

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

FILED
JUN 23 1998
DEPARTMENT OF REAL ESTATE

By [Signature]

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)
12 JURUPA REALTY, INC., doing)
13 B/L Equity Lenders and Hembree)
14 Property Management; and HUBERT)
15 MACK HEMBREE as designated)
16 officer of Jurupa Realty, Inc.,)
Respondents.)

NO. H-27456 LA
L-1998010403

STIPULATION AND AGREEMENT

17 It is hereby stipulated by and between HUBERT MACK
18 HEMBREE as designated officer of Jurupa Realty, Inc. (sometimes
19 referred to herein as "Respondent"), and his attorney of record,
20 Jed L. Weinberg, Esq., and the Complainant, acting by and through
21 Darlene Averetta, Counsel for the Department of Real Estate,
22 as follows for the purpose of settling and disposing of the
23 Accusation filed on December 19, 1997, in this matter:

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1 1. All issues which were to be contested and all
2 evidence which was to be presented by Complainant and Respondent
3 at a formal hearing on the Accusation, which hearing was to be
4 held in accordance with the provisions of the Administrative
5 Procedure Act ("APA"), shall instead and in place thereof be
6 submitted solely on the basis of the provisions of this
7 Stipulation and Agreement.

8 2. Respondent has received, read and understands the
9 Statement to Respondent, the Discovery Provisions of the APA and
10 the Accusation, filed by the Department of Real Estate in this
11 proceeding.

12 3. On January 12, 1998, Respondent filed a Notice
13 of Defense pursuant to Section 11506 of the Government Code for
14 the purpose of requesting a hearing on the allegations in the
15 Accusation. Respondent hereby freely and voluntarily withdrew said
16 Notice of Defense. Respondent acknowledges that he understands
17 that by withdrawing said Notice of Defense, he will thereby waive
18 his right to require the Commissioner to prove the allegations in
19 the Accusation at a contested hearing held in accordance with the
20 provisions of the APA and that he will waive other rights afforded
21 to him in connection with the hearing, such as the right to
22 present evidence in defense of the allegations in the Accusation
23 and the right to cross-examine witnesses.

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1 4. This Stipulation and Agreement ("Stipulation") is
2 based on the factual allegations contained in the Accusation filed
3 in this proceeding. In the interest of expedience and economy,
4 Respondent chooses not to contest these factual allegations, but
5 to remain silent and understands that, as a result thereof, these
6 factual statements, without being admitted or denied, will serve
7 as a prima facie basis for the disciplinary action stipulated to
8 herein. This Stipulation and Respondent's decision not to contest
9 the Accusation are hereby expressly limited to this proceeding and
10 made for the sole purpose of reaching an agreed disposition of
11 this proceeding. Respondent's decision not to contest the factual
12 allegations is made solely for the purpose of effectuating this
13 Stipulation and is intended by Respondent to be non-binding upon
14 him in any actions against Respondent by third parties. The Real
15 Estate Commissioner shall not be required to provide further
16 evidence to prove such allegations.

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

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1 6. The Order or any subsequent Order of the Real Estate
2 Commissioner made pursuant to this Stipulation shall not
3 constitute an estoppel, merger or bar to any further
4 administrative or civil proceedings by the Department of Real
5 Estate with respect to any matters which were not specifically
6 alleged to be causes for accusation in this proceeding.

7 DETERMINATION OF ISSUES

8 By reason of the foregoing stipulations and waivers and
9 solely for the purpose of settlement of the pending Accusation
10 without a hearing, it is stipulated and agreed that the following
11 determination of issues shall be made:

12 I

13 The conduct, acts and/or omissions of Respondent
14 HUBERT MACK HEMBREE, as set forth in the Accusation, are grounds
15 for the suspension or revocation of Respondent's real estate
16 license and license rights under the provisions of Business and
17 Professions Code ("Code") Section 10177(d) for violation of Code
18 Section 10086 and Sections 2753, 2832 and 2834 of Title 10,
19 Chapter 6, California Code of Regulations ("Regulations").

20 II

21 The conduct, acts and/or omissions of Respondent
22 HUBERT MACK HEMBREE, as set forth in the Accusation, are grounds
23 for the suspension or revocation of Respondent's real estate
24 license and license rights under the provisions of Code Section
25 10177(h) for failing to exercise reasonable supervision and
26 control over the licensed activities of Jurupa Realty, Inc., as
27 required by Code Section 10159.2.

ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

All licenses and licensing rights of Respondent HUBERT MACK HEMBREE, under the Real Estate Law, are revoked; provided, however, a restricted real estate salesperson license shall be issued to Respondent pursuant to Section 10156.5 of the Business and Professions Code if Respondent makes application therefor and pays to the Department of Real Estate the appropriate fee for the restricted license within 90 days from the effective date of this Decision. The restricted license issued to Respondent shall be subject to all of the provisions of Code Section 10156.7 of the Business and Professions Code and to the following limitations, conditions and restrictions imposed under authority of Section 10156.6 of that Code:

1. The restricted license issued to Respondent under the Real Estate Law is hereby suspended for a period of thirty (30) days from the date of issuance of the restricted license; provided, however, if Respondent petitions, said suspension (or a portion thereof) shall be stayed upon condition that:

(a) Respondent pays a monetary penalty pursuant to Section 10175.2 of the Business and Professions Code at the rate of \$100 for each day of the suspension for a total monetary penalty of \$3,000.

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1 (b) Said payment shall be in the form of a
2 cashier's check or certified check made payable to the Recovery
3 Account of the Real Estate Fund. Said check must be delivered
4 to the Department prior to the effective date of the Decision in
5 this matter.

6 (c) No further cause for disciplinary action
7 against the real estate license of Respondent shall occur within
8 one year from the effective date of the Decision in this matter.

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

16 (e) If Respondent pays the monetary penalty and
17 if no further cause for disciplinary action against the real
18 estate license of Respondent occurs within one year from the
19 effective date of the Decision, the stay hereby granted shall
20 become permanent.

21 2. The restricted license issued to Respondent may
22 be suspended prior to hearing by Order of the Real Estate
23 Commissioner in the event of Respondent's conviction or plea of
24 nolo contendere to a crime which is substantially related to
25 Respondent's fitness or capacity as a real estate licensee.

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3. The restricted license issued to Respondent may
be suspended prior to hearing by Order of the Real Estate
Commissioner in the event 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.

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

5. Respondent shall submit with any application for
license under an employing broker, or with any application for
transfer to a new employing broker, a statement signed by the
prospective employing broker on a form approved by the Department
of Real Estate which shall certify:

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

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

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1 6. Respondent shall, within nine months from the
2 effective date of this Decision, present evidence satisfactory to
3 the Real Estate Commissioner that Respondent has, since the most
4 recent issuance of an original or renewal real estate license,
5 taken and successfully completed the continuing education
6 requirements of Article 2.5 of Chapter 3 of the Real Estate Law
7 for renewal of a real estate license. If Respondent fails to
8 satisfy this condition, the Commissioner may order the suspension
9 of the restricted license until Respondent presents such evidence.
10 The Commissioner shall afford Respondent the opportunity for a
11 hearing pursuant to the Administrative Procedure Act to present
12 such evidence.

13 7. Respondent shall, within six months from the
14 effective date of this Decision, take and pass the Professional
15 Responsibility Examination administered by the Department
16 including the payment of the appropriate examination fee. If
17 Respondent fails to satisfy this condition, the Commissioner may
18 order suspension of Respondent's license until Respondent passes
19 the examination.

20 DATED: June 2, 1998

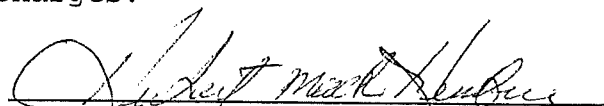
Darlene Averetta
DARLENE AVERETTA
Complainant's Counsel

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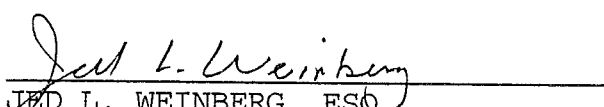
* * *

I have read the Stipulation and Agreement, have discussed it with my counsel, 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 us and to present evidence in defense and mitigation of the charges.

DATED: May 30th 1998


HUBERT MACK HEMBREE, Respondent
and designated officer of Jurupa
Realty, Inc.

