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3	JUL 21 2003
4`	DEPARTMENT OF REAL ESTATE
5	marina B. Una
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. 8	BEFORE THE DEPARTMENT OF REAL ESTATE
9	STATE OF CALIFORNIA
10	* * *
11	In the Matter of the Accusation of) NO. H-27434 LA
12	FIRST & LA REALTY CORPORATION;)
13 14	and, ROBERT LA VERN CONLEE,) individually and as designated)
14	officer of First & LA Realty) Corporation,)
16) Respondent.)
17)
. 18	ORDER DENYING REINSTATEMENT OF LICENSE
19	On April 29, 1998, a Decision was rendered herein
20	revoking the corporate real estate broker license of
21	FIRST & LA REALTY CORPORATION and the real estate broker
22	license of ROBERT LA VERN CONLEE. Respondents were given the
23	right to apply for and receive restricted real estate broker
24	licenses. Restricted real estate broker licenses were issued
25	to Respondents on May 26, 1998.
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. II	l [

1 On or about December 15, 2000, Respondents petitioned 2 for reinstatement of their real estate licenses and the 3 Attorney General of the State of California has been given 4 notice of the filing of the petition. 5 I have considered Respondents' petitions and 6 the evidence and arguments in support thereof. Respondents 7 8 have failed to demonstrate to my satisfaction that Respondents 9 have undergone sufficient rehabilitation to warrant the 10 reinstatement of Respondents' real estate broker licenses, in 11 that: 12 Т 13 In the Decision which revoked Respondents' real 14 estate broker licenses, there was a Determination of Issues 15 16 made that there was cause to revoke Respondents' licenses 17 pursuant to Business and Professions Code ("Code") Sections 18 10177₍(d) and 10177(h). 19 A Department of Real Estate ("Department") audit of 20 Respondent's books and records had found violations of the 21 Real Estate Law. Respondent FIRST & LA REALTY CORPORATION was 22 found to have violated Code Section 10145 and Sections 2831.2, 23 24 and 2834 of Title 10, Chapter 6, California Code of Regulations 25 ("Regulations"). Respondent ROBERT LA VERN CONLEE was found to

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supervise the corporation.

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have violated Code Section 10159.2 by failing to reasonably

2 Respondent's petition for reinstatement of his 3 license is governed by the Criteria of Rehabilitation set forth 4 in the California Administrative Code, Section 2911, Title 10, 5 Chapter 6, California Code of Regulations ("Regulations"). 6 Section 2911 provides as follows: "The following criteria have 7 8 been developed by the department pursuant to Section 482(a) of 9 the Business and Professions Code for the purpose of evaluating 10 the rehabilitation of an applicant for issuance or for 11 reinstatement of a license in considering whether or not to 12 deny the issuance or reinstatement on account of a crime or act 13 committed by the applicant." 14 The Criteria of Rehabilitation as applied to 15

16 Respondents is as follows: Regulation 2911 (a) two (2) years 17 since audit violations; (b) restitution is not applicable 18 (c) expungement of conviction is not applicable; 19 (d) registration pursuant to Penal Code Section 290 is not 20 applicable; (e) completion of probation is not applicable; 21 (f) abstinence from use of alcohol does not appear to be 22 23 applicable; (g) payment of fine or monetary penalty is not 24 applicable; (h) stable family life appears to exist (i) 25 completion of educational or vocational training courses, 26 as Respondent CONLEE has completed 45 hours of continuing 27 education courses; (j) there is no proof of past due debts;

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II

(1) Respondent CONLEE is involved in community or social programs; (m) Respondents have new social and business relationships.

III

In 2001 a Department audit was performed of Respondents' books and records. The audit found violations of Code Section 10145 and Regulations 2731, 2832 and 2834. Some of the same violations that resulted in the discipline of Respondents' licenses had been found. This evidences a lack of rehabilitation and is cause to deny Respondents' petition applications pursuant to Regulation 2911(k). IV Evidence of a change in attitude was not submitted from persons familiar with Respondents previous conduct and subsequent attitudes and behavioral patterns. This evidences lack of rehabilitation and is cause to deny Respondents' petition applications pursuant to Regulation 2911(n)(2). /// /// /// ///

NOW, THEREFORE, IT IS ORDERED that Respondents' petitions for reinstatement of Respondents' real estate broker licenses are denied. This Order shall become effective at 12 o'clock noon August 11, 2003 on M (0,2003 DATED: PAULA REDDISH ZINNEMANN Real Estate Commissioner cc: First & LA Realty Corporation 1955 First Street Simi Valley, CA 93065 Robert Lavern Conlee 785 Twillin Court Simi Valley, CA 93065

