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FILED  
JUL 05 2000

DEPARTMENT OF REAL ESTATE

By Jean Alvarez

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of	)	
	)	No. H-26009 LA
FRANCISCO JAVIER ALVAREZ,	)	
	)	
Respondent.	)	
	)	

ORDER DENYING REINSTATEMENT OF LICENSE

On January 24, 1996, an Order was rendered herein revoking the real estate salesperson license of Respondent, but granting Respondent the right to the issuance of a restricted real estate salesperson license. A restricted real estate salesperson license was issued to Respondent on March 22, 1996.

On May 3, 1999, Respondent petitioned for reinstatement of said real estate salesperson license, and the Attorney General of the State of California has been given notice of the filing of said petition.

I have considered the petition of Respondent and the evidence and arguments in support. Respondent has failed to demonstrate to my satisfaction that Respondent has undergone

1 sufficient rehabilitation to warrant the reinstatement of  
2 Respondent's real estate salesperson license. The basis for the  
3 disciplinary action taken in this matter is Respondent's  
4 performing acts for which a real estate license is required at a  
5 time when Respondent's real estate salesperson license was  
6 suspended pursuant to Section 10153.4 of the Business and  
7 professions Code. Following the disciplinary action taken in  
8 this matter, Respondent became a part owner and the Chief  
9 Executive Officer of New Century Homes and Investments, Inc.  
10 (NCHI), a corporation with a California real estate broker  
11 license. Effective May 5, 2000, the designated broker officer of  
12 NCHI terminated his status as the designated broker officer of  
13 the corporation. As a result, after May 5, 2000 and until NCHI  
14 secures a new designated broker officer, NCHI may not perform  
15 acts for which a real estate license is required. In spite of  
16 this prohibition, Respondent permitted NCHI to continue  
17 performing licensed acts. In view of Respondent previously  
18 performing licensed acts while not properly licensed and his  
19 recent conduct in allowing licensed acts to be performed by an  
20 entity not properly licensed, I am not satisfied that Respondent  
21 has corrected his business practices which led to violations of  
22 the Real Estate Law. Respondent has not established that he has  
23 complied with Section 2911 (j), Title 10, California Code of  
24 Regulations. Consequently, I am not satisfied that Respondent is  
25 sufficiently rehabilitated to receive an unrestricted real estate  
salesperson license.

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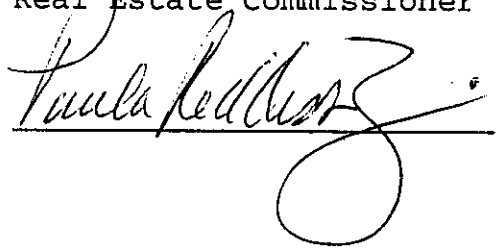
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NOW, THEREFORE, IT IS ORDERED that Respondent's  
petition for reinstatement of his real estate salesperson license  
is denied.

This Order shall be effective at 12 o'clock noon on  
July 25 \_\_\_\_\_, 2000.

DATED: June 23, 2000

PAULA REDDISH ZINNEMANN  
Real Estate Commissioner



FILED  
MAY 26 1998  
DEPARTMENT OF REAL ESTATE

By James G. Mason

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DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \* \*

In the Matter of the Accusation of ) NO. H-26009 LA  
) )  
JAMES MICHAEL LA PETER ) )  
) )  
Respondent. ) )  
\_\_\_\_\_ ) )

ORDER GRANTING REINSTATEMENT OF LICENSE

On January 22, 1996, a Decision was rendered herein revoking the real estate broker license of Respondent, JAMES MICHAEL LA PETER (hereinafter "Respondent"), effective February 20, 1996. In said Decision Respondent was given the right to apply for and receive a restricted real estate broker license which was issued to him on February 20, 1996.

On May 2, 1997, 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.

I have considered Respondent's petition and the evidence and arguments in support thereof. Respondent has demonstrated to my satisfaction that grounds do not presently

1 exist to deny the issuance of an unrestricted real estate  
2 broker license to Respondent.

3 NOW, THEREFORE, IT IS ORDERED that Respondent's  
4 petition for reinstatement is granted and that an  
5 unrestricted real estate broker license be issued to  
6 Respondent, JAMES MICHAEL LA PETER, after Respondent  
7 satisfies the following conditions within one (1) year from  
8 the date of this Order:

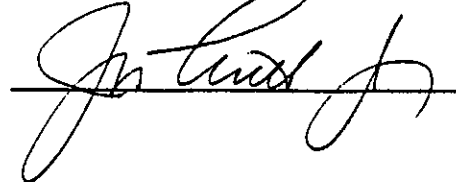
9 1. Submittal of a completed application and  
10 payment of the fee for a real estate broker license.

11 2. Submittal of evidence satisfactory to the Real  
12 Estate Commissioner that Respondent has, since his license  
13 was revoked, taken and successfully completed the continuing  
14 education requirements of Article 2.5 of Chapter 3 of the  
15 Real Estate Law for renewal of a real estate license  
16 including three hour courses in trust fund accounting and  
17 handling and fair housing.

18 This Order shall become effective immediately.

19 DATED: 5/18/98

20  
21 JIM ANTT, JR.  
22 Real Estate Commissioner

23 

24  
25 JAMES MICHAEL LA PETER  
26 3210 E. Abbey Lane  
27 Orange, California 92667



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**FILED**  
JUN 18 1996  
DEPARTMENT OF REAL ESTATE

By *H. K. ...*

DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \* \* \*

In the Matter of the Accusation of ) No. H-26009 LA  
)  
JAMES MICHAEL LA PETER, )  
JAMES TIMOTHY VILLAESCUSA, )  
JOSEPH GARCIA VILLAESCUSA, )  
JESSE JOE OROZCO, FRANCISCO )  
JAVIER ALVAREZ, ALVIN LEE MULLINS, )  
and JOSE G. CANTU, )  
)  
Respondents. )  
\_\_\_\_\_ )

DISMISSAL

The Accusation herein filed on December 13, 1994, and  
the Amended Accusation filed on August 23, 1995, against  
respondents JOSEPH GARCIA VILLAESCUSA, ALVIN LEE MULLINS, and  
JOSE G. CANTU is DISMISSED.

IT IS SO ORDERED 6-11-96

JIM ANTT, JR.  
Real Estate Commissioner

*J. Antt, Jr.*

*Antt*

**FILED**  
JUN 18 1996  
DEPARTMENT OF REAL ESTATE

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

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DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \* \* \*

In the Matter of the Accusation of ) No. H-26009 LA  
)  
JAMES MICHAEL LA PETER, )  
JAMES TIMOTHY VILLAESCUSA, )  
JOSEPH GARCIA VILLAESCUSA, )  
JESSE JOE OROZCO, FRANCISCO )  
JAVIER ALVAREZ, ALVIN LEE MULLINS, )  
and JOSE G. CANTU, )  
)  
Respondents. )  
\_\_\_\_\_ )

DISMISSAL

The Accusation herein filed on December 13, 1994, and  
the Amended Accusation filed on August 23, 1995, against  
respondents JOSEPH GARCIA VILLAESCUSA, ALVIN LEE MULLINS, and  
JOSE G. CANTU is DISMISSED.

IT IS SO ORDERED \_\_\_\_\_

6-11-96  
JIM ANTT, JR.  
Real Estate Commissioner

*J. Antt*

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

FILED  
JAN 30 1996  
DEPARTMENT OF REAL ESTATE

By K. Gruberholt

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \* \* \*

11 In the Matter of the Accusation of ) No. H-26009 LA  
12 JAMES MICHAEL LA PETER, JAMES ) STIPULATION AND AGREEMENT  
13 TIMOTHY VILLAESCUSA, JESSE )  
14 JOE OROZCO, FRANCISCO JAVIER ) IN SETTLEMENT AND ORDER  
ALVAREZ and ALVIN LEE MULLINS, )  
15 Respondents. )

16  
17 It is hereby stipulated by and between JAMES MICHAEL LA  
18 PETER (sometimes referred to as "Respondent"), his attorney, Carl  
19 F. Agren and the Complainant, acting by and through George W.  
20 Wright, Counsel for the Department of Real Estate, as follows for  
21 the purpose of settling and disposing of the Accusation filed on  
22 August 23, 1995, in this matter:

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



1 submitted solely on the basis of the provisions of this  
2 Stipulation.

3 2. Respondent has received, read and understands, the  
4 Statement to Respondent, the Discovery Provisions of the APA and  
5 the Accusation, filed by the Department of Real Estate in this  
6 proceeding.

7 3. On December 15, 1994, Respondent filed a Notice of  
8 Defense pursuant to Section 11505 of the Government Code for the  
9 purpose of requesting a hearing on the allegations in the  
10 Accusation. Respondent hereby freely and voluntarily withdraws  
11 said Notice of Defense. Respondent acknowledges that he  
12 understands that by withdrawing said Notice of Defense, he will  
13 thereby waive his right to require the Commissioner to prove the  
14 allegations in the Accusation at a contested hearing held in  
15 accordance with the provisions of the APA and that he will waive  
16 other rights afforded to him in connection with the hearing such  
17 as the right to present evidence in defense of the allegations in  
18 the Accusation and the right to cross-examine witnesses.

19 4. Respondent, pursuant to the limitations set forth  
20 below, hereby admits that the allegations of the Amended  
21 Accusation filed on August 23, 1995 are true and correct and the  
22 Real Estate Commissioner shall not be required to provide further  
23 evidence of such allegations.

24 5. It is understood by the parties that the Real  
25 Estate Commissioner may adopt the Stipulation And Agreement In  
26 Settlement and Order as his Decision in this matter thereby  
27 imposing the penalty and sanctions on Respondent's real estate



1 licenses and license rights as set forth in the below "Order". In  
2 the event that the Commissioner in his discretion does not adopt  
3 the Stipulation And Agreement In Settlement and Order, the  
4 Stipulation And Agreement In Settlement and Order shall be void  
5 and of no effect, and Respondent shall retain the right to a  
6 hearing and proceeding on the Accusation under all the provisions  
7 of the APA and shall not be bound by any admission or waiver made  
8 herein.  
9

10 6. The Order or any subsequent Order of the Real  
11 Estate Commissioner made pursuant to this Stipulation shall not  
12 constitute an estoppel, merger or bar to any further  
13 administrative or civil proceedings by the Department of Real  
14 Estate with respect to any matters which were not specifically  
15 alleged to be causes for accusation in this proceeding. This  
16 Stipulation and any order made pursuant to this Stipulation shall  
17 have no collateral estoppel or res judicata effect in any  
18 proceedings in which the Respondent and the Department (or the  
19 Department's representative) are not parties. However, no ruling  
20 in any action brought by a party other than the Respondent or the  
21 Department shall effect the finality of the Decision entered in  
22 these proceedings pursuant to this Stipulation And Agreement In  
23 Settlement And Order.