DATED: May 28, 1998

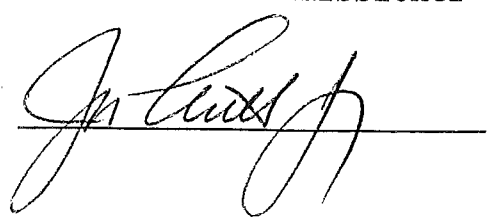

JED L. WEINBERG, ESQ
Respondent's Counsel
Approved as to Form

* * *

The foregoing Stipulation and Agreement is hereby adopted as my Decision in this matter and shall become effective at 12 o'clock noon on July 14, 1998.

IT IS SO ORDERED 6/17, 1998.

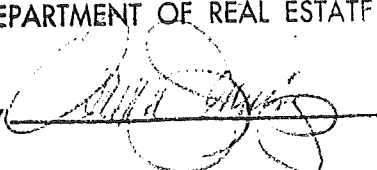
JIM ANTT, JR.
Real Estate Commissioner





FACTS
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FILED
JUN 23 1998
DEPARTMENT OF REAL ESTATE
By: 

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	
JURUPA REALTY, INC., doing)	NO. H-27456 LA
business as Asap Funding Company,)	L-1998010403
B/L Equity Lenders and Hembree)	
Property Management; and HUBERT)	
MACK HEMBREE as designated)	
officer of Jurupa Realty, Inc.,)	
Respondents.)	

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSE

On December 19, 1997, an Accusation was filed in this matter against Respondent JURUPA REALTY, INC.

On May 30, 1998, Respondent JURUPA REALTY, INC., petitioned the Commissioner to voluntarily surrender its real estate corporate broker license pursuant to Section 10100.2 of the Business and Professions Code.

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1 IT IS HEREBY ORDERED that Respondent JURUPA REALTY,
2 INC.'s petition for voluntary surrender of its real estate
3 corporate broker license is accepted as of the effective date of
4 this Order as set forth below, based upon the understanding and
5 agreement expressed in Respondent's Declaration dated May 30, 1998
6 (attached as Exhibit "A" hereto).

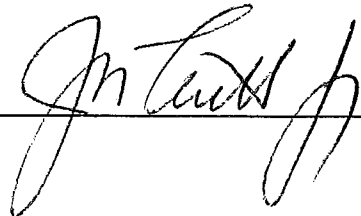
7 IT IS ALSO ORDERED that Respondent's license
8 certificate(s), pocket card(s) and all branch office license
9 certificates be sent to the below-listed address so that they
10 reach the Department of Real Estate on or before the effective
11 date of this Order:

12 Department of Real Estate
13 Attn: Licensing Flag Section
14 P.O. Box 187000
 Sacramento, California 95818-7000

15 This Order shall become effective at 12 o'clock noon on
16 July 14, _____, 1998.

17 DATED: 6/17, 1998.

18 JIM ANTT, JR.
19 Real Estate Commissioner

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I understand that by so voluntarily surrendering said license and license rights, I agree to the following:

The filing of my petition shall be deemed to be an understanding and agreement by me that upon acceptance by the Commissioner, as evidenced by an appropriate order, all affidavits and all relevant evidence obtained in the investigation prior to the acceptance and all allegations contained in the Accusation filed in Department Case No. H-27456 LA may be considered by the Department to be true and correct for the purpose of deciding whether or not to grant reinstatement of JURUPA REALTY, INC.'s license and license rights.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

DATED: May 30th 1998

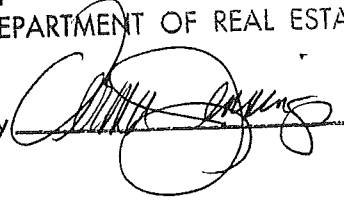

HUBERT MACK HEMBREE

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Flag

1 DARLENE AVERETTA, Counsel
State Bar No. 159969
2 Department of Real Estate
107 South Broadway, Room 8107
3 Los Angeles, California 90012

4 (213) 897-3937

FILED
DEC 19 1997
DEPARTMENT OF REAL ESTATE

By 

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * * * *

11	In the Matter of the Accusation of)	No. H-27456 LA
12	JURUPA REALTY, INC., doing)	<u>A C C U S A T I O N</u>
13	business as Asap Funding)	
14	Company, B/L Equity Lenders)	
15	and Hembree Property)	
16	Management; and HUBERT MACK)	
17	HEMBREE as designated)	
	officer of Jurupa Realty, Inc.,)	
	Respondents.)	

