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Department of Real Estate  
107 South Broadway, Room 8107  
Los Angeles, California 90012

(213) 897-3937

**FILED**  
JUN 12 1996  
DEPARTMENT OF REAL ESTATE

By K. K. K.

DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \* \* \*

In the Matter of the Accusation of )	No. H-26044 LA
SYLVIA NAVARRO, dba )	
Camino Real Mortgage Brokers, )	<u>STIPULATION AND AGREEMENT</u>
and Loan Department Group, )	<u>IN SETTLEMENT AND ORDER</u>
Respondent. )	

It is hereby stipulated by and between SYLVIA NAVARRO, aka Aida Sylvia Zepeda, dba Camino Real Mortgage Brokers and Loan Department Group (referred to as Respondent), and the Complainant, acting by and through Marjorie P. Mersel, Counsel for the Department of Real Estate, as follows, for the purpose of settling and disposing of the Accusation filed on March 9, 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 (hereafter  
3 Stipulation).

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

9 3. On April 4, 1995, Respondent filed a Notice of  
10 Defense pursuant to Section 11505 of the Government Code for the  
11 purpose of requesting a hearing on the allegations in the  
12 Accusation. Respondent hereby freely and voluntarily withdraws  
13 said Notice of Defense. Respondent acknowledges that she  
14 understands that by withdrawing said Notice of Defense she will  
15 thereby waive her right to require the Commissioner to prove the  
16 allegations in the Accusation at a contested hearing held in  
17 accordance with the provisions of the APA and that she will waive  
18 other rights afforded to her in connection with the hearing, such  
19 as the right to present evidence in defense of the allegations in  
20 the Accusation and the right to cross-examine witnesses.

21 4. This Stipulation and Agreement in Settlement and  
22 Order relates to the factual allegations contained in Paragraphs  
23 one (I) through sixteen (XVI) in the Accusation filed in this  
24 proceeding. Respondent chooses not to contest these factual  
25 allegations and to remain silent and understands that, as a result  
26 thereof, these factual allegations, without being admitted or  
27 denied, will serve as a basis for the discipline stipulated to  
herein. This Stipulation and Agreement in Settlement and Order

1 and the findings based on Respondent's decision not to contest the  
2 Accusation are hereby expressly limited to this proceeding and  
3 made for the sole purpose of reaching an agreed disposition of  
4 this proceeding, only. Respondent's decision not to contest the  
5 factual allegations is made solely for the purpose of effectuating  
6 this Stipulation and is intended by Complainant and Respondent to  
7 be non-binding upon her in any actions against Respondent by third  
8 parties and shall not be deemed, used, or accepted as an  
9 acknowledgment or admission. The Real Estate Commissioner shall  
10 not be required to provide further evidence to prove such  
11 allegations.

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

22           6. The Order or any subsequent Order of the Real  
23 Estate Commissioner made pursuant to this Stipulation and  
24 Agreement in Settlement shall not constitute an estoppel,  
25 merger or bar to any further administrative or civil  
26 proceedings by the Department of Real Estate with respect to  
27

1 any matters which were not specifically alleged to be causes  
2 for accusation in this proceeding.

3  
4 7. The below Determination of Issues contains a  
5 determination that Respondent NAVARRO has violated Code  
6 Section 10145 and Regulations 2830, 2831.1, 2832.1, and 2834.  
7 Respondent NAVARRO is aware that by agreeing to this  
8 Stipulation And Agreement In Settlement, if the findings set  
9 forth below in the Determination of Issues become final, the  
10 Commissioner may charge Respondent \$3,400.00 for the costs of  
11 any audit conducted pursuant to Section 10148 of the Code to  
12 determine if Respondent NAVARRO is in compliance with the  
13 Real Estate Law. The maximum cost of said audit will not  
14 exceed \$3,400.00.

15 DETERMINATION OF ISSUES

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

21 The conduct of Respondent SYLVIA NAVARRO, as set  
22 forth in Paragraphs I through XVI of the Accusation,  
23 constitute cause to suspend or revoke her real estate broker  
24 license and license rights under the provisions of Code  
25 Section 10177(d) for violations of Code Section 10145 and  
26 Sections 2830, 2831.1, 2832.1 and 2834 of Title 10, Chapter 6  
27 of the California Code of Regulations.

