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FILED
AUG 25 1995
DEPARTMENT OF REAL ESTATE

By *K. H. H. H. H.*

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation of) NO. H-24643 LA
)
RONALD L. WOLFE & ASSOCIATES,)
INC., a California Corporation)
and RONALD LEIGH WOLFE,)
individually and as designated)
officer of Ronald L. Wolfe &)
Associates, Inc.)
)
Respondents)
)

ORDER DENYING REINSTATEMENT OF LICENSE

On September 30, 1992, a Decision was rendered herein revoking the real estate broker licenses of Respondents RONALD LEIGH WOLFE (WOLFE) and RONALD L. WOLFE & ASSOCIATES, INC. (RLWA) (hereinafter "Respondents"), effective October 27, 1992. In said Decision Respondents were given the right to apply for and receive restricted real estate broker licenses which were issued to them on October 27, 1992.

On January 24, 1994, Respondents filed a petition for reinstatement of said real estate broker licenses and the

1 Attorney General of the State of California has been given
2 notice of the filing of said Petition.

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

12 1. In the Stipulation and Agreement and Settlement
13 which ordered the revocation of the licenses of Respondents
14 it was determined that RONALD L. WOLFE & ASSOCIATES, INC. was
15 in violation of Section 10145 of the Business and Professions
16 Code (Code) and Section 2832.1 of Chapter 6, Title 10,
17 California Code of Regulations (Regulations) and that there
18 was cause to suspend or revoke its corporate real estate
19 broker license pursuant to Sections 10176(e) and 10177(d) of
20 the Code. It was also determined that RONALD LEIGH WOLFE had
21 not properly supervised the conduct of the corporation
22 requiring a real estate license and that there was cause to
23 revoke or suspend his license pursuant to Section 10177(h) of
24 the Code.

25 2. In the Order which revoked the licenses and
26 licenses of Respondents each was granted the right to apply
27 for and receive a restricted license. One of the conditions
attaching to said restricted licenses was that "each



1 restricted license could be suspended prior to hearing by
2 Order of the Real Estate Commissioner on evidence
3 satisfactory to the Commissioner that a Respondent has
4 violated provisions of the California Real Estate Law."

5 3. WOLFE was the designated broker of both RLWA
6 and Quadran Resources, Inc. from November of 1992 to June 30,
7 1994. On or about August 5, 1994, an audit of both
8 corporations was completed by a representative of the
9 Department of Real Estate covering the activities of these
10 corporate licenses during this 20 month period of time.
11 These audits determined that RLWA was in violation of
12 Sections 2831, 2831.1, 2831.2, 2970 and 2972 of the
13 Regulations and Sections 10145 and 10176(e) of the Code. It
14 was also determined that Quadran was in violation of Sections
15 2830, 2834, 2842.5, 2726 and 2752 of the Regulations and
16 Sections 10145, 10163 and 10240 of the Code.

17 4. The acts and omissions of RLWA, as set forth in
18 Paragraph 3, demonstrate a lack of rehabilitation and is
19 cause to deny the petition of RLWA pursuant to Sections
20 10177(d) and 10177(k) of the Code.

21 5. The acts and omissions of WOLFE, in failing to
22 properly supervise the conduct of both RLWA and Quadran,
23 demonstrates a lack of rehabilitation and is cause to deny
24 his petition for reinstatement pursuant to Sections 10177(h)
25 and 10177(k) of the Code.

26 NOW, THEREFORE, IT IS ORDERED that Respondents'
27 petition for reinstatement of their real estate broker
licenses is denied.

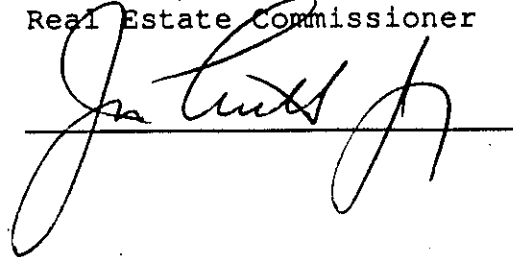


This Order shall become effective on September 14

1995.