#### 24 DETERMINATION OF ISSUES

25 By reason of the foregoing stipulations, admissions and  
26 waivers and solely for the purpose of settlement of the pending  
27 Accusation without a hearing, it is stipulated and agreed that the  
following determination of Issues shall be made:

1           The conduct or omissions of Respondent JAMES MICHAEL LA  
2 PETER, as set forth in paragraphs eleven (XI) through fourteen  
3 (XIV) of the Accusation constitute cause to suspend or revoke his  
4 real estate licenses and license rights under the provisions of  
5 Business and Professions Code Section 10177(h).

6                                       ORDER

7           WHEREFORE, THE FOLLOWING ORDER is hereby made:

8           A.   The licenses and license rights of JAMES MICHAEL LA  
9 PETER, under Part 1 of Division 4 of the Business and Professions  
10 Code are revoked.

11           B.   However, Respondent shall be entitled to apply for  
12 and be issued a restricted real estate broker license pursuant to  
13 Section 10156.5 of the Code if Respondent makes application  
14 therefor and pays to the Department of Real Estate the appropriate  
15 fee for said license within one hundred twenty (120) days from the  
16 effective date of the Decision.

17           C.   The restricted license issued to Respondent shall be  
18 subject to all of the provisions of Section 10156.7 of the  
19 Business and Professions Code and to the following limitations,  
20 conditions and restrictions imposed under authority of Section  
21 10156.6 of said Code:

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

27

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

8 (3) Respondent shall, within nine (9) months from  
9 the effective date of the restricted license, present evidence  
10 satisfactory to the Real Estate Commissioner that he has, since  
11 the most recent issuance of an original or renewal real estate  
12 license, taken and successfully completed the continuing education  
13 requirements of Article 2.5 of Chapter 3 of the Real Estate Law  
14 for renewal of a real estate license. If Respondent fails to  
15 satisfy this condition, the Real Estate commissioner may order the  
16 suspension of the restricted license until Respondent presents  
17 such evidence. The Real Estate Commissioner shall afford  
18 Respondent the opportunity for a hearing pursuant to the APA to  
19 present such evidence.

20 (4) Respondent shall report in writing to the  
21 Department of Real Estate as the Real Estate Commissioner shall  
22 direct by his Decision herein or by separate written order issued  
23 while Respondent holds a restricted license, such information  
24 concerning Respondent's activities for which a real estate license  
25 is required as the Commissioner shall deem to be appropriate to  
26 protect the public interest.

27 (5) Respondent shall not be eligible to apply for  
the issuance of an unrestricted real estate license nor the



1  
2 removal of any of the conditions, limitations or restrictions of a  
3 restricted license until one (1) year has elapsed from the date of  
4 issuance of the restricted license to Respondent.

5 D. The restricted real estate broker license issued  
6 pursuant to this Order shall be suspended for a period of thirty  
7 (30) days from the effective date of this Order.

8 E. However, if Respondent petitions, the suspension of  
9 Respondent's broker license shall be stayed if, prior to the  
10 effective date of the Decision herein, Respondent petitions  
11 pursuant to Section 10175.2 of the Code and upon condition that  
12 Respondent pay to the Department's Real Estate Recovery Account  
13 the sum of one thousand five hundred dollars (\$1,500.00).


14 (1) Payment of the aforementioned monetary penalty  
15 shall be in the form of a cashier's check or certified check, made  
16 payable to the Recovery Account of the Real Estate Fund. Payment  
17 must be made prior to the effective date of this Decision.

18 (2) The Commissioner, in exercising his discretion  
19 under Code Section 10175.2, agrees by adopting this Order that it  
20 would not be against the public interest to permit such  
21 petitioning Respondent to pay the aforesaid monetary penalty.


22 (3) If Respondent fails to pay the monetary penalty in  
23 accordance with the terms of this paragraph or Order, the  
24 Commissioner may, without a hearing, order the immediate execution  
25 of all or any part of the thirty day stayed suspension, in which  
26 event the Respondent shall not be entitled to any repayment nor  
27 credit, prorated or otherwise, for money paid to the Department  
under the terms of this Order.

1 I have read the Stipulation And Agreement In  
2 Settlement, have discussed it with my counsel, and its terms are  
3 understood by me and are agreeable and acceptable to me. I  
4 understand that I am waiving rights given to me by the California  
5 Administrative Procedure Act (including but not limited to  
6 Sections 11506, 11508, 11509 and 11513 of the Government Code),  
7 and I willingly, intelligently and voluntarily waive those rights,  
8 including the right of requiring the Commissioner to prove the  
9 allegations in the Accusation at a hearing at which I would have  
10 the right to cross-examine witnesses against me and to present  
11 evidence in defense and mitigation of the charges.

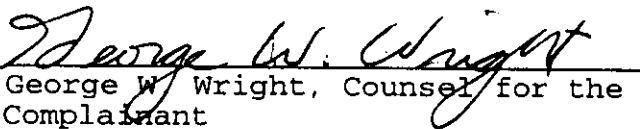
12  
13 DATED: 12-19-95

  
JAMES MICHAEL LA PETER, Respondent

14  
15 DATED: 12-19-95

  
Carl F. Agren, Respondent's Counsel

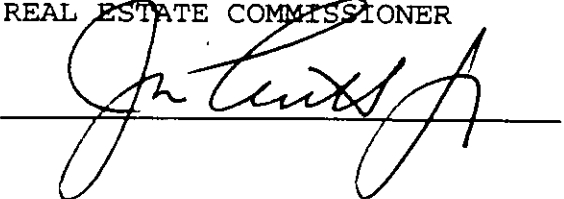
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17 DATED: 12/29/95

  
George W. Wright, Counsel for the  
Complainant

18  
19 The foregoing Stipulation and Agreement In Settlement in  
20 Case No. H-26009 is hereby adopted as my Decision and Order and  
21 shall become effective at 12 o'clock noon on February 20, 1996

22  
23 IT IS SO ORDERED 1-22, 1996.

24  
25 JIM ANTT, JR.  
REAL ESTATE COMMISSIONER

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**FILED**  
JAN 30 1996  
DEPARTMENT OF REAL ESTATE

By *R. Mederhals*

DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \* \*

In the Matter of the Accusation of )	No. H-26009 LA
JAMES MICHAEL LA PETER, JAMES )	<u>STIPULATION AND AGREEMENT</u>
TIMOTHY VILLAESCUSA, JESSE )	
JOE OROZCO, FRANCISCO JAVIER )	<u>IN SETTLEMENT AND ORDER</u>
ALVAREZ and ALVIN LEE MULLINS, )	
Respondents. )	

It is hereby stipulated by and between FRANCISCO JAVIER ALVAREZ (sometimes referred to as "Respondent"), his attorney, Michael A. Lanphere, and the Complainant, acting by and through George W. Wright, Counsel for the Department of Real Estate, as follows for the purpose of settling and disposing of the Amended Accusation filed on August 23, 1995, in this matter:

1. All issues which were to be contested and all evidence which was to be presented by Complainant and respondent at a formal hearing on the Accusation, which hearing was to be held in accordance with the provisions of the Administrative Procedure Act ("APA"), shall instead and in place thereof be

1 submitted solely on the basis of the provisions of this  
2 Stipulation and Agreement in Settlement and Order ("Stipulation").

3 2. Respondent has received, read and understood the  
4 Statement to Respondent, the Discovery Provisions of the APA and  
5 the Accusation filed by the Department of Real Estate in this  
6 proceeding.

7 3. On December 22, 1994, Respondent filed a Notice of  
8 Defense pursuant to Section 11505 of the Government Code for the  
9 purpose of requesting a hearing on the allegations in the  
10 Accusation. Respondent hereby freely and voluntarily withdraws  
11 said Notice of Defense. Respondent acknowledges that he  
12 understands that by withdrawing said Notice of Defense he thereby  
13 waives his right to require the Commissioner to prove the  
14 allegations in the Accusation at a contested hearing held in  
15 accordance with the provisions of the APA and that he will waive  
16 other rights afforded to him in connection with the hearing such  
17 as the right to present evidence in defense of the allegations in  
18 the Accusation and the right to cross-examine witnesses.

19 4. Respondent, pursuant to the limitations set forth  
20 below, hereby admits that the allegations of the Amended  
21 Accusation filed on August 23, 1995 are true and correct and the  
22 Real Estate Commissioner shall not be required to provide further  
23 evidence of such allegations.

24 5. This Stipulation is based on Respondent's decision  
25 not to contest the allegations set forth in the Accusation as a  
26 result of the agreement negotiated between the parties. This  
27 Stipulation and the finding, express or implied, based on





1 Respondent's decision not to contest the Accusation, is made  
2 expressly limited to this proceeding and any further proceeding  
3 initiated by or brought before the Department of Real Estate based  
4 upon the facts and circumstances alleged in the Accusation, and  
5 made for the sole purpose of reaching an agreed disposition of  
6 this proceeding. The decision of Respondent not to contest the  
7 factual statements alleged, and as contained in the stipulated  
8 Order, is made solely for the purpose of effectuating this  
9 Stipulation. It is the intent and understanding of the parties  
10 that this Stipulation shall not be binding or admissible against  
11 Respondent in any actions against Respondent by third parties.

12 6. It is understood by the parties that the Real Estate  
13 Commissioner may adopt the Stipulation as his decision in this  
14 matter thereby imposing the penalty and sanctions on Respondent's  
15 real estate licenses and license rights as set forth in the Order  
16 hereinbelow. In the event that the Commissioner, in his  
17 discretion, does not adopt the Stipulation, the Stipulation shall  
18 be void and of no effect, and Respondent shall retain the right to  
19 a hearing and proceeding on the Accusation under the provisions of  
20 the APA and shall not be bound by any admission or waiver made  
21 herein.

22 7. The Order or any subsequent Order of the Real Estate  
23 Commissioner made pursuant to this Stipulation shall not  
24 constitute an estoppel, merger or bar to any further  
25 administrative or civil proceedings by the Department of Real  
26 Estate with respect to any matters which were not specifically  
27 alleged to be causes for accusation in this proceeding.





1 following limitations, conditions and restrictions imposed under  
2 authority of Section 10156.6 of the Code:

3 (1). The restricted license may be suspended prior to  
4 hearing by Order of the Real Estate Commissioner in the event of  
5 Respondent's conviction (including conviction of a plea of nolo  
6 contendere) to a crime which bears a significant relationship to  
7 respondent's fitness or capacity as a real estate licensee.

8 (2). The restricted license may be suspended prior to  
9 hearing by Order of the Real Estate Commissioner on evidence  
10 satisfactory to the Commissioner that respondent has, after the  
11 effective date of the Order herein, violated provisions of the  
12 California Real Estate Law, the Subdivided Lands Law, Regulations  
13 of the Real Estate Commissioner or conditions attaching to said  
14 restricted license.

15 (3). Respondent shall obey all laws of the United  
16 States, the State of California and its political subdivisions,  
17 and shall further obey and comply with all rules and regulations  
18 of the Real Estate Commissioner.

19 (4). Respondent shall not be eligible for the issuance  
20 of an unrestricted real estate license nor the removal of any of  
21 the conditions, limitations or restrictions of the restricted  
22 license until at least one year has elapsed from the effective  
23 date of the Order.