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ORDER

All licenses and license rights of Respondent SYLVIA NAVARRO under the Real Estate Law are hereby revoked; provided, however, a restricted real estate broker license shall be issued to Respondent pursuant to Section 10156.5, 10156.6 and 10156.7 if Respondent:

A. first provides evidence satisfactory to the Real Estate Commissioner that the trust fund deficit stated in the Accusation has been cured.

B. makes application for a restricted real estate broker license and pays to the Department of Real Estate the appropriate fee for said license within 90 days from the effective date of this Order. The restricted license issued to Respondent shall be subject to all of the provisions of Business and Professions Code Section 10156.6 of that Code.

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

(a) Said restricted license and any privileges granted thereunder may be suspended prior to hearing by Order of the Real Estate Commissioner in the event of Respondent's conviction (including a plea of contendere) to a crime which is substantially related to Respondent's qualifications, functions, duties, fitness or capacity as a real estate licensee.

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(b) Said restricted license and any  
privileges granted thereunder may be suspended  
after hearing by Order of the Real Estate  
Commissioner in the event of the receipt of  
evidence satisfactory to the  
Commissioner that Respondent has violated  
provisions of the California Real Estate Law,  
the Subdivided Lands Law, Regulations of the  
Real Estate Commissioner, or conditions  
attaching to the restricted license.

2 Respondent shall not petition the Commissioner  
for the removal of any of the conditions, limitations or  
restrictions attaching to the restricted license or be  
eligible to apply for the issuance of an unrestricted real  
estate license until two (2) years have elapsed from the date  
of issuance of the restricted license to Respondent.

3. Pursuant to Section 10148 of the Business and  
Professions Code, Respondent shall pay the Commissioner's  
reasonable costs for an audit to ensure Respondent is in  
compliance with the Real Estate Law, including the handling  
of trust funds. In calculating the amount of the  
Commissioner's reasonable costs, the Commissioner may use the  
estimated average hourly salary for all Department Audit  
Section personnel performing audits of real estate brokers,  
and shall include an allocation for travel costs, including  
mileage, time to and from the auditor's place of work and per

1 diem. The Commissioner's reasonable costs shall in no event  
2 exceed \$3,400.00.

3 (a) Respondent shall pay such costs within 45  
4 days of receipt of an invoice from the Commissioner  
5 detailing the activities performed during the  
6 audit and the amount of time spent performing  
7 those activities.

8 (b) Notwithstanding the provisions of any other  
9 paragraph herein, if Respondent fails to pay,  
10 within 45 days from receipt of the final invoice  
11 specified above, the Commissioner's reasonable  
12 costs for an audit, the Commissioner may order the  
13 suspension of the restricted real estate license  
14 issued to Respondent pending a hearing held in  
15 accordance with Section 11500, et seq., of the  
16 Government Code. The suspension shall remain in  
17 effect until payment is made in full, or until  
18 Respondent enters into an agreement satisfactory to  
19 the Commissioner to provide for such payment. The  
20 Commissioner may impose further reasonable  
21 disciplinary terms and conditions upon Respondent's  
22 real estate license and license rights as part of  
23 any such agreement.  
24

25 DATED: April 25, 1996.

*Marjorie P. Mersef*  
26 MARJORIE P. MERSEL  
27 Counsel for Complainant





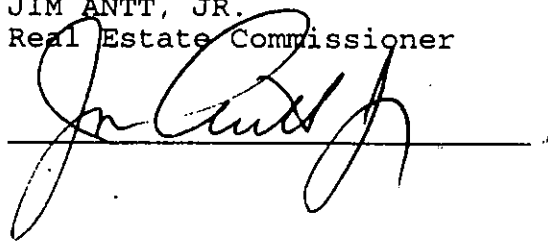
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The foregoing Stipulation and Agreement in  
Settlement is hereby adopted as my Order and shall become  
effective at 12 o'clock noon on July 2, 1996

IT IS SO ORDERED 5/30/96

JIM ANTT, JR.  
Real Estate Commissioner



*Handwritten notes:*  
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**FILED**  
APR 17 1996  
DEPARTMENT OF REAL ESTATE

By *K. Kriederholz*

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \* \* \*

In the Matter of the Accusation of ) No. H-26044 LA  
)  
AIDA SYLVIA ZEPEDA, dba )  
13 Camino Real Mortgage Brokers ) L-9508173  
and Loan Department Group, )  
14 and MARLENE LUPE MORETTI, )  
)  
15 Respondent. )  
\_\_\_\_\_ )

DISMISSAL

The Accusation herein filed on March 9, 1995, against Respondent, MARLENE LUPE MORETTI, is DISMISSED.