DATED: 8/22/95

JIM ANTT, JR.
Real Estate Commissioner



Ronald L. Wolfe
Ronald L. Wolfe & Associates, Inc.
173 Chapel Street
Santa Barbara, California 93111

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1 Department of Real Estate
2 107 South Broadway, Room 8107
3 Los Angeles, California, 90012
4 Telephone: (213) 897-3937
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7

FILED

OCT-6 1992

DEPARTMENT OF REAL ESTATE
BY *[Signature]*

8 DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * * * *

11 In the Matter of the Accusation of) H-24643 LA
12)
13 RONALD L. WOLFE & ASSOCIATES, INC.,) STIPULATION AND AGREEMENT
14 a California corporation, and)
15 RONALD LEIGH WOLFE, individually) IN SETTLEMENT AND ORDER
16 and as designated officer of)
17 Ronald L. Wolfe & Associates, Inc.,)
18)
19 Respondents.)

20 It is hereby stipulated by and between RONALD L. WOLFE &
21 ASSOCIATES, INC. and RONALD LEIGH WOLFE (sometimes referred to as
22 Respondent or Respondents), acting their attorney, Lawrence H.
23 Lackman, Esq., and the Complainant, acting by and through Sean
24 Crahan, Counsel for the Department of Real Estate, as follows for
25 the purpose of settling and disposing of the Accusation filed on
26 June 10, 1991, in this matter:

27 1. All issues which were to be contested and all
evidence which was to be presented by Complainant and Respondents
at a formal hearing on the Accusation, which hearing was to be held
in accordance with the provisions of the Administrative Procedure

1 Act (APA), shall instead and in place thereof be submitted solely
2 on the basis of the provisions of this Stipulation And Agreement In
3 Settlement and Order (hereafter Stipulation).

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

8 3. On July 1, 1991, Respondents filed a Notice of
9 Defense pursuant to Section 11505 of the Government Code for the
10 purpose of requesting a hearing on the allegations in the
11 Accusation. Respondents hereby freely and voluntarily withdraw
12 said Notice of Defense. Respondents acknowledge that they
13 understand that by withdrawing said Notice of Defense, they will
14 thereby waive their right to require the Commissioner to prove the
15 allegations in the Accusation at a contested hearing held in
16 accordance with the provisions of the APA and that they will waive
17 other rights afforded to them in connection with the hearing such
18 as the right to present evidence in defense of the allegations in
19 the Accusation and the right to cross-examine witnesses.

20 4. Respondents, pursuant to the limitations set forth
21 below, hereby admit that the factual allegations in Paragraphs one
22 (1) through twenty (20) and twenty four (24) of the Accusation
23 filed in this proceeding are true and correct and the Real Estate
24 Commissioner shall not be required to provide further evidence to
25 prove those allegations.

26 5. It is understood by the parties that the Real Estate
27 Commissioner may adopt the Order in this Stipulation as his

1 (2) Each restricted license may be suspended prior
2 to hearing by Order of the Real Estate Commissioner on evidence
3 satisfactory to the Commissioner that a Respondent has violated
4 provisions of the California Real Estate law, the Subdivided Lands
5 Law, Regulations of the Real Estate Commissioner, or the conditions
6 attaching to these restricted licenses.

7 (3) Each Respondent shall report in writing to the
8 Department of Real Estate as the Real Estate Commissioner shall
9 direct by his Decision herein or by separate written order issued
10 while a Respondent holds a restricted license, such information
11 concerning Respondent's activities for which a real estate license
12 is required as the Commissioner shall deem to be appropriate to
13 protect the public interest.