1 2 3	Department of Real Estate 107 South Broadway, Room 8107 Los Angeles, California 90012 (213) 897-3937	DEPARTMENT OF REAL ESTATE
4 5 6		By Kinederhalt
7 8 9	DEPARIMENT OF STATE OF CA	
10	* * *	* *
11	In the Matter of the Accusation of) NO. H-27484 LA
12	FIRST & LA REALTY CORPORATION; and ROBERT LA VERNE CONLEE,) <u>STIPULATION AND AGREEMENT</u>
13 14	individually and as designated officer of First, & LA Realty Corporation,)))
15 16	Respondents.)) _)
17	. It is hereby stipulated b	y and between and Matthew R.
18	Eccles, Counsel for FIRST & LA REAL	TY CORPORATION and ROBERT LA
· 19	VERNE CONLEE individually and as de:	
20	Realty Corporation., (sometimes coll	lectively referred to as
21	Respondents), and the Complainant, a	
22	Mac Lennan, Counsel for the Departme	
23 24	for the purpose of settling and disp	
25	on December 12, 1997, in this matter	c:
26	· /	
27	- /	
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All issues which were to be contested and all
 evidence which was to be presented by Complainant and Respondents
 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
 submitted solely on the basis of the provisions of this
 Stipulation and Agreement (Stipulation).

8 2. Respondents have received, read and understand 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 On January 12, 1998, Respondents filed a Notice of 3. 13 Defense pursuant to Section 11506 of the Government Code for the 14 purpose of requesting a hearing on the allegations in the 15 Accusation. Respondents hereby freely and voluntarily withdraw 16 said Notice of Defense. Respondents acknowledge that they 17 understand that by withdrawing said Notice of Defense they thereby 18 waive their right to require the Commissioner to prove the 19 allegations in the Accusation at a contested hearing held in 20 accordance with the provisions of the APA and that they will waive 21 other rights afforded to them in connection with the hearing such 22 as the right to present evidence in their defense the right to 23 cross-examine witnesses.

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This Stipulation is based on the factual allegations 1 4. 2 contained in the Accusation. In the interest of expedience and economy, Respondents choose not to contest these allegations, but 3 to remain silent and understand that, as a result thereof, these 4 5 factual allegations, without being admitted or denied, will serve as a prima facie basis for the disciplinary action stipulated to 6 The Real Estate Commissioner shall not be required to 7 herein. provide further evidence to prove said factual allegations. 8

9 5. This Stipulation is based on Respondents' decision not to contest the allegations set forth in the Accusation as a 10 result of the agreement negotiated between the parties. 11 This Stipulation is expressly limited to this proceeding and any 12 further proceeding initiated by or brought before the Department 13 of Real Estate based upon the facts and circumstances alleged in 14 the Accusation, for the sole purpose of reaching an agreed 15 disposition of this proceeding. The decision of Respondents' not 16 to contest the factual statements alleged is made solely for the 17 purpose of effectuating this Stipulation. It is the intent and 18 19 understanding of the parties that this Stipulation shall not be binding or admissible against Respondents in any actions against 20 21 Respondents by third parties.

6. It is understood by the parties that the Real Estate Commissioner may adopt the Stipulation as his Decision in this matter thereby imposing the penalty and sanctions on Respondents' real estate licenses and license rights as set forth in the "Order" herein below. In the event that the Commissioner in his discretion does not adopt the Stipulation, the Stipulation shall

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be void and of no effect, and Respondents shall retain the right
to a hearing and proceeding on the Accusation under the provisions
of the APA and shall not be bound by any stipulation or waiver
made herein.

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

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1	DETERMINATION OF ISSUES
2	By reason of the foregoing stipulations and solely for
3	
4	hearing, it is stipulated and agreed that the following
5	determination of issues shall be made:
6	I
7	The conduct of Respondent FIRST & LA REALTY CORPORATION,
8	as described in Paragraph 4, is in violation of Section 10145 of
9	the Business and Professions Code (Code) and Sections 2831.2 and
10	2834 of Title 10, Chapter 6 of the California Code of Regulations
11	(Regulations) and is a basis for the suspension or revocation of
12	Respondent's license and license rights as a violation of the Real
13	Estate Law pursuant to Section 10177(d) of the Code.
14	II
15	The conduct of Respondent ROBERT LA VERNE CONLEE,
16	as described in Paragraph 4, constitutes a failure to keep FIRST &
17	LA REALTY CORPORATION in compliance with the Real Estate Law
18	during the time that he was the officer designated by a corporate
19	broker licensee and constitutes a failure to exercise reasonable
20	supervision and control over the licensed activities of FIRST & LA
21	REALTY CORPORATION and its salespersons which require a real
22	
23	estate license. This is a basis for the suspension or revocation
į	of his license pursuant to Sections 10159.2 and 10177(h) of the
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24 25	of his license pursuant to Sections 10159.2 and 10177(h) of the Code.
24	of his license pursuant to Sections 10159.2 and 10177(h) of the Code.