24 (5). Respondent shall within nine months from the  
25 effective date of this Decision, present evidence satisfactory to  
26 the Commissioner that Respondent has, since the most recent  
27 issuance of an original or renewal of a real estate license, taken

1 and successfully completed the continuing education requirements  
2 (including the new course requirements effective January 1, 1996)  
3 of Article 5 of Chapter 3 of the Real Estate law for renewal of a  
4 real estate license. If Respondent fails to satisfy this  
5 condition, the Commissioner may order suspension of the  
6 restricted license until respondent presents such evidence. The  
7 Commissioner shall afford Respondent the opportunity for a hearing  
8 pursuant to the APA to present such evidence.

9 (6). Respondent shall submit with any application for  
10 license under an employing broker, or any application for transfer  
11 to a new employing broker, a statement signed by the prospective  
12 broker on a form approved by the Department which shall certify:

13 (a) That the employing broker has read the Decision of  
14 the Commissioner which granted the right to a restricted  
15 license; and

16 (b) That the employing broker will exercise close  
17 supervision over the performance by the restricted  
18 licensee relating to activities for which a real estate  
19 license is required.

20 C. The restricted real estate salesperson license issued  
21 pursuant to this Order shall be suspended for a period of ninety  
22 (90) days from the effective date of this Order.

23 D. However, if Respondent petitions, the suspension of  
24 Respondent's salesperson license shall be stayed if, prior to the  
25 effective date of the Decision herein, Respondent petitions  
26 pursuant to Section 10175.2 of the Code and upon condition that  
27 Respondent pay to the Department's Real Estate Recovery Account



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the sum of one thousand dollars (\$1,000.00).

(1) Payment of the aforementioned monetary  
penalty shall be in the form of a cashier's check or certified  
check, made payable to the Recovery Account of the Real Estate  
Fund. Payment must be made prior to the effective date of this  
Decision.

(2) The Commissioner, in exercising his  
discretion under Code Section 10175.2, agrees by adopting this  
Order that it would not be against the public interest to permit  
such petitioning Respondent to pay the aforesaid monetary penalty.

(3) If Respondent fails to pay the monetary  
penalty in accordance with the terms of this paragraph or Order,  
the Commissioner may, without a hearing, order the immediate  
execution of all or any part of the ninety day stayed suspension,  
in which event the Respondent shall not be entitled to any  
repayment nor credit, prorated or otherwise, for money paid to the  
Department under the terms of this Order.

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I have read the Stipulation and Agreement in Settlement and Order, have discussed it with my attorney, and its terms are understood by me and are agreeable and acceptable to me. I understand that I am waiving rights given to me by the California Administrative Procedure Act (including but not limited to Sections 11506, 11508, 11509 and 11513 of the Government Code), and I willingly, intelligently and voluntarily waive those rights, including the right of requiring the Commissioner to prove the allegations in the Accusation at a hearing at which I would have the right to cross-examine witnesses against me and to present evidence in defense and mitigation of the charges.

DATED: 12/18/95

Francisco J. Alvarez  
FRANCISCO JAVIER ALVAREZ, Respondent

DATED: 12.20.95

Michael A. Lanphere  
Michael A. Lanphere, Attorney for Respondent

DATE: 12/29/95

George W. Wright  
George W. Wright  
Counsel for Complainant

The foregoing Stipulation and Agreement in Settlement and Order in Case No. H-26009 LA, is hereby adopted by the Commissioner as the Decision and shall become effective at 12 o'clock noon on February 20, 1996.

IT IS SO ORDERED 1-24, 1996.

JIM ANTT, JR.  
REAL ESTATE COMMISSIONER  
Jim Anntt, Jr.

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**FILED**  
JAN 30 1996  
DEPARTMENT OF REAL ESTATE

By K. M. ...

DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \* \*

In the Matter of the Accusation of )	No. H-26009 LA
JAMES MICHAEL LA PETER, JAMES )	<u>STIPULATION AND AGREEMENT</u>
TIMOTHY VILLAESCUSA, JESSE )	
JOE OROZCO, FRANCISCO JAVIER )	<u>IN SETTLEMENT AND ORDER</u>
ALVAREZ and ALVIN LEE MULLINS, )	
Respondents. )	

It is hereby stipulated by and between JESSE JOE OROZCO (sometimes referred to as "Respondent"), his attorney, Michael A. Lanphere, and the Complainant, acting by and through George W. Wright, Counsel for the Department of Real Estate, as follows for the purpose of settling and disposing of the Amended Accusation filed on August 23, 1995, in this matter:

1. All issues which were to be contested and all evidence which was to be presented by Complainant and respondent at a formal hearing on the Accusation, which hearing was to be held in accordance with the provisions of the Administrative Procedure Act ("APA"), shall instead and in place thereof be

1 submitted solely on the basis of the provisions of this  
2 Stipulation and Agreement in Settlement and Order ("Stipulation").

3 2. Respondent has received, read and understood the  
4 Statement to Respondent, the Discovery Provisions of the APA and  
5 the Accusation filed by the Department of Real Estate in this  
6 proceeding.

7 3. On December 22, 1994, Respondent filed a Notice of  
8 Defense pursuant to Section 11505 of the Government Code for the  
9 purpose of requesting a hearing on the allegations in the  
10 Accusation. Respondent hereby freely and voluntarily withdraws  
11 said Notice of Defense. Respondent acknowledges that he  
12 understands that by withdrawing said Notice of Defense he thereby  
13 waives his right to require the Commissioner to prove the  
14 allegations in the Accusation at a contested hearing held in  
15 accordance with the provisions of the APA and that he will waive  
16 other rights afforded to him in connection with the hearing such  
17 as the right to present evidence in defense of the allegations in  
18 the Accusation and the right to cross-examine witnesses.

19 4. Respondent, pursuant to the limitations set forth  
20 below, hereby admits that the allegations of the Amended  
21 Accusation filed on August 23, 1995 are true and correct and the  
22 Real Estate Commissioner shall not be required to provide further  
23 evidence of such allegations.

24 5. This Stipulation is based on Respondent's decision  
25 not to contest the allegations set forth in the Accusation as a  
26 result of the agreement negotiated between the parties. This  
27 Stipulation and the finding, express or implied, based on



1 Respondent's decision not to contest the Accusation, is made  
2 expressly limited to this proceeding and any further proceeding  
3 initiated by or brought before the Department of Real Estate based  
4 upon the facts and circumstances alleged in the Accusation, and  
5 made for the sole purpose of reaching an agreed disposition of  
6 this proceeding. The decision of Respondent not to contest the  
7 factual statements alleged, and as contained in the stipulated  
8 Order, is made solely for the purpose of effectuating this  
9 Stipulation. It is the intent and understanding of the parties  
10 that this Stipulation shall not be binding or admissible against  
11 Respondent in any actions against Respondent by third parties.

12 6. It is understood by the parties that the Real Estate  
13 Commissioner may adopt the Stipulation as his decision in this  
14 matter thereby imposing the penalty and sanctions on Respondent's  
15 real estate licenses and license rights as set forth in the Order  
16 hereinbelow. In the event that the Commissioner, in his  
17 discretion, does not adopt the Stipulation, the Stipulation shall  
18 be void and of no effect, and Respondent shall retain the right to  
19 a hearing and proceeding on the Accusation under the provisions of  
20 the APA and shall not be bound by any admission or waiver made  
21 herein.

22 7. The Order or any subsequent Order of the Real Estate  
23 Commissioner made pursuant to this Stipulation shall not  
24 constitute an estoppel, merger or bar to any further  
25 administrative or civil proceedings by the Department of Real  
26 Estate with respect to any matters which were not specifically  
27 alleged to be causes for accusation in this proceeding.



1 following limitations, conditions and restrictions imposed under  
2 authority of Section 10156.6 of the Code:

3 (1). The restricted license may be suspended prior to  
4 hearing by Order of the Real Estate Commissioner in the event of  
5 Respondent's conviction (including conviction of a plea of nolo  
6 contendere) to a crime which bears a significant relationship to  
7 respondent's fitness or capacity as a real estate licensee.

8 (2). The restricted license may be suspended prior to  
9 hearing by Order of the Real Estate Commissioner on evidence  
10 satisfactory to the Commissioner that respondent has, after the  
11 effective date of the Order herein, violated provisions of the  
12 California Real Estate Law, the Subdivided Lands Law, Regulations  
13 of the Real Estate Commissioner or conditions attaching to said  
14 restricted license.

15 (3). Respondent shall obey all laws of the United  
16 States, the State of California and its political subdivisions,  
17 and shall further obey and comply with all rules and regulations  
18 of the Real Estate Commissioner.

19 (4). Respondent shall not be eligible for the issuance  
20 of an unrestricted real estate license nor the removal of any of  
21 the conditions, limitations or restrictions of the restricted  
22 license until at least one year has elapsed from the effective  
23 date of the Order.

24 (5). Respondent shall within nine months from the  
25 effective date of this Decision, present evidence satisfactory to  
26 the Commissioner that Respondent has, since the most recent  
27 issuance of an original or renewal of a real estate license, taken

1 and successfully completed the continuing education requirements  
2 (including the new course requirements effective January 1, 1996)  
3 of Article 5 of Chapter 3 of the Real Estate law for renewal of a  
4 real estate license. If Respondent fails to satisfy this  
5 condition, the Commissioner may order suspension of the  
6 restricted license until respondent presents such evidence. The  
7 Commissioner shall afford Respondent the opportunity for a hearing  
8 pursuant to the APA to present such evidence.

9 (6). Respondent shall submit with any application for  
10 license under an employing broker, or any application for transfer  
11 to a new employing broker, a statement signed by the prospective  
12 broker on a form approved by the Department which shall certify:

13 (a) That the employing broker has read the Decision of  
14 the Commissioner which granted the right to a restricted  
15 license; and

16 (b) That the employing broker will exercise close  
17 supervision over the performance by the restricted  
18 licensee relating to activities for which a real estate  
19 license is required.

20 C. The restricted real estate salesperson license issued  
21 pursuant to this Order shall be suspended for a period of thirty  
22 (30) days from the effective date of this Order.

23 D. However, if Respondent petitions, the suspension of  
24 Respondent's salesperson license shall be stayed if, prior to the  
25 effective date of the Decision herein, Respondent petitions  
26 pursuant to Section 10175.2 of the Code and upon condition that  
27 Respondent pay to the Department's Real Estate Recovery Account

*Monetary  
penalty  
paid*

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the sum of five hundred dollars (\$500.00).

(1) Payment of the aforementioned monetary  
penalty shall be in the form of a cashier's check or certified  
check, made payable to the Recovery Account of the Real Estate  
Fund. Payment must be made prior to the effective date of this  
Decision.

(2) The Commissioner, in exercising his  
discretion under Code Section 10175.2, agrees by adopting this  
Order that it would not be against the public interest to permit  
such petitioning Respondent to pay the aforesaid monetary penalty.