18 The Complainant, Thomas McCrady, a Deputy Real Estate
19 Commissioner of the State of California, for cause of accusation
20 against JURUPA REALTY, INC., doing business as Asap Funding
21 Company, B/L Equity Lenders and Hembree Property Management; and
22 HUBERT MACK HEMBREE as designated officer of Jurupa Realty, Inc.,
23 is informed and alleges in his official capacity as follows:

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1.

JURUPA REALTY, INC. (hereinafter "JURUPA REALTY"), doing business as Asap Funding Company, B/L Equity Lenders and Hembree Property Management; and HUBERT MACK HEMBREE (hereinafter "HEMBREE") as designated officer of Jurupa Realty, Inc., are presently licensed or have license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereinafter "Code").

2.

At all times material herein JURUPA REALTY was and now is licensed by the Department of Real Estate of the State of California (hereinafter "Department") as a restricted corporate real estate broker, by and through HEMBREE as the designated officer and broker responsible pursuant to the provisions of Code Section 10159.2 for the supervision and control of the activities conducted on behalf of JURUPA REALTY by JURUPA REALTY's officers and employees.

3.

At all times material herein, HEMBREE was and now is licensed by the Department as the restricted designated officer of JURUPA REALTY. As the designated officer-broker, HEMBREE was and is responsible for the supervision and control of the activities conducted on behalf of JURUPA REALTY by JURUPA REALTY's officers and employees pursuant to Code Section 10159.2. From approximately April 20, 1992, through April 19, 1996, HEMBREE was licensed by the Department individually as a restricted real estate broker.

4.

All further references to "Respondents", unless otherwise specified, include the parties identified in Paragraphs 1 through 3, above, and also include the officers, directors, employees, agents and real estate licensees employed by or associated with said parties, who at all times herein mentioned were engaged in the furtherance of the business or operations of said parties and who were acting within the course and scope of their authority and employment.

5.

At all times material herein, for compensation or in expectation of compensation, Respondents engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers in the State of California, within the meaning of Code Section 10131(b), for another or others. Said activities included the operation of and conduct of a property management business with the public wherein Respondents leased or rented or offered for lease or rent, or placed for rent, or solicited listings of places for rent, or solicited for prospective tenants, or collected rents from real property, or improvements thereon.

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1 Prior Discipline

2 6.

3 On or about April 7, 1992, in Case No. H-1223 SA, a
4 case then pending before the Department, a Decision of the Real
5 Estate Commissioner was entered against Respondents' real estate
6 licenses for violations of the Real Estate Law. The Decision,
7 effective April 20, 1992, revoked Respondents' real estate
8 licenses and granted Respondents the right to apply for and be
9 issued restricted real estate licenses.

10 FIRST CAUSE OF ACCUSATION

11 (Audit Findings)

12 7.

13 On or about October 7, 1997, the Department completed
14 an audit examination of Respondents' books and records pertaining
15 to Respondents' activities as real estate brokers, as described
16 in Paragraph 5 above, covering a period from August 1, 1997,
17 through September 30, 1997. Said examination revealed violations
18 of Title 10, Chapter 6, California Code of Regulations
19 ("Regulations"), as set forth in the following paragraphs.

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At all times material herein, in connection with the activities described in Paragraph 5 above, Respondents accepted or received funds, including funds in trust ("trust funds") from or on behalf of parties to transactions requiring a real estate license, handled by Respondents and thereafter made deposits and/or disbursements of such funds. From time to time herein mentioned, said trust funds were deposited and/or maintained by Respondents in a bank account, including but not necessarily limited to, Account No. 1510827, "Jurupa Realty, Inc., DBA Hembree Property Management" (hereinafter "Trust Account") at Inland Empire National Bank, 3737 Main Street, #104, Riverside, California 92501.

9.

In the course of activities described in Paragraphs 5 and 8 above, and during the examination period described in Paragraph 7, Respondents acted in violation of the Regulations in that:

(a) The account used for trust funds was not designated as a trust account, in violation of Regulation 2832.