IT IS SO ORDERED this 10<sup>TH</sup> day of APRIL, 1996.

JIM ANTT, JR.  
Real Estate Commissioner

*Jim Antt Jr.*

*Sacto plug*

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

**FILED**  
SEP 14 1995  
DEPARTMENT OF REAL ESTATE

*In the Matter of the Accusation of*

AIDA SYLVIA ZEPEDA and  
MARLENE LUPE MORETTI,

}

By K. Oederholt

Case No. H-26044 LA

OAH No. L-9508173

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 May 8, 1996, 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: SEP 14 1995

By George W. Leung  
Counsel

cc: Aida Sylvia Zepeda  
aka Sylvia Navarro  
Marlene Lupe Moretti  
Sacto OAH DH

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GEORGE W. WRIGHT, Counsel  
Department of Real Estate  
107 South Broadway, Room 8107  
Los Angeles, California 90012

(213) 897-3937

**FILED**  
MAR 14 1995  
DEPARTMENT OF REAL ESTATE

By *K. J. ...*

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \* \* \*

In the Matter of the Accusation of )	No. H-26044 LA
)	
AIDA SYLVIA ZEPEDA, )	
doing business as )	<u>AMENDMENT TO</u>
Camino Real Mortgage Brokers )	
and Loan Department Group, )	<u>ACCUSATION</u>
and MARLENE LUPE MORETTI, )	
)	
Respondent. )	

The Accusation heretofore filed on March 9, 1995, in the above-mentioned matter is hereby amended as follows:

I

By changing the name of AIDA SYLVIA ZEPEDA in the caption and in the body of the Accusation to SYLVIA NAVARRO.  
Dated at Los Angeles, California  
this 14th day of March, 1995.

STEVEN J. ELLIS  
Deputy Real Estate Commissioner

cc: Sylvia Navarro  
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"Loan Department Group", was and still is licensed by the Department of Real Estate of the State of California ("Department") as a real estate broker.

III

At no time mentioned herein was MARLENE LUPE MORETTI ("MORETTI") licensed by the Department as a real estate broker or real estate salesperson employed under the license of ZEPEDA.

IV

All further references herein to "ZEPEDA" shall be deemed to include ZEPEDA and also include the employees, agents and real estate licensees employed by or associated with ZEPEDA who at all times herein mentioned were engaged in the furtherance of the business or operations of ZEPEDA and who were acting within the course and scope of their authority and employment.

V

At all times mentioned herein, in Los Angeles County, California, for or in expectation of compensation, ZEPEDA 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 Sections 10131(d) of the Code, including the operation of a mortgage loan brokerage business with the public wherein borrowers were solicited for loans secured directly or collaterally by liens on real property, wherein such loans were arranged, negotiated, processed, and packaged on behalf of various institutional lenders and mortgage bankers, for or in expectation of compensation.

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VI

On October 6, 1993, Department personnel completed an investigative audit of the books and records of ZEPEDA, doing business as Camino Real Mortgage Brokers, pertaining to her activities as a broker requiring a real estate broker license, for a period commencing on September 1, 1992, and terminating on August 31, 1993, and unless otherwise herein specified, the relevant period of time shall be the same, which revealed violations of the Real Estate Law now described.

VII

In connection with the aforesaid mortgage loan broker and loan servicing activities, ZEPEDA accepted or received funds in trust ("trust funds") in the form of appraisal and credit report fees from or on behalf of prospective borrowers and thereafter made disbursements of such funds to consummate the sale of real property. ZEPEDA deposited these funds into the following account:

- 1. Camino Real Mortgage Brokers  
Trust Account  
Account No. 0617-082128  
Wells Fargo Bank  
15760 Ventura Blvd.  
Encino, CA

VIII

In connection with the trust funds referred to in Paragraph VII, ZEPEDA acted in violation of the Code and Regulations because:

- (a) ZEPEDA failed to place the funds in trust fund accounts in the name of the broker as trustee, or place into a

1 neutral escrow depository or into the hands of a principal on  
2 whose behalf the funds were received. ZEPEDA violated Section  
3 10145 of the Code and Section 2830 of the Regulations by placing  
4 the account in her fictitious business name.

