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Department of Real Estate  
107 South Broadway, Room 8107  
Los Angeles, CA 90012  
(213) 897-3937

**FILED**  
NOV - 6 1996  
DEPARTMENT OF REAL ESTATE

By K. McDonald

DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \* \*

To:	)	No. H-26789 LA
	)	
VAL-CHRIS INVESTMENTS, INC., and	)	<u>ORDER TO DESIST</u>
CHRISTOPHER LLOYD BOULTER,	)	
individually and as designated	)	<u>AND REFRAIN</u>
officer of Val-Chris Investments	)	

The Real Estate Commissioner of the State of California ("Commissioner") has caused an investigation to be conducted of your activities requiring a real estate license, and based upon the findings of that investigation, is of the opinion that you, VAL-CHRIS INVESTMENTS, INC. (VCI), have violated Sections 10145 and 10163 of the Business and Professions Code of the State of California (Code), Sections 2831.2 and 2832.1 of Title 10, Chapter 6, California Code of Regulations (Regulations) and Section 17403.4 of the Financial Code, and that you, CHRISTOPHER LLOYD BOULTER (BOULTER) have violated Section 10159.2 of the Code and Section 2725 of the Regulations.

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I

At all times mentioned herein, you, (VCI), were and still are licensed by the Department of Real Estate of the State of California (Department) as a corporate real estate broker.

II

At all times herein mentioned, you, BOULTER, were and still are licensed by the Department as a real estate broker in your individual capacity and as the designated officer of VCI. As the designated officer of VCI, you, BOULTER, were and still are responsible for the supervision and control of the activities conducted on behalf of VCI by its officers and employees as necessary to secure full compliance with the Real Estate Law as set forth in Section 10159.2 of the Code.

III

At all times mentioned herein, as the agent of others, you each 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(d) of the Code, including the operation of a mortgage loan brokerage business wherein borrowers were solicited for loans secured directly or collaterally by liens on real property, wherein such loans were arranged, negotiated, and packaged for or in expectation of compensation. In addition, you performed broker-controlled escrow activities.

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IV

3 On June 23, 1995, Department personnel completed an  
4 investigative audit of your books and records pertaining to your  
5 activities requiring a real estate broker license, for a period  
6 commencing on January 1, 1994, and terminating on May 8, 1995,  
7 which revealed violations of the Real Estate Law now described.

V

8 In connection with the aforesaid broker-controlled  
9 escrow activities, you, BOULTER, failed to date and initial escrow  
10 instructions prepared by VCI's employees as required by Section  
11 2725 of the Regulations. In addition, escrow instructions  
12 prepared by VCI failed to contain a statement disclosing the  
13 license name and the name of the department or authority under  
14 which it was operating as required by Section 17403.4 of the  
15 Financial Code.

VI

16 In connection with your activities as a mortgage loan  
17 broker, during the audit period set forth above, you, VCI:

18 (a) failed to maintain a reconciliation of your records  
19 maintained pursuant to Section 2831 of the Regulations with your  
20 Regulation 2831.1 separate records maintained for each investor or  
21 transaction as required by Section 2831.2 of the Regulations.

22 (b) caused or permitted the disbursement of trust funds  
23 from your Val-Chris Investments, Inc. Servicing Trust Account  
24 without the prior written consent of every principal who was an  
25 owner of the funds in the account when said disbursements reduced  
26 the balance of funds in the account when said disbursements reduced  
27 the balance of funds in this account to an amount which was, on



1 May 8, 1995, \$1,104.31 less than your existing aggregate trust  
2 fund liability to all owners of funds in the account in violation  
3 of Section 10145 of the Code and Section 2832.1 of the  
4 Regulations.

5 (c) maintained a branch office at 25301 Cabot Road,  
6 #105, Laguna Hills, California, without procuring an additional  
7 license for this branch in violation of Section 10163 of the Code.

8 VII

9 Finally, the audit examination revealed that you,  
10 BOULTER, failed to properly supervise the acts of VCI requiring a  
11 real estate license as necessary to secure full compliance with  
12 Real Estate Law in violation Section 10159.2 of the Code.

13  
14 NOW, THEREFORE, YOU, VAL-CHRIS INVESTMENTS, INC., AND YOUR  
15 AGENTS, EMPLOYEES AND ASSIGNS ARE ORDERED TO DESIST AND REFRAIN  
16 from performing any and all activities requiring a real estate  
17 license unless and until said activities are performed in  
18 compliance with Sections 10145 and 10163 of the Code, Sections  
19 2831.2 and 2832.1 of the Regulations and Section 17403.4 of the  
20 Financial Code.

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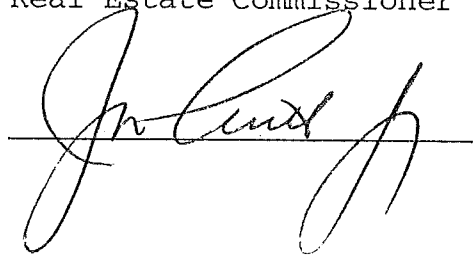


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FURTHER, YOU, BOULTER, ARE ORDERED TO DESIST AND REFRAIN  
from any and all conduct requiring a real estate license unless  
and until your conduct is in compliance with Section 10159.2 of  
the Code and Section 2725 of the Regulations.

DATED: 10/31/96

JIM ANTT, JR.  
Real Estate Commissioner



cc: Val-Chris Investments, Inc.  
Christopher Lloyd Boulter  
17875 Von Karman  
Irvine, California 92714-7227

MPM:MCL:kw