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	1	ORDER
	2	WHEREFORE THE FOLLOWING ORDER IS MADE PURSUANT
	3	TO THE WRITTEN STIPULATION OF THE PARTIES:
	4	I
	5	The real estate broker licenses and license rights of
	6	
	7	CONLEE under the Real Estate Law (Part 1 of Division 4 of the
	8	Code) are hereby revoked.
	9	However, Respondents shall be entitled to apply for and
	10	
	11	
	12	appropriate fee for said license within ninety (90) days of the
	13	effective date of the decision herein.
	14	The restricted real estate broker licenses issued to
	15	Respondents shall be subject to all of the provisions of Section
	16	I contraction of the second
	17	
	18	Code:
	19	A. The restricted licenses may be suspended prior to
	20	hearing by Order of the Real Estate Commissioner in the event of a
	21	conviction (including conviction on a plea of nolo contendere) to
	22	a crime which bears a significant relationship to a Respondent's
	23	fitness or capacity as a real estate licensee.
	24	B. The restricted licenses may be suspended prior to
	25	hearing by Order of the Real Estate Commissioner on evidence
	26	satisfactory to the Commissioner that Respondents, or either of
~	27	them, have, after the effective date of the Order herein, violated
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provisions of the California Real Estate Law, the Subdivided Lands
 Law, Regulations of the Real Estate Commissioner or conditions
 attaching to said restricted license.

C. Respondents shall obey all laws of the United
States, the State of California and its political subdivisions,
and shall further obey and comply with all rules and regulations
of the Real Estate Commissioner.

B. Respondents shall not be eligible for the issuance
9 of unrestricted real estate licenses nor the removal of any of the
10 conditions, limitations or restrictions of the restricted licenses
11 until at least two (2) years has elapsed from the issuance of any
12 restricted real estate license or licenses.

Respondent ROBERT LA VERNE CONLEE shall, within 13 Ε. twelve (12) months from the effective date of the Order, present 14 evidence satisfactory to the Real Estate Commissioner that he has, 15 since the most recent issuance of an original or renewal real 16 estate license, taken and successfully completed the continuing 17 education requirements of Article 2.5 of Chapter 3 of the Real 18 Estate Law for renewal of a real estate license. 19 If Respondent fails to satisfy this condition, the Commissioner may order the 20 suspension of the restricted license until the Respondent presents 21 such evidence. The Commissioner shall afford Respondent the 22 opportunity for a hearing pursuant to the Administrative Procedure 23 Act to present such evidence. 24

F. Respondent CONLEE shall within six (6) months from the effective date of the Order, take and pass the Professional Responsibility Examination administered by the Department including

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the payment of the appropriate examination fee. If Respondent fails to satisfy this condition, the Commissioner may order suspension of the restricted license until Respondent passes the examination.

II

A. Respondent FIRST & LA REALTY CORPORATION, INC.,

and/or ROBERT LA VERNE CONLEE shall pay, pursuant to Section 10148 7 of the Code, the Commissioner's reasonable cost for an audit to 8 determine if Respondent is presently in compliance with the Real 9 10 Estate Law. In calculating the amount of the Commissioner's reasonable costs, the Commissioner may use the estimated average 11 hourly salary for all Department audit section personnel 12 13 performing audits of real estate brokers, and shall include an allocation for travel costs, including mileage, time to and from 14 15 the auditor's place of work, and per diem in total amount not to 16 exceed \$3,400.

17 (1) Respondents shall pay such cost within forty-five 18 (45) days of receipt of an invoice from the Commissioner detailing 19 the activities performed during the audit and the amount of time 20 spent performing those activities.

(2) If Respondents, or either of them, fail to pay, within forty-five (45) days from receipt of the invoice specified above, the Commissioner's reasonable costs for an audit to determine if Respondent is presently in compliance with the Real Estate Law, the Commissioner may order the indefinite suspension of Respondents' or either of them, restricted real estate licenses and license rights. The suspension shall remain in effect until