5 (b) ZEPEDA failed to perform a monthly reconciliation  
6 of trust funds received by her with the balance of all separate  
7 beneficiary or transaction records for the account, as required by  
8 Regulation 2831.2.

9 IX

10 At all times material, Ruben Romero and MORETTI were not  
11 licensed by the Department as real estate salespersons who are  
12 employed under the license of ZEPEDA. At all times material, Ruben  
13 Romero and MORETTI were not authorized in writing to sign trust  
14 checks nor were they bonded but both were signatories on the trust  
15 account. ZEPEDA violated Section 2834 of the Regulations by  
16 allowing Ruben Romero and MORETTI to be signatories on the trust  
17 account.

18 X

19 The audit examination also revealed that ZEPEDA employed  
20 MORETTI, who was not licensed by the Department as a salesperson  
21 employed under the broker license of ZEPEDA, to perform acts which  
22 require a real estate license. MORETTI assisted ZEPEDA in quoting  
23 interest rates, rewriting loan applications and packaging loans  
24 for submission to various lenders. MORETTI violated Section 10130  
25 of the Code by performing said acts which require a license when  
26 she was not licensed by the Department as a salesperson employed  
27 under the broker license of ZEPEDA. ZEPEDA violated Section 10137



1 of the Code by employing and/or compensating MORETTI for these  
2 acts.

3 XI

4 As of August 31, 1993, ZEPEDA violated Section 10145 of  
5 the Code and Section 2832.1 of the Regulations by disbursing or  
6 allowing the disbursement of funds from the trust account, without  
7 the prior written consent of every principal who was then an owner  
8 of said funds in the account, in an amount which was at least  
9 \$2,241.06 less than the existing aggregate trust fund liability to  
10 all owners of said trust funds.

11 XII

12 On October 29, 1993, Department personnel completed an  
13 investigative audit of the books and records of ZEPEDA, doing  
14 business as Loan Department Group, pertaining to her activities as  
15 a broker requiring a real estate broker license, for a period  
16 commencing on October 1, 1992, and terminating on September 30,  
17 1993, and unless otherwise herein specified, the relevant period  
18 of time shall be the same, which revealed violations of the Real  
19 Estate Law now described.

20 XIII

21 In connection with the aforesaid mortgage loan broker  
22 and loan servicing activities, ZEPEDA accepted or received funds  
23 in trust ("trust funds") in the form of appraisal and credit  
24 report fees from or on behalf of prospective borrowers and  
25 thereafter made disbursements of such funds to consummate the sale  
26 of real property. ZEPEDA deposited certain of these funds into the  
27 following two accounts:

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1. Aida Zepeda dba Loan Department Group  
Trust Account (T/A #1)  
Account No. 1223230  
Valley Bank
  
2. Aida Zepeda dba Loan Department Group  
Trust Account (T/A #2)  
Account No. 0614-074128  
Wells Fargo Bank

XIV

The audit examination also revealed that ZEPEDA failed to perform a monthly reconciliation of trust funds received by her with the balance of all separate beneficiary or transaction records for both accounts, as required by Regulation 2831.2. ZEPEDA violated Section 2831.2 of the Regulations by such conduct.

XV

As of September 30, 1993, ZEPEDA violated Section 10145 of the Code and Section 2832.1 of the Regulations by disbursing or allowing the disbursement of funds from T/A #2, without the prior written consent of every principal who was then an owner of said funds in the account, in an amount which was at least \$799.06 less than the existing aggregate trust fund liability to all owners of said trust funds.

XVI

At all times material, Nancy Serbantes was not licensed by the Department as real estate salesperson. At all times material, Nancy Serbantes was not bonded but was a signatory on the trust account. ZEPEDA violated Section 2834 of the Regulations by allowing Nancy Serbantes to be a signatory on the trust account.

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WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action against all licenses and/or license rights of Respondent AIDA SYLVIA ZEPEDA and MARLENE LUPE MORETTI, under the Real Estate Law and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Los Angeles, California  
this 9th day of March , 1995.

STEVEN J. ELLIS  

---

Deputy Real Estate Commissioner

cc: Aida Sylvia Zepeda  
Marlene Lupe Moretti  
Sacto  
DH