

FILED

MAR 09 2001

DEPARTMENT OF REAL ESTATE

By Shelly Ely

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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	
)	No. H-26442 LA
DAVID AZOUZ,)	
)	
Respondent.)	
)	

ORDER DENYING REINSTATEMENT OF LICENSE

On February 26, 1997, an Order was rendered herein revoking the real estate broker 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 26, 1997, and Respondent has operated as a restricted licensee since that time.

On August 26, 1999, Respondent petitioned for reinstatement of said real estate broker license, and the Attorney General of the State of California has been given notice of the filing of said petition.

///

1 I have considered Respondent's petition and the
2 evidence and arguments in support thereof. Respondent has failed
3 to demonstrate to my satisfaction that Respondent has undergone
4 sufficient rehabilitation to warrant the reinstatement of
5 Respondent's real estate broker license.

6 In response to a question in the petition application,
7 "Have you ever been a defendant in any civil court litigation,
8 including small claims court? If yes, give details below...",
9 Respondent answered "Yes" but failed to disclose in his petition
10 the following civil court litigation:..

- 11 1. ABM Engineering Services, Inc v. Azouz, et al., Los
12 Angeles County Superior Court No. SC25676.
- 13 2. Numenor Corporation v. Azouz, et al., Los Angeles
14 County Superior Court No. BC117234.

15 Respondent's concealment of facts and lack of candor,
16 demonstrate that Respondent has not changed his attitude from
17 that which existed at the time the disciplinary action was taken
18 in this matter.

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

22 This Order shall become effective at 12 o'clock
23 noon on March 29, 2001.

24 DATED: February 15, 2001

25 PAULA REDDISH ZINNEMANN
26 Real Estate Commissioner

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FILED
MAR 14 1997
DEPARTMENT OF REAL ESTATE

By *K. Wiedersholt*

DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of) No. H 26442 LA
) L-960250
DAVID AZOUZ,)
)
Respondent.)
_____)

ORDER NUNC PRO TUNC

On or about February 26, 1997, an ORDER MODIFYING DECISION PURSUANT TO STIPULATED SETTLEMENT was rendered herein, effective January 22, 1997, revoking the real estate broker license of Respondent but granting him the right to apply for and receive a restricted real estate broker license if he made application therefor and paid to the Department of Real Estate the appropriate fee for the restricted license within 180 days from the effective date of the Decision.

On or about March 3, 1997, Respondent first received a copy of this Order with an Application to apply for a restricted real estate broker license. Because the effective date of the Order revoking his license was on January 22, 1997,

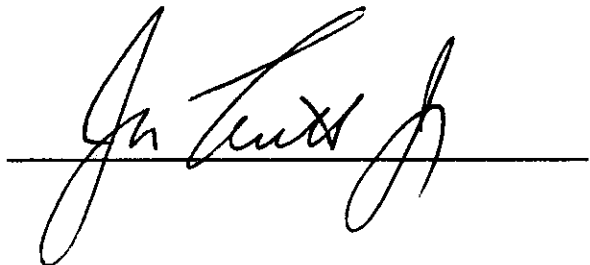
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Respondent had no opportunity to apply for and receive his restricted license before his license was revoked.

GOOD CAUSE APPEARING, THE EFFECTIVE DATE OF THE ORDER MODIFYING DECISION PURSUANT TO STIPULATED SETTLEMENT DATED FEBRUARY 26, 1997, IS CHANGED TO MARCH 26, 1997.

IT IS SO ORDERED THIS 11TH DAY OF MARCH, 1997, NUNC PRO TUNC AS OF FEBRUARY 26, 1997.

JIM ANTT, JR.
Real Estate Commissioner



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FILED
FEB 27 1997
DEPARTMENT OF REAL ESTATE

By K. Kuderhelt

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of)	No. H-26442 LA
)	L-960250
)	
DAVID AZOUZ)	
)	
Respondent.)	
)	
)	
)	

ORDER MODIFYING DECISION

PURSUANT TO STIPULATED SETTLEMENT

On or about December 16, 1996, a Decision After Rejection was rendered herein, in which Real Estate Commissioner Jim Antt Jr. Revoked David Azouz's (hereinafter referred to as "Respondent") real estate broker license, however, granted him the entitlement to apply for a restricted real estate salespersons license, under the provisions of the Business and Professions Code.