14 (4) Respondent RONALD LEIGH WOLFE shall, within six
15 (6) months from the effective date of the restricted license, take
16 and pass the Professional Responsibility Examination administered
17 by the Department, including the payment of the appropriate
18 examination fee. If Respondent WOLFE fails to satisfy this
19 condition, the Commissioner may order suspension of the restricted
20 license until Respondent passes the examination.

21 (5) Respondent RONALD LEIGH WOLFE shall, within
22 twelve (12) months from the effective date of the restricted
23 license, present evidence satisfactory to the Real Estate
24 Commissioner that he has, since the most recent issuance of an
25 original or renewal real estate license, taken and successfully
26 completed the continuing education requirements of Article 2.5 of
27 Chapter 3 of the Real Estate Law for renewal of a real estate

1 license. If Respondent WOLFE fails to satisfy this condition, the
2 Real Estate commissioner may order the suspension of the restricted
3 license until Respondent presents such evidence. The Real Estate
4 Commissioner shall afford Respondent WOLFE the opportunity for a
5 hearing pursuant to the APA to present such evidence.

6 (6) No Respondent shall be eligible to apply for
7 the issuance of an unrestricted real estate license nor the removal
8 of any of the conditions, limitations or restrictions of a
9 restricted license until one (1) year has elapsed from the date of
10 issuance of the restricted license to Respondent.

11 (7) During the time any Respondent holds a
12 restricted license, such Respondent shall submit to the Department
13 of real Estate a Quarterly Trust Fund Statement as of the last day
14 of each March, June, September and December. The Position
15 Statement shall be submitted to the Supervising Auditor of the
16 Department at its Los Angeles Office not later than 60 days
17 following the last day of each calendar quarter. The Position
18 Statement shall include the information and documents specified
19 below. Position Statements submitted by Respondent RONALD L. WOLFE
20 & ASSOCIATES, INC. and be verified as true and accurate by
21 Respondent RONALD LEIGH WOLFE under penalty of perjury. If such
22 reporting Respondent has no trust fund liability as of the last day
23 of the calendar quarter, the Position Statement shall so state.
24 The Position Statement shall consist of the following:

25 (a) A schedule of trust fund accountability
26 with the following information concerning funds held by Respondent
27 as agent or trustee to the owner(s) of said funds:

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(i) Account number and depositories.

(ii) Names of principals and beneficiaries.

(iii) Trust fund liability to (a) (ii).

(b) A report of trust funds in the custody and control of Respondent as of the accounting date consisting of:

(i) Copies of Respondents' trust accounts' bank statements [listed above as (a) (i)] showing the balance of funds in the accounts as of the accounting date.

(ii) A schedule of uncleared checks drawn on the accounts adjusting the accounts to their true balance as of the accounting date.

(c) A copy of Respondents':

(i) trust funds records maintained pursuant to Regulation 2831,

(ii) separate records maintained pursuant to Regulation 2831.1 and

(iii) reconciliation maintained pursuant to Regulation 2831.2.

(d) A statement explaining any discrepancy between the total liability shown under (1) above and the adjusted trust accounts' balances shown under (2) above.

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We have read the Stipulation And Agreement In Settlement and Order, and its terms are understood by us and are agreeable and acceptable to us. We understand that we are waiving rights given to us by the California Administrative Procedure Act (including but not limited to Sections 11506, 11508, 11509 and 11513 of the Government Code), and we 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 we would have the right to cross-examine witnesses against us and to present evidence in defense and mitigation of the charges.

DATED: 9-22-92

Ronald L Wolfe
RONALD L. WOLFE & ASSOCIATES, INC.,
Respondent, by Ronald Leith Wolfe,
Designated Officer.

DATED: 9-22-92

Ronald L Wolfe
RONALD LEIGH WOLFE, Respondent.

DATED: 9-21-92

L.H. Lackman
LAWRENCE H. LACKMAN, Esq., Counsel
for Respondents.

DATED: 9-23-92

Sean Crahan
SEAN CRAHAN, Counsel for
Complainant.