(b) Courtney Page Miller, a licensed real estate salesperson, one of three signatories on the account used for trust funds, was not specifically authorized in writing by Respondent HEMBREE to sign on the account, in violation of Regulation 2834.

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1 (c) The license certificate of Marcella Charlotte
2 Getz, a salesperson in Respondents' employ, was not maintained at
3 Respondents' main office, in violation of Regulation 2753.

4 10.

5 The conduct, acts and/or omissions of Respondents,
6 as described in Paragraph 9 above, violated the Code and the
7 Regulations as set forth below:

8	<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
9	9(a)	Regulation 2832
10	9(b)	Regulation 2834
11	9(c)	Regulation 2753

12 Each of the foregoing violations constitutes cause for the
13 suspension or revocation of all real estate licenses and license
14 rights of Respondents, under the provisions of Code Section
15 10177(d).

16 SECOND CAUSE OF ACCUSATION

17 (Violation of Code Section 10159.2)

18 11.

19 Complainant incorporates herein by reference the
20 Preamble and the allegations of Paragraphs 1 through 10,
21 inclusive, herein above.

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12.

The conduct, acts and/or omissions of HEMBREE in causing, allowing, or permitting JURUPA REALTY to violate the Real Estate Law, as described herein above, constitute failure on the part of Respondent HEMBREE, as the officer designated by a corporate broker licensee, to exercise reasonable supervision and control over the licensed activities of JURUPA REALTY, as required by Code Section 10159.2. Said conduct is cause to suspend or revoke the real estate license and license rights of HEMBREE pursuant to the provisions of Code Section 10177(d) and/or 10177(h).

THIRD CAUSE OF ACCUSATION

(Violation of Code Section 10086)

13.

Complainant incorporates herein by reference the Preamble and the allegations of Paragraphs 1 through 12, inclusive, herein above.

14.

On September 5, 1991, in Case No. H-1231 SA, a case then pending before the Department, an Order to Desist and Refrain was filed against Respondents citing violations of the Code and Regulations. Said Order was based on findings that Respondents had violated Code Sections 10145, 10159.5 and 10161.8(b) and Regulations 2710(c), 2715, 2731, 2832 and 2832.1; and that Respondent HEMBREE had violated Code Sections 10086 and 10159.2 and Regulation 2725.

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15.

On November 29, 1988, in Case No. H-23439 LA, a case then pending before the Department, an Order to Desist and Refrain was filed against Respondent HEMBREE and HEMBREE REALTY, INCORPORATED, a licensed real estate corporation, citing violations of the Code and Regulations. Said Order was based on findings that Respondents had violated Code Section 10145 and Regulations 2830, 2831.1, 2832, 2832.1, 2834 and 2950; and that Respondent HEMBREE had violated Code Section 10159.2 and Regulation 2725.

16.

Respondents' conduct in violating Regulation 2832, as described herein above, after being ordered to desist and refrain from said conduct, violated Code Section 10086. Said violation is further cause for the suspension or revocation of the licenses and license rights of Respondents under the provisions of Code Section 10177(d).


17.

Respondent HEMBREE's conduct in violating Code Section 10159.2 and Regulations 2832 and 2834, as described herein above, after being ordered to desist and refrain from said conduct, violated Code Section 10086. Said violation is further cause for the suspension or revocation of the license and license rights of Respondent HEMBREE under the provisions of Code Section 10177(d).

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1 WHEREFORE, Complainant prays that a hearing be
2 conducted on the allegations of this Accusation and that upon
3 proof thereof, a decision be rendered imposing disciplinary
4 action against all licenses and license rights of Respondents
5 JURUPA REALTY, INC., doing business as Asap Funding Company,
6 B/L Equity Lenders and Hembree Property Management; and HUBERT
7 MACK HEMBREE as designated officer of Jurupa Realty, Inc., under
8 the Real Estate Law (Part 1 of Division 4 of the Business and
9 Professions Code) and for such other and further relief as may be
10 proper under other applicable provisions of law.

11 Dated at Los Angeles, California
12 this 19th day of December, 1997


FOR THOMAS McCARTY
Deputy Real Estate Commissioner

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24 cc: Jurupa Realty, Inc.
25 Hubert Mack Hembree
26 LA Audit Section
27 Sacto.
 RW