Subsequent to the rendering of said Decision, on January 22, 1997, Respondent petitioned the Superior Court of the State of California in and for the County of Los Angeles, in

1 Case No. BS043088, for a Writ of Administrative Mandate to
2 compel the Real Estate Commissioner to vacate and set aside the
3 Decision of December 16, 1996.
4

5 In consideration for the dismissal with prejudice and
6 in complete settlement of Respondent's said petition for Writ of
7 Administrative Mandate, the following order is made:

8 NOW, THEREFORE, IT IS ORDERED that the real estate
9 licenses and license rights of Respondent DAVID AZOUS under the
10 Real Estate Law are revoked. A restricted real estate broker
11 license shall be issued to Respondent pursuant to Section
12 10156.5 of the Business and Professions Code upon Respondent's
13 application and payment of the appropriate fee, provided the
14 application is made within 180 days from the effective date of
15 the Decision herein. The restricted license issued to
16 Respondent shall be subject to all of the provisions of Section
17 10156.7 of the Business and Professions Code and to the
18 following limitations, conditions and restrictions imposed under
19 authority of Section 10156.6 of the business and Professions
20 Code:

21 A. The restricted license may be suspended prior to
22 hearing by order of the Real Estate Commissioner in the event
23 that Respondent is convicted or enters plea of nolo contendere
24 to a crime which bears a significant relationship to the fitness
25 or capacity of Respondent to function as a real estate licensee.

26 B. The restricted license may be suspended prior to
27 hearing by Order of the Real Estate Commissioner on evidence
satisfactory to the Real Estate Commissioner that Respondent has

1 violated provisions of the California Real Estate Law, the
2 Subdivided Lands Law, Regulations of the Real Estate
3 Commissioner, or conditions attaching to the restricted license.
4

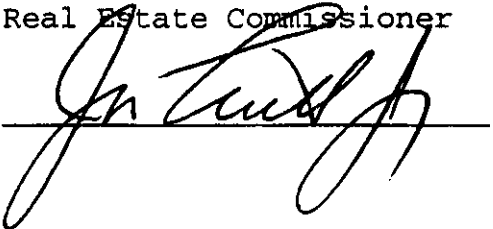
5 C. Respondent shall, within twelve months from the
6 effective date of this Decision, present evidence satisfactory
7 to the Real Estate Commissioner that he has, since the most
8 recent issuance of an original or restricted real estate
9 license, taken and successfully completed the courses specified
10 in Section 10170.5 of the Real Estate Law for renewal of a real
11 estate license. If Respondent fails to satisfy this condition,
12 the Commissioner may order the suspension of the restricted
13 license until the Respondent presents such evidence. The
14 Commissioner shall afford Respondent the opportunity for a
15 hearing pursuant to the Administrative Procedure Act to present
16 such evidence.

17 D. Respondent shall not be eligible to apply for the
18 issuance of an unrestricted real estate license nor the removal
19 of any of the conditions, limitations, or restrictions of a
20 restricted license until at least one (1) year has elapsed from
21 the effective date of this Decision.

22 This Order shall become effective at 12 o'clock noon
23 on January 22, 1997.

24 DATED: 2/26/97

25 JIM ANTT JR.
26 Real Estate Commissioner

27 

FILED
JAN - 2 1997
DEPARTMENT OF REAL ESTATE

By K. Kuehler

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DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of) No. H-26442 LA.
)
DAVID AZOUZ,) L-960250
)
Respondent.)
_____)

DECISION AFTER REJECTION

The matter came on for hearing before Joseph D. Montoya, Administrative Law Judge of the Office of Administrative Hearings, in Los Angeles, California, on June 7, 1996. Marjorie P. Mersel, Counsel, represented the complainant. Respondent appeared and was represented by Frank Buda, Attorney at Law.

Evidence was received, the hearing was closed and the matter was submitted.

~~On June 17, 1996, the Administrative Law Judge submitted~~
a Proposed Decision which I declined to adopt as my Decision herein. Pursuant to Section 11517(c) of the Government Code of the State of California, Respondent was served with notice of my determination not to adopt the Proposed Decision of the

1 Administrative Law Judge along with a copy of said Proposed
2 Decision. Respondent was notified that the case would be decided
3 by me upon the record, the transcript of proceedings held on
4 June 7, 1996, and upon any written argument offered by Respondent.