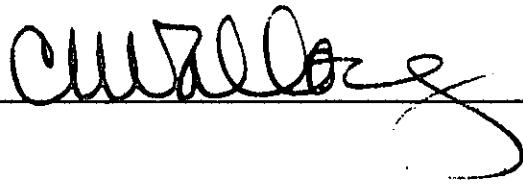
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The foregoing Stipulation and Agreement In Settlement is
hereby adopted as my Decision and Order and shall become effective
at 12 o'clock noon on October 27, 1992.

IT IS SO ORDERED 9/30, 1992.

CLARK WALLACE
Real Estate Commissioner



Sacto,
etc

FILED

JAN 24 1992

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE
BY *[Signature]*

In the Matter of the Accusation of

RONALD L. WOLFE & ASSOCIATES,
et al.

Case No. H-24643 LA

OAH No. L-55707

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, CA,
and 25th
on the 23rd, 24th / day of September, 19 92, 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

Dated: January 24, 1992

By *Timewlove*
TIMOTHY L. NEWLOVE, Counsel

cc: Ronald L. Wolfe & Associates, Inc.
Ronald Leigh Wolfe
Lawrence H. Lackman, Esq.
Sacto.
OAH
CS
RE 501 (Rev. 7/87) vj

Sacto. Jury

1 TIMOTHY L. NEWLOVE, Counsel
2 Department of Real Estate
3 107 South Broadway, Room 8107
4 Los Angeles, CA 90012
5 (213) 620-4790

JUN 16 1991

DEPT. OF REAL ESTATE
Janice B. Crane

8 DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * * *

11	In the Matter of the Accusation of)	NO. H-24643 LA
12	RONALD L. WOLFE & ASSOCIATES,)	A C C U S A T I O N
13	INC., a California corporation,)	
14	and RONALD LEIGH WOLFE,)	
15	individually and as the)	
16	designated officer of)	
17	Ronald L. Wolfe & Associates,)	
18	Inc.,)	
19	Respondents.)	

18 The Complainant, Steven J. Ellis, a Deputy Real Estate
19 Commissioner of the State of California, for cause of Accusation
20 against RONALD L. WOLFE & ASSOCIATES, INC., a California
21 corporation, and RONALD LEIGH WOLFE, individually and as the
22 designated officer of Ronald L. Wolfe & Associates, Inc. alleges
23 as follows:

24 1. The Complainant, Steven J. Ellis, a Deputy Real
25 Estate Commissioner makes this Accusation in his official
26 capacity.

27 /

1 2. Each respondent is presently licensed and/or has
2 license rights under the Real Estate Law, Part 1 of Division 4
3 of the California Business and Professions Code (hereinafter
4 referred to as the "Code").

5 3. At all times material herein, respondent RONALD L.
6 WOLFE & ASSOCIATES, INC. (hereinafter "WOLFE & ASSOCIATES") was
7 licensed by the Department of Real Estate of the State of
8 California (hereinafter "Department") as a corporate real estate
9 broker.

10 4. At all times material herein, respondent RONALD
11 LEIGH WOLFE (hereinafter "WOLFE") was licensed by the Department
12 as a real estate broker and as the designated officer of WOLFE &
13 ASSOCIATES. As the designated officer of WOLFE & ASSOCIATES,
14 WOLFE was responsible for the supervision and control of the
15 activities conducted on behalf of the corporation by its
16 officers and employees as necessary to secure full compliance
17 with the Real Estate Law as set forth in Section 10159.2 of the
18 Code.

19 5. All further reference to respondent WOLFE &
20 ASSOCIATES shall be deemed to refer to, in addition to WOLFE &
21 ASSOCIATES, to the officers, directors, employees, agents, and
22 real estate licensees employed by or associated with WOLFE &
23 ASSOCIATES, who at all times herein mentioned, were engaged in
24 the furtherance of the business or operations of said parties
25 and who were acting within the course and scope of their
26 corporate authority and employment.

