in compliance with Sections 2725, 2830, 2831, 2831.1,
7 2831.2, 2832.1 and 2834 of the Regulations.

8 YOU ARE FURTHER ORDERED TO DESIST AND REFRAIN from
9 activities which would subject your licenses and license rights
10 to possible discipline under Section 10176(e) of the Code.

11 DATED: July 16, 1990

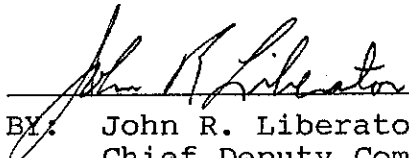
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JAMES A. EDMONDS, JR.
Real Estate Commissioner

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BY: John R. Liberator
Chief Deputy Commissioner

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25 cc: R.C. Temme Corporation
26 c/o Richard Clayton Temme
27 21777 Ventura Blvd. #211
Woodland Hills, CA 91364

REB:RL