5 Written argument has been submitted on behalf of
6 Respondent.

7 I have given careful consideration to the record in this
8 case including the transcript of proceedings of June 7, 1996, and
9 to the argument of Respondent.

10 The following shall constitute the Decision of the Real
11 Estate Commissioner in this proceeding.

12 FINDINGS OF FACT

13
14 I

15 I have determined that the Findings of Fact in the
16 Proposed Decision of the Administrative Law Judge, dated June 17,
17 1996, are appropriate in all respects and they are adopted as the
18 Findings of Fact of the Real Estate Commissioner in this
19 proceeding.

20 SUPPLEMENTAL FINDING

21 Respondent applied to First Federal Bank of California
22 for a loan to purchase a home, representing falsely that he was
23 purchasing it for \$379,000, when in fact he was purchasing it for
24 \$318,000. First Federal funded a loan of \$318,000. The result
25 was that Respondent acquired the property with little or no money
26 down. Respondent used fictitious income tax returns to obtain the
27 loan from First Federal.



DETERMINATION OF ISSUES

I

Cause exists to suspend or revoke Respondent's license pursuant to Business and Professions Code Section 490 and 10177(b) in that he was convicted of violating 18 USC 344 (Bank Fraud), a felony and a crime which is substantially related to the qualifications, functions or duties of the business or profession for which Respondent was licensed.

Due weight has been given to Respondent's rehabilitation. However the Order set forth in the Proposed Decision is not appropriate in that the failure to impose discipline is not in accordance with the magnitude and severity of illegal and immoral conduct set forth in the Findings and Supplemental Finding, and the Determination of Issues. The following Order shall be the Order of the Real Estate Commissioner.

ORDER

WHEREFORE, the following Order is made:

1. All real estate licenses and license rights of Respondent DAVID AZOUZ under the Real Estate Law are revoked.
2. A restricted real estate salesperson license shall be issued to Respondent pursuant to Section 10156.5 of the Business and Professions Code upon Respondent's application and payment of the appropriate fee, provided the application is made within 180 days from the effective date of the Decision herein.
3. The restricted license issued to Respondent shall be subject to all of the provisions of Section 10156.7 of the



1 Business and Professions Code and to the following limitations,
2 conditions and restrictions imposed under authority of Section
3 10156.6 of the Business and Professions Code:

4 A. The restricted license may be suspended prior
5 to hearing by Order of the Real Estate Commissioner
6 in the event that Respondent is convicted or enters
7 a plea of nolo contendere to a crime which bears a
8 significant relationship to the fitness or capacity
9 of Respondent to function as a real estate licensee.

10 B. The restricted license may be suspended prior
11 to hearing by Order of the Real Estate Commissioner
12 on evidence satisfactory to the Real Estate
13 Commissioner that Respondent has violated provisions
14 of the California Real Estate Law, the Subdivided
15 Lands Law, Regulations of the Real Estate
16 Commissioner, or conditions attaching to the
17 restricted license.

18 C. Respondent shall, within twelve months from the
19 effective date of this Decision, present evidence
20 satisfactory to the Real Estate Commissioner that he
21 has, since the most recent issuance of an original or
22 restricted real estate license, taken and
23 successfully completed the courses specified in
24 Section 10170.5 of the Real Estate Law for renewal of a
25 real estate license. If Respondent fails to satisfy
26 this condition, the Commissioner may order the
27 suspension of the restricted license until the



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Respondent presents such evidence. The Commissioner shall afford Respondent the opportunity for a hearing pursuant to the Administrative Procedure Act to present such evidence.

D. Respondent shall not be eligible to apply for the issuance of an unrestricted real estate license nor the removal of any of the conditions, limitations, or restrictions of a restricted license until at least one (1) year has elapsed from the effective date of this Decision.

E. Respondent shall submit with his application for said restricted license under an employing broker, a statement signed by the prospective employing broker which shall certify:

1. That he or she has read the Decision of the Commissioner which granted the right to a restricted license; and
2. That he or she will exercise close supervision over the performance by the restricted licensee of activities for which a real estate license is required.

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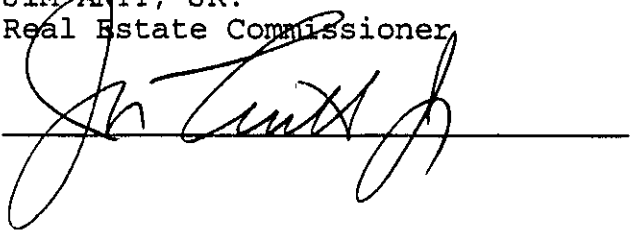
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This Decision shall become effective at 12 o'clock noon
on January 22, 1997

IT IS SO ORDERED 12/16, 1996.