(3) If Respondent fails to pay the monetary  
penalty in accordance with the terms of this paragraph or Order,  
the Commissioner may, without a hearing, order the immediate  
execution of all or any part of the thirty day stayed suspension,  
in which event the Respondent shall not be entitled to any  
repayment nor credit, prorated or otherwise, for money paid to the  
Department under the terms of this Order.

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I have read the Stipulation and Agreement in Settlement and Order, have discussed it with my attorney, and its terms are understood by me and are agreeable and acceptable to me. I understand that I am waiving rights given to me by the California Administrative Procedure Act (including but not limited to Sections 11506, 11508, 11509 and 11513 of the Government Code), and I willingly, intelligently and voluntarily waive those rights, including the right of requiring the Commissioner to prove the allegations in the Accusation at a hearing at which I would have the right to cross-examine witnesses against me and to present evidence in defense and mitigation of the charges.

DATED: 12-19-95 Jesse Joe Orozco  
JESSE JOE OROZCO, Respondent  
DATED: 12.20.95 Michael A. Lanphere  
Michael A. Lanphere, Attorney for Respondent  
DATE: 12/29/95 George W. Wright  
George W. Wright  
Counsel for Complainant

The foregoing Stipulation and Agreement in Settlement and Order in Case No. H-26009 LA, is hereby adopted by the Commissioner as the Decision and shall become effective at 12 o'clock noon on February 20, 1996.

IT IS SO ORDERED 1-24, 1996.

JIM ANTT, JR.  
REAL ESTATE COMMISSIONER  
Jim Antt, Jr.

*Sacto LK*

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

**FILED**  
JUL 28 1995  
DEPARTMENT OF REAL ESTATE

*In the Matter of the Accusation of*

JAMES MICHAEL LA PETER, et al.,

By *K. Huderholt*

Case No. H-26009 LA

OAH No. L-9506277

Respondent

**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**

on December 20, 1995, at the hour of 9:00 a.m.  
or as soon thereafter as the matter can be heard, upon the Accusation served upon you.

You may be present at the hearing. You have the right to be represented by an attorney at your own expense. You are not entitled to the appointment of an attorney to represent you at public expense. You are entitled to represent yourself without legal counsel. If you are not present in person nor represented by counsel at the hearing, the Department may take disciplinary action against you based upon any express admission 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 Administrative Law Judge 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 Administrative Law Judge directs otherwise.

DEPARTMENT OF REAL ESTATE

Dated: July 28, 1995

By *George W. Wright*  
Counsel

cc: James Michael La Peter  
James Timothy Villaescusa  
Joseph Garcia Villaescusa  
Jesse Joe Orozco  
Francisco Javier Alvarez  
RE 501 (1/92)

Alvin Lee Mullins  
Jose G. Cantu  
Michael A. Lanphere, Esq.  
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FILED  
JAN 30 1996  
DEPARTMENT OF REAL ESTATE

By K. Neerholt

DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \* \*

In the Matter of the Accusation of )	No. H-26009 LA
JAMES MICHAEL LA PETER, JAMES )	<u>STIPULATION AND AGREEMENT</u>
TIMOTHY VILLAESCUSA; JESSE )	
JOE OROZCO, FRANCISCO JAVIER )	<u>IN SETTLEMENT AND ORDER</u>
ALVAREZ and ALVIN LEE MULLINS, )	
Respondents. )	

It is hereby stipulated by and between JAMES TIMOTHY VILLAESCUSA (sometimes referred to as "Respondent"), his attorney, Michael A. Lanphere, and the Complainant, acting by and through George W. Wright, Counsel for the Department of Real Estate, as follows for the purpose of settling and disposing of the Amended Accusation filed on August 23, 1995, in this matter:

1. All issues which were to be contested and all evidence which was to be presented by Complainant and respondent at a formal hearing on the Accusation, which hearing was to be held in accordance with the provisions of the Administrative Procedure Act ("APA"), shall instead and in place thereof be



1 submitted solely on the basis of the provisions of this  
2 Stipulation and Agreement in Settlement and Order ("Stipulation").

3 2. Respondent has received, read and understood the  
4 Statement to Respondent, the Discovery Provisions of the APA and  
5 the Accusation filed by the Department of Real Estate in this  
6 proceeding.

7 3. On December 22, 1994, Respondent filed a Notice of  
8 Defense pursuant to Section 11505 of the Government Code for the  
9 purpose of requesting a hearing on the allegations in the  
10 Accusation. Respondent hereby freely and voluntarily withdraws  
11 said Notice of Defense. Respondent acknowledges that he  
12 understands that by withdrawing said Notice of Defense he thereby  
13 waives his right to require the Commissioner to prove the  
14 allegations in the Accusation at a contested hearing held in  
15 accordance with the provisions of the APA and that he will waive  
16 other rights afforded to him in connection with the hearing such  
17 as the right to present evidence in defense of the allegations in  
18 the Accusation and the right to cross-examine witnesses.

19 4. Respondent, pursuant to the limitations set forth  
20 below, hereby admits that the allegations of the Amended  
21 Accusation filed on August 23, 1995 are true and correct and the  
22 Real Estate Commissioner shall not be required to provide further  
23 evidence of such allegations.

24 5. This Stipulation is based on Respondent's decision  
25 not to contest the allegations set forth in the Accusation as a  
26 result of the agreement negotiated between the parties. This  
27 Stipulation and the finding, express or implied, based on

1 Respondent's decision not to contest the Accusation, is made  
2 expressly limited to this proceeding and any further proceeding  
3 initiated by or brought before the Department of Real Estate based  
4 upon the facts and circumstances alleged in the Accusation, and  
5 made for the sole purpose of reaching an agreed disposition of  
6 this proceeding. The decision of Respondent not to contest the  
7 factual statements alleged, and as contained in the stipulated  
8 Order, is made solely for the purpose of effectuating this  
9 Stipulation. It is the intent and understanding of the parties  
10 that this Stipulation shall not be binding or admissible against  
11 Respondent in any actions against Respondent by third parties.

12 6. It is understood by the parties that the Real Estate  
13 Commissioner may adopt the Stipulation as his decision in this  
14 matter thereby imposing the penalty and sanctions on Respondent's  
15 real estate licenses and license rights as set forth in the Order  
16 hereinbelow. In the event that the Commissioner, in his  
17 discretion, does not adopt the Stipulation, the Stipulation shall  
18 be void and of no effect, and Respondent shall retain the right to  
19 a hearing and proceeding on the Accusation under the provisions of  
20 the APA and shall not be bound by any admission or waiver made  
21 herein.

22 7. The Order or any subsequent Order of the Real Estate  
23 Commissioner made pursuant to this Stipulation shall not  
24 constitute an estoppel, merger or bar to any further  
25 administrative or civil proceedings by the Department of Real  
26 Estate with respect to any matters which were not specifically  
27 alleged to be causes for accusation in this proceeding.

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DETERMINATION OF ISSUES

By reason of the foregoing stipulations, admissions and waivers and solely for the purpose of settlement of the pending Accusation without a hearing, it is stipulated and agreed that the following Determination of Issues shall be made:

I

The conduct of Respondent, as described in Paragraph twenty-three (XXIII) is cause to suspend or revoke the real estate license and license rights of Respondent J. T. VILLAESCUSA under the provisions of Section 10177(d) of the Code.

ORDER

WHEREFORE THE FOLLOWING ORDER IS MADE PURSUANT TO THE WRITTEN STIPULATION OF THE PARTIES:

A. The real estate salesperson license and license rights of JAMES TIMOTHY VILLAESCUSA under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) are hereby revoked.

(B). However, Respondent shall be entitled to apply for and be issued a restricted real estate salesperson license if he makes application therefor and pays to the Department of Real Estate the appropriate fee for said license within ninety (90) days of the effective date of the Order herein.

(C). The restricted real estate salesperson license issued to Respondent shall be subject to all of the provisions of Section 10156.7 of the Business and Professions Code and the following limitations, conditions and restrictions imposed under authority of Section 10156.6 of the Code:

1 (1). The restricted license may be suspended prior to  
2 hearing by Order of the Real Estate Commissioner in the event of  
3 Respondent's conviction (including conviction of a plea of nolo  
4 contendere) to a crime which bears a significant relationship to  
5 respondent's fitness or capacity as a real estate licensee.

6 (2). The restricted license may be suspended prior to  
7 hearing by Order of the Real Estate Commissioner on evidence  
8 satisfactory to the Commissioner that respondent has, after the  
9 effective date of the Order herein, violated provisions of the  
10 California Real Estate Law, the Subdivided Lands Law, Regulations  
11 of the Real Estate Commissioner or conditions attaching to said  
12 restricted license.

13 (3). Respondent shall obey all laws of the United  
14 States, the State of California and its political subdivisions,  
15 and shall further obey and comply with all rules and regulations  
16 of the Real Estate Commissioner.

17 (4). Respondent shall not be eligible for the issuance  
18 of an unrestricted real estate license nor the removal of any of  
19 the conditions, limitations or restrictions of the restricted  
20 license until at least one year has elapsed from the effective  
21 date of the Order.

22 (5). Respondent shall within nine months from the  
23 effective date of this Decision, present evidence satisfactory to  
24 the Commissioner that Respondent has, since the most recent  
25 issuance of an original or renewal of a real estate license, taken  
26 and successfully completed the continuing education requirements  
27 (including the new course requirements effective January 1, 1996)



1 of Article 5 of Chapter 3 of the Real Estate law for renewal of a  
2 real estate license. If Respondent fails to satisfy this  
3 condition, the Commissioner may order suspension of the  
4 restricted license until respondent presents such evidence. The  
5 Commissioner shall afford Respondent the opportunity for a hearing  
6 pursuant to the APA to present such evidence.

7 (6). Respondent shall submit with any application for  
8 license under an employing broker, or any application for transfer  
9 to a new employing broker, a statement signed by the prospective  
10 broker on a form approved by the Department which shall certify:

11 (a) That the employing broker has read the Decision of  
12 the Commissioner which granted the right to a restricted  
13 license; and

14 (b) That the employing broker will exercise close  
15 supervision over the performance by the restricted  
16 licensee relating to activities for which a real estate  
17 license is required.

18 C. The restricted real estate salesperson license issued  
19 pursuant to this Order shall be suspended for a period of ninety  
20 (90) days from the effective date of this Order.

21 D. However, if Respondent petitions, the suspension of  
22 Respondent's salesperson license shall be stayed if, prior to the  
23 effective date of the Decision herein, Respondent petitions  
24 pursuant to Section 10175.2 of the Code and upon condition that  
25 Respondent pay to the Department's Real Estate Recovery Account  
26 the sum of one thousand dollars (\$1,000.00).

27 (1) Payment of the aforementioned monetary

1 penalty shall be in the form of a cashier's check or certified  
2 check, made payable to the Recovery Account of the Real Estate  
3 Fund. Payment must be made prior to the effective date of this  
4 Decision.

5 (2) The Commissioner, in exercising his  
6 discretion under Code Section 10175.2, agrees by adopting this  
7 Order that it would not be against the public interest to permit  
8 such petitioning Respondent to pay the aforesaid monetary penalty.