27 /

1 6. At all times mentioned herein, respondent WOLFE &
2 ASSOCIATES engaged in the business of, acted in the capacity of,
3 advertised, or assumed to act as a real estate broker within the
4 meaning of Section 10131(d) of the Code by leasing and
5 collecting rents from real property on behalf of third party
6 owners as part of a property management business, all for or in
7 expectation of compensation.

8 7. From November, 1990 to March 1991, the Department
9 conducted an audit of respondent WOLFE & ASSOCIATES concerning
10 trust fund handling and record-keeping by WOLFE & ASSOCIATES in
11 the above-described real property management business. The time
12 period covered in said audit was from June, 1990 to and
13 including November 30, 1990, and, unless otherwise mentioned,
14 the relevant period of time referenced herein shall be the same.

15 8. At all times material herein in the conduct of its
16 real property management business, respondent WOLFE & ASSOCIATES
17 received trust funds in the form of rental receipts and security
18 deposits and deposited or caused to be deposited and disbursed
19 or caused to be disbursed said trust funds into and from the
20 following described bank accounts:

21 a. Ronald L. Wolfe & Associates, Inc.,
22 Management Trust Account

23 City Commerce Bank

24 (hereinafter "Property Management
25 Trust Account")

26 b. Villa Caprice Apartments
27 a.k.a. Ron Wolfe Property Mgt.

 First Interstate Bank

 (hereinafter "Villa Caprice Account")\

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- c. Ron Wolfe & Assoc. Property Management for Acacia Apartments
Mid-State Bank
(hereinafter "Acacia Apartments Account")
- d. Ron Wolfe & Assoc. Property Management for Sandia Apartments
Mid-State Bank
(hereinafter "Sandia Apartments Account")
- e. Ron Wolfe & Assoc. Property Management for Siding Apartments
Mid-State Bank
(hereinafter "Siding Apartments Account")
- f. Mori-Lucero Village Apartments
City Commerce Bank
(hereinafter "Village Apartments Account")
- g. Riviera Hills Apartments
City Commerce Bank
(hereinafter "Riviera Apartments Account")
- h. Grand Ave. Self Storage
Ronald L. Wolfe & Associates, Inc.
Security Pacific National Bank
(hereinafter "Self Storage Account")
- i. Ocean Avenue Apartments
Mid-State Bank
(hereinafter "Ocean Apartments Account")
- j. Savings Accounts maintained care of respondent Wolfe & Associates on behalf of property owner clients at City Commerce Bank:

(hereinafter sometimes collectively referred to as "Savings Accounts")

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1 9. At all times material herein, respondent WOLFE &
2 ASSOCIATES utilized the Villa Caprice, Acacia Apartments, Sandia
3 Apartments, Siding Apartments, Village Apartments, Riviera
4 Apartments, Self Storage and Ocean Apartments Accounts for the
5 receipt and disbursement of trust funds received from certain
6 rental properties on behalf of the owners thereof.

7 10. At all times material herein, respondent WOLFE &
8 ASSOCITES utilized the Property Management Trust Account for the
9 receipt and disbursement of trust funds collected from tenants
10 on behalf of property owners and as a clearing house for funds
11 disbursed to owners from the individual accounts described in
12 Paragraph 9 hereinabove.

13 11. At all times material herein, respondent WOLFE &
14 ASSOCIATES utilized the Seven Savings Accounts for the deposit
15 of excess funds from rental properties owned by the persons
16 designated on such accounts.

17 12. Respondent WOLFE & ASSOCIATES, disbursed or
18 allowed the disbursement of funds from the Property Management
19 Trust Account without the prior written consent of every
20 principal who then was an owner of trust funds in said account
21 wherein the disbursements reduced the balance of funds in the
22 said account as of October 31, 1990 to an amount which was
23 \$79,738 less than the then existing aggregate trust fund
24 liability to all owners of said trust funds.