JIM ANTT, JR.
Real Estate Commissioner



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FILED
JUL - 1 1996

DEPARTMENT OF REAL ESTATE

By K. Kuderholt

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	
	NO. H-26442 LA
DAVID AZOUZ,)	
	L-9602050
Respondent.)	
<hr/>	

NOTICE

TO: DAVID AZOUZ, Respondent
and
FRANK BUDA, his Counsel

YOU ARE HEREBY NOTIFIED that the Proposed Decision herein dated June 17, 1996, of the Administrative Law Judge is not adopted as the Decision of the Real Estate Commissioner. A copy of the Proposed Decision dated June 17, 1996, is attached for your information.

In accordance with Section 11517(c) of the Government Code of the State of California, the disposition of this case will be determined by me after consideration of the record herein including the transcript of the proceedings held on June 7, 1996, and any written argument hereafter submitted on behalf of

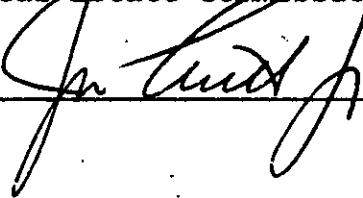
1 respondent and complainant.

2 Written argument of respondent to be considered by me
3 must be submitted within 15 days after receipt of the transcript
4 of the proceedings of June 7, 1996, at the Los Angeles office of
5 the Department of Real Estate unless an extension of the time is
6 granted for good cause shown.

7 Written argument of complainant to be considered by me
8 must be submitted within 15 days after receipt of the argument of
9 respondent at the Los Angeles office of the Department of Real
10 Estate unless an extension of the time is granted for good cause
11 shown.

12 DATED: 6/29/96

13 JIM ANTT, JR.
14 Real Estate Commissioner

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BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation)
of)

DAVID AZOUZ, individually,)
and the designated officer)
of 1st London Investments,)
Inc. and NPS Management)
Corporation.)

Respondents.)

No. H 26442 LA

OAH Case No. L-9602050

PROPOSED DECISION

On June 7, 1996, in Los Angeles, California, Joseph D. Montoya, Administrative Law Judge, Office of Administrative Hearings, State of California, heard this matter.

Ms. Marjorie P. Mersel represented the complainant.

Respondent David Azouz appeared, and was represented by his attorney, Mr. Frank Buda.

Evidence was received and the matter was submitted.

FINDINGS OF FACT

1. The Accusation was filed by Thomas J. McCrady, a Deputy Real Estate Commissioner, Department of Real Estate, State of California, while acting solely in his capacity as such.

2. Respondent David Azouz holds a real estate broker's license, and has rights thereunder. He is the designated officer of 1st London Investments, Inc. and NPS Management, Inc.

3. On June 6, 1994, in the United States District Court for the Central District of California, Respondent was convicted of violating 18 USC 1344, bank fraud. That crime is a felony. The conviction was based on Respondent's guilty plea.

4. Upon the recommendation of the United States Attorney, Respondent was placed on two years supervised probation. He was ordered to pay a fine of \$5,000.00, and ordered to perform 200 hours community service. He was ordered to pay assessments and costs of approximately \$4,400.00. Various other terms and conditions of probation were imposed.

5. Respondent's crime involved moral turpitude, and is substantially related to the duties, qualifications and functions of a real estate salesperson. Respondent submitted false financial documents to a bank, to obtain a loan to buy a house for himself and his family. This was a fraudulent act for his personal gain. It must be noted, however, that the bank in question did not suffer any actual loss, and no restitution to that firm was ordered by the Court.

6. Respondent has no other criminal record, and no history of discipline by the Department.

7. Respondent has established his rehabilitation. Two years have passed since his conviction, without further incidents. He has paid all of the fines and other monetary orders imposed against him in the judgement. He completed all of his community service requirements under the judgment. The Federal Court ordered an early termination of his probation, in February 1996. He has a stable family life, and regularly participates in religious activities. Since his probation terminated he has donated time to charitable organizations, including the organization where he performed most of his community service. Respondent appeared remorseful, shamed, and embarrassed by his conduct.