9 (3) If Respondent fails to pay the monetary  
10 penalty in accordance with the terms of this paragraph or Order,  
11 the Commissioner may, without a hearing, order the immediate  
12 execution of all or any part of the ninety day stayed suspension,  
13 in which event the Respondent shall not be entitled to any  
14 repayment nor credit, prorated or otherwise, for money paid to the  
15 Department under the terms of this Order.

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1 I have read the Stipulation and Agreement in Settlement  
2 and Order, have discussed it with my attorney, and its terms are  
3 understood by me and are agreeable and acceptable to me. I  
4 understand that I am waiving rights given to me by the California  
5 Administrative Procedure Act (including but not limited to  
6 Sections 11506, 11508, 11509 and 11513 of the Government Code),  
7 and I willingly, intelligently and voluntarily waive those rights,  
8 including the right of requiring the Commissioner to prove the  
9 allegations in the Accusation at a hearing at which I would have  
10 the right to cross-examine witnesses against me and to present  
11 evidence in defense and mitigation of the charges.

12 DATED: 12-20-95

JAMES TIMOTHY VILLAESCUSA.

Respondent

14 DATED: 12.20.95

Michael A. Lanphere, Respondent ATTORNEY FOR RESPONDENT

16 DATE: 12/29/95

George W. Wright  
George W. Wright  
Counsel for Complainant

18 \* \* \* \*

19  
20 The foregoing Stipulation and Agreement in Settlement  
21 and Order in Case No. H-26009 LA, is hereby adopted by the  
22 Commissioner as the Decision and shall become effective at 12  
23 o'clock noon on February 20, 1996.

24  
25 IT IS SO ORDERED 1-24, 1996.

26 JIM ANTT, JR.  
27 REAL ESTATE COMMISSIONER

*Handwritten initials/signature*

George W. Wright, Counsel  
Department of Real Estate  
107 South Broadway, Room 8107  
Los Angeles, CA 90012

(213) 897-3937

**FILED**  
AUG 23 1995  
DEPARTMENT OF REAL ESTATE

By *K. Wiederholt*

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DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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In the Matter of the Accusation of )	No. H-26009 LA
)	
JAMES MICHAEL LA PETER, JAMES )	A M E N D E D
TIMOTHY VILLAESCUSA, JESSE )	
JOE OROZCO, FRANCISCO JAVIER )	
ALVAREZ and ALVIN LEE MULLINS )	A C C U S A T I O N
)	
Respondents. )	
)	

The Complainant, Peter F. Hurst, a Deputy Real Estate Commissioner of the State of California, for cause of accusation against JAMES MICHAEL LA PETER, JAMES TIMOTHY VILLAESCUSA, JESSE JOE OROZCO, FRANCISCO JAVIER ALVAREZ and ALVIN LEE MULLINS, is informed and alleges in his official capacity as follows:

I

The Complainant, Peter F. Hurst, a Deputy Real Estate Commissioner of the State of California, makes this Accusation in his official capacity.

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II

At all times mentioned herein, JAMES MICHAEL LA PETER ("LA PETER"), doing business as "Allstars Real Estate", was and still is licensed by the Department of Real Estate of the State of California ("Department") as a real estate broker.

III

JAMES TIMOTHY VILLAESCUSA ("J. T. VILLAESCUSA") was licensed by the Department as a real estate salesperson employed under the license of LA PETER from May 18, 1990 through November 18, 1991. J. T. VILLAESCUSA was originally licensed as a salesperson on or about May 18, 1990. This license was conditionally suspended from November 19, 1991, through July 8, 1993, and is due to expire on July 20, 1998.

IV

At no time mentioned herein was JESSE JOE OROZCO ("OROZCO") licensed by the Department as a real estate salesperson employed under the license of LA PETER. OROZCO was originally issued a restricted salesperson license on May 8, 1991. This license was conditionally suspended from November 9, 1992, through May 19, 1993, and is due to expire on May 7, 1995.

V

FRANCISCO JAVIER ALVAREZ ("ALVAREZ") was licensed by the Department as a real estate salesperson employed under the license of LA PETER from April 4, 1990 through March 21, 1991. ALVAREZ was originally licensed as a real estate salesperson on April 4, 1990. This license was conditionally suspended from October 5, 1991, through February 2, 1992, and is due to expire on April 3, 1998.

VI

ALVIN LEE MULLINS ("MULLINS") was and still is licensed by the Department as a real estate salesperson. MULLINS was licensed by the Department as a real estate salesperson employed under the license of LA PETER from January 16, 1992 through May 26, 1993.

VII

All further references herein to "LA PETER" include the parties identified in Paragraphs II through VIII, and also includes the officers, directors, employees, agents and real estate licensees employed by or associated with those parties who at all times herein mentioned were engaged in the furtherance of the business or operations of those parties and who were acting within the course and scope of their authority and employment.

VIII

All references to the "Code" are to the California Business and Professions Code and all references to "Regulations" are to Chapter 6, Title 10, California Code of Regulations.

IX

At all times mentioned herein, for or in expectation of compensation, LA PETER engaged in the business of, acted in the capacity of, advertised or assumed to act as a real estate broker in the State of California, within the meaning of Section 10131(a) of the Code, of the Code including the operation of a residential resale brokerage business with the public wherein LA PETER solicited prospective purchasers and/or sellers of residential real property, obtained listings of, and negotiated the purchase

1 or sale of real property, all for or in expectation of  
2 compensation. LA PETER also performed broker escrows in  
3 conjunction with his residential resale brokerage business.

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5 On March 18, 1993, Department personnel notified LA  
6 PETER via mail that a broker office survey would be conducted at  
7 his office on April 15, 1993. LA PETER responded by stating that  
8 he only kept records for the last quarter in his office and all  
9 the rest were in storage. On April 15, 1993, Department personnel  
10 arrived at the office of LA PETER at 13710 Studebaker Road, Suite  
11 106, Norwalk, California, his office of record. The broker office  
12 survey revealed violations of the Real Estate Law now described.

13 XI

14 At all times material herein, LA PETER also conducted  
15 his residential resale operations at 13710 Studebaker Road, Suite  
16 100. At no time relevant herein did LA PETER obtain a branch  
17 office license for said location as required by Section 10163 of  
18 the Code and Section 2715 of the Regulations. LA PETER violated  
19 Section 10163 of the Code and Section 2715 of the Regulations by  
20 such conduct.

21 XII

22 At all times mentioned herein, LA PETER used the  
23 fictitious business name "All Stars Escrow Division" for his  
24 escrow business as a broker requiring a license. At no time was  
25 this fictitious business name ever authorized by the Department  
26 for the license of LA PETER. LA PETER violated Section 2731 of the  
27

1 Regulations by using the fictitious business name when he was not  
2 licensed by the Department to do so.

3 XIII

4 At all times material herein, LA PETER employed real  
5 estate salespersons. Written broker-salesperson relationship  
6 agreements with twenty-eight (28) salespersons were signed by J.  
7 G. VILLAESCUSA. LA PETER violated Section 2726 of the Regulations  
8 by such conduct.

9 XIV

10 At all times material herein, LA PETER employed real  
11 estate salespersons but failed to notify the Department in writing  
12 of the termination of sixteen (16) salespersons. LA PETER  
13 violated Section 10161.8 of the Code and Section 2752 of the  
14 Regulations by failing to so notify the Department.

15 XV

16 At all times material herein, LA PETER employed real  
17 estate salespersons but failed to maintain in his possession five  
18 (5) of the salesperson licenses. LA PETER violated Section 10160  
19 of the Code by failing to maintain the licenses in his possession.

20 XVI

21 The broker office survey revealed that at all times  
22 material herein, LA PETER maintained a trust account for his  
23 broker escrow services. The name of the account was "Joe  
24 Villaescusa, Inc., DBA Century 21 Allstars, DBA Allstar Escrow  
25 Division" (Account No. 682-254033) at Metrobank in Torrance,  
26 California.

27 /

XVII

1  
2 In connection with the trust funds referred to in  
3 Paragraph XVI above, LA PETER acted in violation of Section 10145  
4 of the Code and Section 2830 of the Regulations when he failed to  
5 place the funds in a trust fund account in his name as the broker  
6 as trustee, or place said funds into a neutral escrow depository  
7 or into the hands of a principal on whose behalf the funds were  
8 received.

9 XVIII

10 On or about June 14, 1992, a personal check for  
11 \$6,000.00 was received by LA PETER along with a executed Real  
12 Estate Purchase Contract and Receipt for Deposit. The check was  
13 made payable to Teamwork Escrow. At all times herein mentioned,  
14 Teamwork Escrow was owned and operated by LA PETER. On or about  
15 July 1, 1992, the check was deposited. LA PETER violated Section  
16 10145 of the Code and Section 2832 of the Regulations by holding  
17 an uncashed check that was negotiable by LA PETER and not  
18 depositing it into a neutral escrow depository or trust account  
19 maintained pursuant to Section 2830 of the Regulations by the next  
20 business day.

21 XIX

22 The broker office survey also revealed that J. G.  
23 Villaescusa, Christy Sanchez and LA PETER were the signatories on  
24 the trust account. At all times herein mentioned, J. G.  
25 Villaescusa was licensed by the Department as a real estate  
26 salesperson. At no time mentioned herein was Christy Sanchez  
27 licensed by the Department. At no time did Christy Sanchez have

1 fidelity bond coverage for the trust account. LA PETER violated  
2 Section 2834 of the Regulations by allowing an unbonded,  
3 unlicensed person be a signatory on the trust account.

4 XX

5 During the broker office survey, Department personnel  
6 requested to review the sales transaction files for three (3)  
7 pieces of real property located at 12312 Volunteer Avenue,  
8 Norwalk, CA ("Volunteer property"); 7904-06 Comstock Street,  
9 Whittier, CA ("Comstock property"); and 14122 Longworth Avenue,  
10 Norwalk, CA ("Longworth property"). LA PETERS advised Department  
11 personnel that the files were in storage and arrangements were  
12 made for a return visit by Department personnel on April 22, 1993,  
13 to review the files. On April 22, 1993, LA PETERS told Department  
14 personnel that the file for the Longworth property was missing.

15 XXI

16 A review of the Volunteer property file revealed that  
17 the Real Estate Purchase Contract and Receipt for Deposit dated  
18 January 23, 1992, was missing. In addition counter-offers dated  
19 January 25, 1992, and January 29, 1992, respectively, were also  
20 missing. A review of the Comstock property file revealed that the  
21 Real Estate Purchase Contracts and Receipts for Deposit dated  
22 December 15, 1991, and December 17, 1991, respectively, were  
23 missing. In addition a counter-offer and a Escrow Amendment were  
24 also missing. Copies of these documents had been provided to  
25 Department personnel by some of the parties involved in the sales  
26 transactions prior to the broker office survey but these documents  
27 were not in the sales transaction files of LA PETERS.