25 13. Respondent WOLFE & ASSOCIATES disbursed or
26 allowed the disbursement of funds from the Property Management
27 Trust Account without the prior written consent of every

1 principal who then was an owner of trust funds in said account
2 wherein the disbursements reduced the balance of funds in the
3 said account as of November 30, 1990 to an amount which was
4 \$55,204 less than the then existing aggregate trust fund
5 liability to all owners of said trust funds.

6 14. The \$79,738 shortage in the Property Management
7 Trust Account as of October 31, 1990, as described in Paragraph
8 12 hereinabove, was caused primarily by overdisbursements of
9 \$64,206 in thirty-three (33) owners' property accounts,
10 including negative accounts owned by respondent WOLFE described
11 hereinbelow in Paragraph 18. Respondent WOLFE & ASSOCIATES
12 utilized trust funds from the Property Management Trust Account
13 to pay expenses on said overdisbursed accounts.

14 15. The \$55,204 shortage in the Property Management
15 Trust Account as of November 30, 1990, as described in Paragraph
16 13 hereinabove, was caused primarily by overdisbursements of
17 \$39,630 in twenty-four (24) owners' property accounts, including
18 negative accounts owned by respondent WOLFE described
19 hereinbelow in Paragraph 18. Respondent WOLFE & ASSOCIATES
20 utilized trust funds from the Property Management Trust Account
21 to pay expenses on said overdisbursed accounts.

22 16. At all times material herein in the course of
23 operating the above-described property management business,
24 respondent WOLFE & ASSOCIATES managed the following-described
25 properties and accounts owned by respondent WOLFE:

26 /

27 /

	<u>Property Address</u>	<u>Account No.</u>
1		
2	245 Ellwood Beach Dr.	1
3	Goleta, CA	
4	173 Chapel Street	46
	Santa Barbara, CA	
5	586 Fair Oaks	69
6	Santa Maria, CA	
7	173 Chapel Street	100
	Santa Barbara, CA	

17. At all times material herein, respondent WOLFE & ASSOCIATES collected rent payments and security deposits from the real properties owned by respondent WOLFE and caused said proceeds to be deposited into and disbursed from the Property Management Trust Account.

18. In October and November, 1990, the real properties and accounts managed by respondent WOLFE & ASSOCIATES on behalf of respondent WOLFE had the following balances:

<u>Property</u>	<u>Account</u>	<u>October Balance 10-31-90</u>	<u>November Balance 11-30-90</u>
245 Ellwood	1	<757>	532
173 Chapel	46	1,709	<4,282>
586 Fair Oaks	69	<6,339>	87
173 Chapel	100	<6,741>	<6,740>
Total Negative		<12,129>	<10,403>

19. Respondent WOLFE & ASSOCIATES utilized trust funds from the Property Management Trust Account to pay expenses on the negative accounts owned by respondent WOLFE described in Paragraph 18 hereinabove.

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FIRST CAUSE OF ACCUSATION

(Violation by respondent WOLFE & ASSOCIATES of Section 10145 of the Code and Regulation 2832.1)

23. As a First Cause of Accusation, complainant incorporates herein by this reference the Preamble and each of the allegations in Paragraphs 1 through 13 hereinabove.

24. The conduct of respondent WOLFE & ASSOCIATES, in disbursing trust funds from the Property Management Trust Account resulting in a reduction of the balance of funds in the said account in October and November, 1990 to an amount which was less than the then-existing aggregate trust fund liability of respondent WOLFE & ASSOCIATES to the owners of the trust funds in the Property Management Trust Account without the prior written consent of the owners thereof, as described in Paragraphs 12 and 13 hereinabove, constitutes a violation of Section 10145 of the Code and Section 2832.1 of Chapter 6, Title 10 of the California Code of Regulations (hereinafter "Regulations"). Said conduct and violation are cause to suspend or revoke the real estate license and license rights of respondent WOLFE & ASSOCIATES under the provisions of Section 10177(d) of the Code.