7. Credible character witnesses attested to Respondent's rehabilitation. Mrs. Harriet Rossetto, the director of the program where Respondent performed most of his community service, volunteered to testify on his behalf. This witness has considerable experience in working with criminals attempting rehabilitation. Her testimony was firm and convincing, to the effect that Respondent has rehabilitated himself. Mr. Peter Litchfield also testified on Respondent's behalf. That witness's company has utilized Respondent's services on many occasions, and always found him very competent, and honest. This witness made it clear that despite knowledge of Respondent's conviction, his company would retain Respondent for future transactions.

DETERMINATION OF ISSUES

1. It is determined that cause exists to suspend or revoke the respondent's license pursuant to Sections 490 and 10177(b) of the Business and Professions Code, and Title 10, section 2910 of the California Code of Regulations.

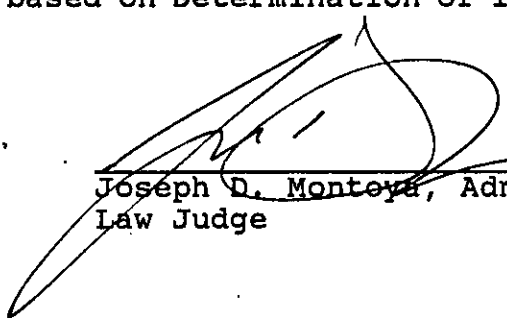
2. It is determined that Respondent has rehabilitated himself, based on Findings 6 and 7. (10 CRC 2912.)

3. Discipline in this case is not warranted due to the Respondent's rehabilitation. These proceedings should therefor be terminated without imposition of discipline.

ORDER

The proceedings in this case are terminated without the imposition of discipline, based on Determination of Issues 2 and 3.

June 17, 1996



Joseph D. Montoya, Administrative
Law Judge

*Not
Adopted*

*Sacto
slaps*

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

FILED
MAR 06 1996
DEPARTMENT OF REAL ESTATE

By Raguel M. ...

In the Matter of the Accusation of)
)
 DAVID AZOUZ,)
)
 _____)

Case No. H-26442 LA
OAH No. L-9602050

Respondent(s)

NOTICE OF HEARING ON ACCUSATION

To the above-named Respondent(s):

You are hereby notified that a hearing will be held before the Department of Real Estate at the Office of Administrative Hearings, 314 W. First Street, Los Angeles, CA 90012 on Friday, June 7, 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: March 6, 1996

By Marjorie P. Mersel
Marjorie P. Mersel, Counsel

cc: David Azouz
Frank M. Buda, Esq.
Sacto.
OAH

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RE 501 (La Mac 11/92)

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MARJORIE P. MERSEL, Counsel
Department of Real Estate
107 South Broadway, Room 8107
Los Angeles, CA 90012

(213) 897-3937

FILED
JAN 24 1996
DEPARTMENT OF REAL ESTATE

By Raquel A. Arboleda

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation of)	
DAVID AZOUZ, individually and)	No. H-26442 LA
as the designated officer of)	
1st London Investments Inc. and)	A C C U S A T I O N
NPS Management Corporation,)	
Respondent(s).)	

The Complainant, Thomas McCrady, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against DAVID AZOUZ, individually and as the designated officer of 1st London Investments Inc. and NPS Management Corporation, hereinafter "Respondent" is informed and alleges as follows:

I

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



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II

Respondent is presently licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the Business and Professions Code (hereinafter "Code") as a real estate broker.

III

On or about February 11, 1994, in the United States District Court, Central District of California, Respondent AZOUZ, pled guilty to, and was convicted of, the crime of violating Title 18 U. S. Code, Section 1344 (Bank Fraud), a felony and a crime involving moral turpitude.

IV

The crime of which Respondent was convicted, as described in Paragraph III, above, constitutes cause under Sections 490 and 10177(b) of the Code for suspension or revocation of all licenses and license rights of Respondent under the Real Estate Law.

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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 DAVID AZOUZ, individually and as the designated officer of 1st London Investments Inc. and NPS Management Corporation, under the Real Estate Law and for such and further relief as may be proper under other applicable provisions of law.

Dated at Los Angeles, California
this 24th day of January, 1996.

THOMAS McCRADY
Deputy Real Estate Commissioner

cc: David Azouz
Sacto
CT