XXII

1  
2 On May 14, 1993, LA PETER was personally served with a  
3 subpoena duces tecum ordering him to produce the full sales  
4 transactions files for the properties described in Paragraph XX on  
5 May 25, 1993, at the Los Angeles office of the Department. On May  
6 14th, LA PETERS delivered some documents for the Longworth  
7 property. On May 25th, no further material documents were produced  
8 for the properties described in Paragraph XX nor have any been  
9 produced to this date. LA PETERS violated Section 10148 of the  
10 Code by such conduct.

XXIII

11  
12 The broker office survey also revealed that LA PETERS  
13 employed J. T. VILLAESCUSA whose license was conditionally  
14 suspended at the time, to perform acts which require a real estate  
15 license. J. T. VILLAESCUSA acted as a real estate licensee by  
16 soliciting and negotiating with Scott and Angelita L. Hill  
17 regarding the sale of their property located at 14122 Longworth  
18 Avenue, Norwalk, CA. On numerous sales documents, J. T.  
19 VILLAESCUSA represented himself as a sales agent for Century 21  
20 Allstars. At all times, J. T. VILLAESCUSA was representing himself  
21 as the buyer and also the sellers, Scott and Angelita L. Hill. J.  
22 T. VILLAESCUSA violated Section 10130 of the Code in conjunction  
23 with Section 10131(a) of the Code by performing said acts which  
24 require a license when his license was suspended. LA PETERS  
25 violated Section 10137 of the Code by employing and/or  
26 compensating J. T. VILLAESCUSA for these acts.

XXIV

1  
2 On or about January 19, 1992, Jose G Cantu ("Cantu")  
3 solicited and negotiated with Mary L. Gonzales ("seller")  
4 regarding the sale of her property located at 12312 Volunteer  
5 Avenue, Norwalk, CA. On numerous sales documents, Cantu  
6 represented himself as a sales agent for Century 21 Allstars to  
7 seller. On or about January 25, 1992, Cantu and OROZCO met seller  
8 at the Volunteer property. At this meeting ALVAREZ, representing  
9 prospective purchasers, John T. and Marcella Gonzales ("buyers"),  
10 drafted a Real Estate Purchase Contract and Receipt for Deposit  
11 for the purchase of the Volunteer property for \$150,000.00. At  
12 this time, ALVAREZ'S license was conditionally suspended. ALVAREZ  
13 violated Section 10130 of the Code in conjunction with Section  
14 10131(a) of the Code by performing said acts which require a  
15 license when his license was suspended. LA PETERS violated  
16 Section 10137 of the Code by employing and/or compensating ALVAREZ  
17 for these acts.

XXV

18  
19 At this meeting, seller had her agents, Cantu and  
20 MULLINS, prepare a counter-offer for \$155,000.00. On or about  
21 January 28, 1992, Cantu advised seller that her counter-offer had  
22 been accepted and that he would stop by her house and present her  
23 with the paperwork that evening. That evening, instead of  
24 presenting her with a signed acceptance of the counter-offer,  
25 Cantu and MULLINS present her with a counter-offer to her counter-  
26 offer increasing the offer to \$175,000.00. In addition, Cantu and  
27 MULLINS told seller that the lender and escrow company would be



1 told that the sales price would be \$175,000.00 but that she was to  
2 return \$15,000.00 to the buyers and also pay \$5,000.00 of the  
3 buyers' non-recurring closing costs. She was also told to cash all  
4 of the checks from the buyers and return the money to the buyers  
5 via the real estate office.

6 XXVI

7 On or about January 29, 1992, seller informed her  
8 daughter, Barbara Gonzales, of the odd "counter-offer". Barbara  
9 called MULLINS and requested that he fax her a copy of the buyers'  
10 counter-offer. MULLINS did not fax a copy of buyers' "counter-  
11 offer" to seller but faxed a copy of seller's original counter-  
12 offer with the buyers counter terms written on the lower half of  
13 it including the sales price of \$175,000.00 with the buyer to pay  
14 3% of buyers' non-recurring closing costs and \$15,000.00 to be  
15 credited to the buyers for repairs.

16 XXVII

17 On or about January 29, 30, and February 3, 1992,  
18 Barbara Gonzales consulted an attorney to discuss the transaction.  
19 Based upon these discussion, seller faxed request on January 29th  
20 and 30th to cancel the transaction. On February 3, 1992, OROZCO  
21 faxed a letter signed by OROZCO, J. G. Villaescusa, MULLINS, and  
22 the buyers stating that the transaction was being canceled.

23 XXVIII

24 On or about December 8, 1991, OROZCO solicited and  
25 negotiated with Carlos and Maria Alatorre, Irma Ortiz, and  
26 Fernando Morales ("sellers") regarding the sale of their property  
27 located at 7904-06 Comstock, Whittier, CA. The price listed for

1 sale was \$299,000.00. On or about December 15, 1991, OROZCO  
2 presented the sellers with a Real Estate Purchase Contract and  
3 Receipt for Deposit. This offered a sales price of \$275,000.00  
4 with a \$22,000.00 downpayment. The buyers were listed as Romiro  
5 A., Rodrigo A., Lucia and Gregorio Morales. Their agent was listed  
6 as Joseph G. Villaescusa. The sellers accepted the offer.

7 XXIX

8 On or about December 17, 1991, OROZCO presented the  
9 sellers with another Real Estate Purchase Contract and Receipt for  
10 Deposit plus a counter-offer. This offered a sales price of  
11 \$312,000.00 with an initial \$5,000.00 deposit, an increased  
12 deposit of \$10,000.00 with a balance of \$16,200.00 final  
13 downpayment. Included in the terms is a provision that the sellers  
14 pay \$9,000.00 non-recurring closing costs. The agents are listed  
15 as OROZCO and J. G. Villaescusa. The counter-offer states that the  
16 sales price is \$312,000.00 but that the sellers are to credit back  
17 \$18,000.00 to the buyers for non-recurring closing costs and  
18 repairs.

19 XXX

20 On or about December 19, 1991, Escrow No. 01-20020-ER  
21 was opened at Teamwork Escrow for the sale of the Comstock  
22 property. Escrow instructions stated that the broker would deliver  
23 a \$5,000.00 deposit for the buyers and buyers would deposit  
24 another \$26,200.00 prior to the close of escrow. There was also to  
25 be a deed of trust for \$280,800.00. Title was to be vested in the  
26 name of Ramiro Morales. In addition, seller was to pay a maximum  
27 of \$9,000.00 towards buyers' non-recurring closing costs.

1 XXXI

2 On or about a supplement to Escrow No. 01-20020-ER dated  
3 December 19, 1991, states that the commission for this transaction  
4 was to be paid to OROZCO and ALVAREZ. A Real Estate Transfer  
5 Disclosure Statement for this transaction states that ALVAREZ was  
6 acting as an agent for Ramiro Morales. At this time, ALVAREZ'S  
7 license was conditionally suspended. ALVAREZ violated Section  
8 10130 of the Code in conjunction with Section 10131(a) of the Code  
9 by performing said acts which require a license when his license  
10 was suspended. LA PETERS violated Section 10137 of the Code by  
11 employing and/or compensating ALVAREZ for these acts.

12 XXXII

13 On or about December 18, 1991, Ramiro Morales applied  
14 for a purchase money loan at RenGar Mortgage, Inc. ("RenGar"). A  
15 copy of the Real Estate Purchase Contract and Receipt for Deposit  
16 showed a sales price of \$312,000.00 with an initial \$5,000.00  
17 deposit, an increased deposit of \$10,000.00 with a balance of  
18 \$16,200.00 final downpayment. Included in the terms is a provision  
19 that the sellers pay \$9,000.00 non-recurring closing costs. RenGar  
20 also received receipts indicating that the buyers made deposits of  
21 \$5,000.00 on January 2, 1992, a \$8,000.00 deposit on February 20,  
22 1992, and a \$9,000.00 deposit on March 2, 1992.

23 XXXIII

24 On or about January 1, 1992, Teamwork Escrow issued a  
25 receipt for a \$5,000.00 to be credited to Ramiro Morales. On or  
26 about February 14, 1992, Teamwork prepared an escrow amendment  
27 authorizing the pre-release of \$9,000.00 to the sellers. On or

1 about February 20, 1992, Teamwork issued a check payable to the  
2 buyers for \$9,000.00. A stop payment was placed on this check when  
3 Ramiro Morales tried to cash it. On or about February 26, 1992,  
4 Teamwork prepared another escrow amendment authorizing the pre-  
5 release of \$9,000.00 to Maria Alatorre. Teamwork issued a check  
6 for \$9,000.00 payable to Maria Alatorre on February 27, 1992.  
7 OROZCO obtained her signature on the check, cashed the check and  
8 gave the money to ALVAREZ. ALVAREZ gave the money to Ramiro  
9 Morales. On or about March 2, 1992, Ramiro Morales deposited  
10 \$9,000.00 into the escrow.

11 XXXIV

12 The conduct of Respondent LA PETER, in violating the  
13 provisions of the Real Estate Law as described above, and in  
14 allowing the other Respondents to violate provisions of the Real  
15 Estate Law while acting as their broker, is cause for the  
16 suspension or revocation of the license and/or licensing rights of  
17 LA PETER under Sections 10177(d) and 10177(h) of the Code.

18 XXXV

19 The conduct of J. T. VILLAESCUSA, as described above,  
20 violated Section 10130 of the Code in conjunction with Section  
21 10131(a) of the Code by performing said acts which require a  
22 license when his license was suspended and is cause to suspend or  
23 revoke his license and licensing rights under Section 10177(d) of  
24 the Code.

25 XXXVI

26 The conduct of ALVAREZ, as described above, violated  
27 Section 10130 of the Code in conjunction with Section 10131(a) of

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the Code by performing said acts which require a license when his license was suspended as well as Section 10176(i) of the Code and is cause to suspend or revoke his license and/or licensing rights under Section 10177(d) of the Code.

XXXVII

The conduct of MULLINS, as described above, violated Section 10176(i) of the Code and is cause to revoke or suspend his license and/or licensing rights under Sections 10176(i) of the Code.

XXXVIII

The conduct of OROZCO, as described above, violated Sections 10176(i) of the Code and is cause to revoke or suspend his license and/or licensing rights under Section 10176(i) of the Code.

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1                   WHEREFORE, Complainant prays that a hearing be conducted  
2 on the allegations made by the Accusation and, that upon proof  
3 thereof, a decision be rendered imposing disciplinary action  
4 against all licenses and license rights of Respondents JAMES  
5 MICHAEL LA PETER, JAMES TIMOTHY VILLAESCUSA, JESSE JOE OROZCO,  
6 FRANCISCO JAVIER ALVAREZ and ALVIN LEE MULLINS under the Real  
7 Estate Law (Part 1 of Division 4 of the Business and Professions  
8 Code) and for such other and further relief as may be proper under  
9 other applicable provisions of law.