SECOND CAUSE OF ACCUSATION

(Violation by respondent WOLFE & ASSOCIATES of Section 10176(e) of the Code)

25. As a Second Cause of Accusation, complainant incorporates herein by this reference the Preamble and each of the allegations in Paragraphs 1 through 17 hereinabove.

1 26. The conduct of respondent WOLFE & ASSOCIATES, in
2 depositing and disbursing funds from properties and accounts
3 owned by WOLFE into and from the Property Management Trust
4 Account, as described in Paragraph 17 hereinabove, constitutes
5 the commingling of general funds owned by WOLFE with trust funds
6 held by WOLFE & ASSOCIATES for others. Said conduct constitutes
7 a violation of Section 10176(e) of the Code and is cause
8 thereunder to suspend or revoke the real estate license and
9 license rights of respondent WOLFE & ASSOCIATES.

10 THIRD CAUSE OF ACCUSATION

11 (Violation by respondents WOLFE & ASSOCIATES and WOLFE
12 of Sections 10176(i) and/or 10177(g) of the Code)

13 27. As a Third Cause of Accusation, complainant
14 incorporates herein by this reference the Preamble and each of
15 the allegations in Paragraphs 1 through 22 hereinabove.

16 28. The conduct of respondents, WOLFE & ASSOCIATES
17 and WOLFE, and each of them, in utilizing trust funds from the
18 Property Management Trust Account to carry negative balance
19 property accounts, including accounts owned by WOLFE, which were
20 largely responsible for trust fund shortages found in said
21 account, as described in Paragraphs 14, 15, 18 and 19
22 hereinabove, and in utilizing trust funds from the Property
23 Management Trust Account to pay advances and management and
24 maintenance fees from certain negative balance property
25 accounts, as described in Paragraph 20 and 22 hereinabove,
26 constitutes either dishonest dealing or demonstrated negligence
27 or incompetence in the performance of acts which require a real

1 estate license. Said conduct constitutes a violation of Section
2 10176(i) and/or 10177(g) of the Code and is cause thereunder to
3 suspend or revoke the real estate licenses and license rights of
4 respondents, WOLFE & ASSOCIATES and WOLFE, and each of them.

5 FOURTH CAUSE OF ACCUSATION

6 (Violation by respondent WOLFE of
7 Section 10177(h) of the Code)

8 29. As a Fourth Cause of Accusation complainant
9 incorporates herein by this reference the Preamble and each of
10 the allegations in Paragraphs 1 through 22 and 24, 26 and 28
11 hereinabove.

12 30. The conduct of respondent WOLFE, in allowing
13 respondent WOLFE & ASSOCIATES to violate Sections 10145,
14 10176(e), 10176(i) and 10177(g) of the Code and Regulation
15 2832.1, as described hereinabove, constitutes a failure by
16 respondent WOLFE to exercise reasonable supervision of the
17 activities of respondent WOLFE & ASSOCIATES which require a real
18 estate license. Said conduct is cause to suspend or revoke the
19 real estate license and license rights of respondent WOLFE under
20 Section 10177(h) of the Code.

21
22 WHEREFORE, complainant prays that a hearing be
23 conducted on the allegations of this Accusation and, that upon
24 proof thereof, a decision be rendered imposing disciplinary
25 action against all licenses and license rights of respondents
26 RONALD L. WOLFE & ASSOCIATES, INC., a California corporation and
27 RONALD LEIGH WOLFE, individually and as the designated officer

1 of Ronald L. Wolfe & Associates, Inc., under the Real Estate Law
2 (Part 1 of Division 4 of the Business and Professions Code) and
3 for such other and further relief as may be proper under other
4 applicable provisions of law.

5 Dated at Los Angeles, California
6 this 10th day of June, 1991.

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11 Deputy Real Estate Commissioner

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cc: Ronald L. Wolfe & Associates
Ronald Leigh Wolfe
Sacto.
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