10 Dated at Los Angeles , California  
11 this 23rd day of August , 1995.

12 

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14 Deputy Real Estate Commissioner  
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24 cc: James Michael La Peter,  
25 James Timothy Villaescusa  
26 Jesse Joe Orozco  
27 Francisco Javier Alvarez  
Sacto  
LK

*Handwritten initials/signature*

George W. Wright, Counsel  
Department of Real Estate  
107 South Broadway, Room 8107  
Los Angeles, CA 90012

(213) 897-3937

**FILED**  
DEC 13 1994

DEPARTMENT OF REAL ESTATE

By *K. K. ...*

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \* \*

In the Matter of the Accusation of )	No. H-26009 LA
)	
JAMES MICHAEL LA PETER, JAMES )	<u>ACCUSATION</u>
TIMOTHY VILLAESCUSA, JOSEPH )	
GARCIA VILLAESCUSA, JESSE JOE )	
OROZCO, FRANCISCO JAVIER )	
ALVAREZ, ALVIN LEE MULLINS and )	
JOSE G. CANTU, )	
)	
Respondents. )	
_____ )	

The Complainant, Steven J. Ellis, a Deputy Real Estate Commissioner of the State of California, for cause of accusation against JAMES MICHAEL LA PETER, JAMES TIMOTHY VILLAESCUSA, JOSEPH GARCIA VILLAESCUSA, JESSE JOE OROZCO, FRANCISCO JAVIER ALVAREZ, ALVIN LEE MULLINS and JOSE G. CANTU, is informed and alleges in his official capacity as follows:

I

The Complainant, Steven J. Ellis, a Deputy Real Estate Commissioner of the State of California, makes this Accusation in his official capacity.

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II

At all times mentioned herein, JAMES MICHAEL LA PETER ("LA PETER"), doing business as "Allstars Real Estate", was and still is licensed by the Department of Real Estate of the State of California ("Department") as a real estate broker.

III

JAMES TIMOTHY VILLAESCUSA ("J. T. VILLAESCUSA") was licensed by the Department as a real estate salesperson employed under the license of LA PETER from May 18, 1990 through November 18, 1991. J. T. VILLAESCUSA was originally licensed as a salesperson on or about May 18, 1990. This license was conditionally suspended from November 19, 1991, through July 8, 1993, and is due to expire on July 20, 1998.

IV

At all times mentioned herein, JOSEPH GARCIA VILLAESCUSA ("J. G. VILLAESCUSA") was and is now licensed by the Department as a real estate salesperson. J. G. VILLAESCUSA was licensed by the Department as a real estate salesperson employed under the license of LA PETER from January 27, 1991 through May 26, 1993.

V

At no time mentioned herein was JESSE JOE OROZCO ("OROZCO") licensed by the Department as a real estate salesperson employed under the license of LA PETER. OROZCO was originally issued a restricted salesperson license on May 8, 1991. This license was conditionally suspended from November 9, 1992, through May 19, 1993, and is due to expire on May 7, 1995.



1 VI

2 FRANCISCO JAVIER ALVAREZ ("ALVAREZ") was licensed  
3 by the Department as a real estate salesperson employed under  
4 the license of LA PETER from April 4, 1990 through March 21,  
5 1991. ALVAREZ was originally licensed as a real estate  
6 salesperson on April 4, 1990. This license was conditionally  
7 suspended from October 5, 1991, through February 2, 1992, and  
8 is due to expire on April 3, 1998.

9 VII

10 ALVIN LEE MULLINS ("MULLINS") was and still is licensed  
11 by the Department as a real estate salesperson. MULLINS was  
12 licensed by the Department as a real estate salesperson employed  
13 under the license of LA PETER from January 16, 1992 through May  
14 26, 1993.

15 VIII

16 At no time mentioned herein was JOSE G. CANTU  
17 ("CANTU") licensed by the Department as a real estate  
18 salesperson employed under the license of LA PETER. CANTU was  
19 originally licensed as a real estate salesperson on November  
20 22, 1989. This license is due to expire on December 29, 1997.

21 IX

22 All further references herein to "LA PETER" include  
23 the parties identified in Paragraphs II through VIII, and  
24 also includes the officers, directors, employees, agents and  
25 real estate licensees employed by or associated with those  
26 parties who at all times herein mentioned were engaged in the  
27 furtherance of the business or operations of those parties

1 and who were acting within the course and scope of their  
2 authority and employment.

3 X

4 All references to the "Code" are to the California  
5 Business and Professions Code and all references to  
6 "Regulations" are to Chapter 6, Title 10, California Code of  
7 Regulations.

8 XI

9 At all times mentioned herein, for or in  
10 expectation of compensation, LA PETER engaged in the business  
11 of, acted in the capacity of, advertised or assumed to act as  
12 a real estate broker in the State of California, within the  
13 meaning of Section 10131(a) of the Code, of the Code  
14 including the operation of a residential resale brokerage  
15 business with the public wherein LA PETER solicited  
16 prospective purchasers and/or sellers of residential real  
17 property, obtained listings of, and negotiated the purchase  
18 or sale of real property, all for or in expectation of  
19 compensation. LA PETER also performed broker escrows in  
20 conjunction with his residential resale brokerage business.

21 XII

22 On March 18, 1993, Department personnel notified LA  
23 PETER via mail that a broker office survey would be conducted at  
24 his office on April 15, 1993. LA PETER responded by stating that  
25 he only kept records for the last quarter in his office and all  
26 the rest were in storage. On April 15, 1993, Department personnel  
27 arrived at the office of LA PETER at 13710 Studebaker Road, Suite

1 106, Norwalk, California, his office of record. The broker office  
2 survey revealed violations of the Real Estate Law now described.

3 XIII

4 At all times material herein, LA PETER also  
5 conducted his residential resale operations at 13710  
6 Studebaker Road, Suite 100. At no time relevant herein did  
7 LA PETER obtain a branch office license for said location as  
8 required by Section 10163 of the Code and Section 2715 of the  
9 Regulations. LA PETER violated Section 10163 of the Code and  
10 Section 2715 of the Regulations by such conduct.

11 XIV

12 At all times mentioned herein, LA PETER used the  
13 fictitious business name "All Stars Escrow Division" for his  
14 escrow business as a broker requiring a license. At no time was  
15 this fictitious business name ever authorized by the Department  
16 for the license of LA PETER. LA PETER violated Section 2731 of the  
17 Regulations by using the fictitious business name when he was not  
18 licensed by the Department to do so.

19 XV

20 At all times material herein, LA PETER employed real  
21 estate salespersons. Written broker-salesperson relationship  
22 agreements with twenty-eight (28) salespersons were signed by J.  
23 G. VILLAESCUSA. LA PETER violated Section 2726 of the Regulations  
24 by such conduct.

25 XVI

26 At all times material herein, LA PETER employed real  
27 estate salespersons but failed to notify the Department in writing

1 of the termination of sixteen (16) salespersons. LA PETER  
2 violated Section 10161.8 of the Code and Section 2752 of the  
3 Regulations by failing to so notify the Department.

4 XVII

5 At all times material herein, LA PETER employed real  
6 estate salespersons but failed to maintain in his possession five  
7 (5) of the salesperson licenses. LA PETER violated Section 10160  
8 of the Code by failing to maintain the licenses in his possession.

9 XVIII

10 The broker office survey revealed that at all times  
11 material herein, LA PETER maintained a trust account for his  
12 broker escrow services. The name of the account was "Joe  
13 Villaescusa, Inc., DBA Century 21 Allstars, DBA Allstar Escrow  
14 Division" (Account No. 682-254033) at Metrobank in Torrance,  
15 California.

16 XIX

17 In connection with the trust funds referred to in  
18 Paragraph XVIII above, LA PETER acted in violation of Section  
19 10145 of the Code and Section 2830 of the Regulations when he  
20 failed to place the funds in a trust fund account in his name as  
21 the broker as trustee, or place said funds into a neutral escrow  
22 depository or into the hands of a principal on whose behalf the  
23 funds were received.

24 XX

25 On or about June 14, 1992, a personal check for  
26 \$6,000.00 was received by LA PETER along with a executed Real  
27 Estate Purchase Contract and Receipt for Deposit. The check was

1 made payable to Teamwork Escrow. At all times herein mentioned,  
2 Teamwork Escrow was owned and operated by LA PETER. On or about  
3 July 1, 1992, the check was deposited. LA PETER violated Section  
4 10145 of the Code and Section 2832 of the Regulations by holding  
5 an uncashed check that was negotiable by LA PETER and not  
6 depositing it into a neutral escrow depository or trust account  
7 maintained pursuant to Section 2830 of the Regulations by the next  
8 business day.

9 XXI

10 The broker office survey also revealed that J. G.  
11 VILLAESCUSA, Christy Sanchez and LA PETER were the signatories on  
12 the trust account. Christy Sanchez was not at any time licensed by  
13 the Department. At no time did Christy Sanchez have fidelity bond  
14 coverage for the trust account. LA PETER violated Section 2834 of  
15 the Regulations by allowing an unbonded, unlicensed person be a  
16 signatory on the trust account.

17 XXII

18 During the broker office survey, Department personnel  
19 requested to review the sales transaction files for three (3)  
20 pieces of real property located at 12312 Volunteer Avenue,  
21 Norwalk, CA ("Volunteer property"); 7904-06 Comstock Street,  
22 Whittier, CA ("Comstock property"); and 14122 Longworth Avenue,  
23 Norwalk, CA ("Longworth property"). LA PETERS advised Department  
24 personnel that the files were in storage and arrangements were  
25 made for a return visit by Department personnel on April 22, 1993,  
26 to review the files. On April 22, 1993, LA PETERS told Department  
27 personnel that the file for the Longworth property was missing.

XXIII

1  
2 A review of the Volunteer property file revealed that  
3 the Real Estate Purchase Contract and Receipt for Deposit dated  
4 January 23, 1992, was missing. In addition counter-offers dated  
5 January 25, 1992, and January 29, 1992, respectively, were also  
6 missing. A review of the Comstock property file revealed that the  
7 Real Estate Purchase Contracts and Receipts for Deposit dated  
8 December 15, 1991, and December 17, 1991. respectively, were  
9 missing. In addition a counter-offer and a Escrow Amendment were  
10 also missing. Copies of these documents had been provided to  
11 Department personnel by some of the parties involved in the sales  
12 transactions prior to the broker office survey but these documents  
13 were not in the sales transaction files of LA PETERS.

14 XXIV

15 On May 14, 1993, LA PETER was personally served with a  
16 subpoena duces tecum ordering him to produce the full sales  
17 transactions files for the properties described in Paragraph XXII  
18 on May 25, 1993, at the Los Angeles office of the Department. On  
19 May 14th, LA PETERS delivered some documents for the Longworth  
20 property. On May 25th, no further material documents were produced  
21 for the properties described in Paragraph XXII nor have any been  
22 produced to this date. LA PETERS violated Section 10148 of the  
23 Code by such conduct.

24 XXV

25 The broker office survey also revealed that LA PETERS  
26 employed J. T. VILLAESCUSA whose license was conditionally  
27 suspended at the time, to perform acts which require a real estate

1 license. J. T. VILLAESCUSA acted as a real estate licensee by  
2 soliciting and negotiating with Scott and Angelita L. Hill  
3 regarding the sale of their property located at 14122 Longworth  
4 Avenue, Norwalk, CA. On numerous sales documents, J. T.  
5 VILLAESCUSA represented himself as a sales agent for Century 21  
6 Allstars. At all times, J. T. VILLAESCUSA was representing himself  
7 as the buyer and also the sellers, Scott and Angelita L. Hill. J.  
8 T. VILLAESCUSA violated Section 10130 of the Code in conjunction  
9 with Section 10131(a) of the Code by performing said acts which  
10 require a license when his license was suspended. LA PETERS  
11 violated Section 10137 of the Code by employing and/or  
12 compensating J. T. VILLAESCUSA for these acts.

13 XXVI

14 On or about January 19, 1992, CANTU solicited and  
15 negotiated with Mary L. Gonzales ("seller") regarding the sale of  
16 her property located at 12312 Volunteer Avenue, Norwalk, CA. On  
17 numerous sales documents, CANTU represented himself as a sales  
18 agent for Century 21 Allstars to seller. On or about January 25,  
19 1992, CANTU and OROZCO met seller at the Volunteer property. At  
20 this meeting ALVAREZ, representing prospective purchasers, John T.  
21 and Marcella Gonzales ("sellers"), drafted a Real Estate Purchase  
22 Contract and Receipt for Deposit for the purchase of the Volunteer  
23 property for \$150,000.00. At this time, ALVAREZ'S license was  
24 conditionally suspended. ALVAREZ violated Section 10130 of the  
25 Code in conjunction with Section 10131(a) of the Code by  
26 performing said acts which require a license when his license was  
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1 suspended. LA PETERS violated Section 10137 of the Code by  
2 employing and/or compensating ALVAREZ for these acts.

3 XXVII

4 At this meeting, seller had her agents, CANTU and  
5 MULLINS, prepare a counter-offer for \$155,000.00. On or about  
6 January 28, 1992, CANTU advised seller that her counter-offer had  
7 been accepted and that he would stop by her house and present her  
8 with the paperwork that evening. That evening, instead of  
9 presenting her with a signed acceptance of the counter-offer,  
10 CANTU and MULLINS present her with a counter-offer to her counter-  
11 offer increasing the offer to \$175,000.00. In addition, CANTU and  
12 MULLINS told seller that the lender and escrow company would be  
13 told that the sales price would be \$175,000.00 but that she was to  
14 return \$15,000.00 to the buyers and also pay \$5,000.00 of the  
15 buyers' non-recurring closing costs. She was also told to cash all  
16 of the checks from the buyers and return the money to the buyers  
17 via the real estate office.

18 XXVIII

19 On or about January 29, 1992, seller informed her  
20 daughter, Barbara Gonzales, of the odd "counter-offer". Barbara  
21 called MULLINS and requested that he fax her a copy of the buyers'  
22 counter-offer. MULLINS did not fax a copy of buyers' "counter-  
23 offer" to seller but faxed a copy of seller's original counter-  
24 offer with the buyers counter terms written on the lower half of  
25 it including the sales price of \$175,000.00 with the buyer to pay  
26 3% of buyers' non-recurring closing costs and \$15,000.00 to be  
27 credited to the buyers for repairs.



1 XXIX

2 On or about January 29, 30, and February 3, 1992,  
3 Barbara Gonzales consulted an attorney to discuss the transaction.  
4 Based upon these discussion, seller faxed request on January 29th  
5 and 30th to cancel the transaction. On February 3, 1992, OROZCO  
6 faxed a letter signed by OROZCO, J. G. VILLAESCUSA, MULLINS, and  
7 the buyers stating that the transaction was being canceled.

8 XXX

9 On or about December 8, 1991, OROZCO solicited and  
10 negotiated with Carlos and Maria Alatorre, Irma Ortiz, and  
11 Fernando Morales ("sellers") regarding the sale of their property  
12 located at 7904-06 Comstock, Whittier, CA. The price listed for  
13 sale was \$299,000.00. On or about December 15, 1991, OROZCO  
14 presented the sellers with a Real Estate Purchase Contract and  
15 Receipt for Deposit. This offered a sales price of \$275,000.00  
16 with a \$22,000.00 downpayment. The buyers were listed as Romiro  
17 A., Rodrigo A., Lucia and Gregorio Morales. Their agent was listed  
18 as J. G. VILLAESCUSA. The sellers accepted the offer.

19 XXXI

20 On or about December 17, 1991, OROZCO presented the  
21 sellers with another Real Estate Purchase Contract and Receipt for  
22 Deposit plus a counter-offer. This offered a sales price of  
23 \$312,000.00 with an initial \$5,000.00 deposit, an increased  
24 deposit of \$10,000.00 with a balance of \$16,200.00 final  
25 downpayment. Included in the terms is a provision that the sellers  
26 pay \$9,000.00 non-recurring closing costs. The agents are listed  
27 as OROZCO and J. G. VILLAESCUSA. The counter-offer states that the

1 sales price is \$312,000.00 but that the sellers are to credit back  
2 \$18,000.00 to the buyers for non-recurring closing costs and  
3 repairs.

4 XXXII

5 On or about December 19, 1991, Escrow No. 01-20020-  
6 ER was opened at Teamwork Escrow for the sale of the Comstock  
7 property. Escrow instructions stated that the broker would  
8 deliver a \$5,000.00 deposit for the buyers and buyers would  
9 deposit another \$26,200.00 prior to the close of escrow.  
10 There was also to be a deed of trust for \$280,800.00. Title  
11 was to be vested in the name of Ramiro Morales. In addition,  
12 seller was to pay a maximum of \$9,000.00 towards buyers' non-  
13 recurring closing costs.

14 XXXIII

15 On or about a supplement to Escrow No. 01-20020-ER  
16 dated December 19, 1991, states that the commission for this  
17 transaction was to be paid to OROZCO and ALVAREZ. A Real  
18 Estate Transfer Disclosure Statement for this transaction  
19 states that ALVAREZ was acting as an agent for Ramiro  
20 Morales. At this time, ALVAREZ'S license was conditionally  
21 suspended. ALVAREZ violated Section 10130 of the Code in  
22 conjunction with Section 10131(a) of the Code by performing  
23 said acts which require a license when his license was  
24 suspended. LA PETERS violated Section 10137 of the Code by  
25 employing and/or compensating ALVAREZ for these acts.

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1 XXXIV

2 On or about December 18, 1991, Ramiro Morales  
3 applied for a purchase money loan at Rengar Mortgage, Inc.  
4 ("Rengar"). A copy of the Real Estate Purchase Contract and  
5 Receipt for Deposit showed a sales price of \$312,000.00 with  
6 an initial \$5,000.00 deposit, an increased deposit of  
7 \$10,000.00 with a balance of \$16,200.00 final downpayment.  
8 Included in the terms is a provision that the sellers pay  
9 \$9,000.00 non-recurring closing costs. Rengar also received  
10 receipts indicating that the buyers made deposits of  
11 \$5,000.00 on January 2, 1992, a \$8,000.00 deposit on February  
12 20, 1992, and a \$9,000.00 deposit on March 2, 1992.

13 XXXV

14 On or about January 1, 1992, Teamwork Escrow issued  
15 a receipt for a \$5,000.00 to be credited to Ramiro Morales.  
16 On or about February 14, 1992, Teamwork prepared an escrow  
17 amendment authorizing the pre-release of \$9,000.00 to the  
18 sellers. On or about February 20, 1992, Teamwork issued a  
19 check payable to the buyers for \$9,000.00. A stop payment was  
20 placed on this check when Ramiro Morales tried to cash it.  
21 On or about February 26, 1992, Teamwork prepared another  
22 escrow amendment authorizing the pre-release of \$9,000.00 to  
23 Maria Alatorre. Teamwork issued a check for \$9,000.00 payable  
24 to Maria Alatorre on February 27, 1992. OROZCO obtained her  
25 signature on the check, cashed the check and gave the money  
26 to ALVAREZ. ALVAREZ gave the money to Ramiro Morales. On or  
27

1 about March 2, 1992, Ramiro Morales deposited \$9,000.00 into  
2 the escrow.

3 XXXVI

4 The conduct of Respondent LA PETER, in violating  
5 the provisions of the Real Estate Law as described above, and  
6 in allowing the other Respondents to violate provisions of  
7 the Real Estate Law while acting as their broker, is cause  
8 for the suspension or revocation of the license and/or  
9 licensing rights of LA PETER under Sections 10177(d) and  
10 10177(h) of the Code.

11 XXXVII

12 The conduct of J. T. VILLAESCUSA violated Section  
13 10130 of the Code in conjunction with Section 10131(a) of the  
14 Code by performing said acts which require a license when his  
15 license was suspended and is cause to suspend or revoke his  
16 license and licensing rights under Section 10177(d) of the  
17 Code.

18 XXXVIII

19 The conduct of ALVAREZ, as described in Paragraphs  
20 XXV through XXX, violated Sections 10130 of the Code in  
21 conjunction with Section 10131(a) of the Code by performing  
22 said acts which require a license when his license was  
23 suspended as well as Sections 10176(a) and 10176(i) of the  
24 Code and is cause to suspend or revoke his license and/or  
25 licensing rights under Section 10177(d) of the Code.

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XXXIX

The conduct of J. G. VILLAESCUSA, as described in Paragraphs XXV through XXX, violated Sections 10176(a) and 10176(i) of the Code and is cause to revoke or suspend his license and/or licensing rights under Sections 10176(a) and 10176(i) of the Code.

XXXX

The conduct of CANTU, as described in Paragraphs XXV through XXX, violated Sections 10176(a) and 10176(i) of the Code and is cause to revoke or suspend his license and/or licensing rights under Sections 10176(a) and 10176(i) of the Code.

XXXXI

The conduct of MULLINS, as described in Paragraphs XXV through XXX, violated Sections 10176(a) and 10176(i) of the Code and is cause to revoke or suspend his license and/or licensing rights under Sections 10176(a) and 10176(i) of the Code.

XXXXII

The conduct of OROZCO, as described in Paragraphs XXV through XXX, violated Sections 10176(a) and 10176(i) of the Code and is cause to revoke or suspend his license and/or licensing rights under Sections 10176(a) and 10176(i) of the Code.

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WHEREFORE, Complainant prays that a hearing be conducted on the allegations made by the Accusation and, that upon proof thereof, a decision be rendered imposing disciplinary action against all licenses and license rights of Respondents JAMES MICHAEL LA PETER, JAMES TIMOTHY VILLAESCUSA, JOSEPH GARCIA VILLAESCUSA, JESSE JOE OROZCO, FRANCISCO JAVIER ALVAREZ, ALVIN LEE MULLINS and JOSE G. CANTU 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 13th day of December , 1994.

STEVEN J. ELLIS  

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Deputy Real Estate Commissioner

cc: James Michael LaPeter,  
James Timothy Villaescusa  
Joseph Garcia Villaescusa  
Jesse Joe Orozco  
Francisco Javier Alvarez  
Alvin Lee Mullins  
Jose G. Cantu  
Sacto  
LK