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1	payment is made in full, or until Respondents enter into an			
2	agreement satisfactory to the Commissioner to provide for such			
3	payment. The Commissioner may impose further reasonable			
4	disciplinary terms and conditions upon Respondents' real estate			
. 5	license and license rights as part of any such agreement.			
6				
7	DATED: 3-5-98 & ~~~			
8	ELLIOTT MAC LENNAN Counsel for Complainant			
9				
10	. * * * *			
11	EXECUTION OF THE STIPULATION			
12	We have read the Stipulation and Agreement and its terms			
13	are understood by us and are agreeable and acceptable to us. We			
14	understand that we are waiving rights given to us by the			
15	California Administrative Procedure Act (including but not limited			
16	to Sections 11506, 11508, 11509 and 11513 of the Government Code),			
17	and we willingly, intelligently and voluntarily waive those			
18	rights, including the right of requiring the Commissioner to prove			
19	the allegations in the Accusation at a hearing at which we would			
20	have the right to cross-examine witnesses against us and to			
21	present evidence in defense and mitigation of the charges.			
22	/			
23	/			
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27	. /			
STATE OF CALIFORNIA STD. 113 (REV. 3-95) 95 28391				
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1 2 DATED: 4-13-99 3 FIRST & LA REALTY CORPORATION Respondent, 4 ROBERT LA VERNE CONLEE, D.O. BY: 5 4-13-92 DATED: 6 ROBERT LA VERNE CONLEE, individually and as designated 7 officer of First & La Realty Corporation, Respondent 8 9 DATED: EW R. ECCLES, 10 Counsel for Respondents 11 * * 12 The foregoing Stipulation and Agreement is hereby adopted as my decision and Order and shall become effective at 12 13 14 May 26 o' clock noon on 1998. 15 IT IS SO ORDERED 1998. 16 JIM ANTT JR. Real Estate Commissioner 17: 18 19 20 21 22 23 24 25 26 27 PAPER STATE OF CALIFORNIA STD. 113 (REV. 3-95) -10-

BE	FORE THE DEPARTM STATE OF CA		LESTATE MAR 1 6 1998 DEPARTMENT OF REAL ESTATE
<i>In the Matter of the Accust</i> FIRST & LA REALTY and ROBERT LA VER	CORPORATION	Case No. OAH No.	By Kuelerhold H-27484 LA L-1998010311
Resp	NOTICE OF HEARING		

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, 107 South Broadway, Second Floor

Los Angeles, CA 90012

on <u>April</u> 15, 1998

____, at the hour of 9:00 a.m.

or as soon thereafter as the matter can be heard, upon the Accusation served upon you. If you object to the place of hearing, you must notify the presiding administrative law judge of the Office of Administrative Hearings within ten (10) days after this notice is served on you. Failure to notify the presiding administrative law judge within ten days will deprive you of a change in the place of the hearing.

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 subpenas 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 and pay his or her costs. The interpreter must be certified in accordance with Sections 11435.30 and 11435.55 of the Government Code.

DEPARTMENT OF REAL ESTATE

Dated: _____March 16, 1998

By <u>Ein.</u>

Counsel

cc:		A Realty	Corp.
	Robert`La	Vern Co	nlee
	Sacto		
	OAH		
RE 50	01 ^{RW} (Rev. 8/97)		
kw	Ronald B.	Levine,	Esc.

$ \begin{array}{c} $	ELLIOTT MAC LENNAN, Counsel State Bar # 66674 Department of Real Estate 107 South Broadway, Room 8107 Los Angeles, California 90012 Telephone (213) 897-3937	DEC 3 1 1997 DEC 3 1 1997 DEPARTMENT OF REAL ESTATE By KMulibolt
8	DEPARTMENT OF R	EAL ESTATE
9	STATE OF CAL	IFORNIA
10	* * * *	*
11	In the Matter of the Accusation of)
	FIRST & LA REALTY CORPORATION; and, ROBERT LA VERN CONLEE,)
13	individually and as designated officer of First & LA)) NO. H-27484 LA
	Realty Corporation,) ACCUSATION
15 .	Respondents.	/ · · · · · · · · · · · · · · · · · · ·
16		,)
17		Crady, a Deputy Real Estate
	Commissioner of the State of California, acting in his official	
	capacity as a Deputy Real Estate Commissioner of the State of	
,	California, filed this accusation against FIRST & LA REALTY	
,	CORPORATION dba Century 21 Hilltop - the Real Estate Store; and,	
	ROBERT LA VERN CONLEE, individually and as designated officer of	
i	First & LA Realty Corporation, is in:	formed and alleges as follows:
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25	/	
26 27	/	
COURT PAPER STATE OF CALIFORNIA STD. 113 (REV. 3-95) 95 28391	-1-	

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1 Ι 2 FIRST & LA REALTY CORPORATION (FLA) and ROBERT LA VERN 3 CONLEE (CONLEE), sometimes collectively referred to as Respondents, are presently licensed and/or have license rights 4 under the Real Estate Law (Part 1 of Division 4 of the California 5 6 Business and Professions Code). 7 : II 8 -All references to the "Code" are to the California Business and Professions Code and all references to "Regulations" 9 -10 are to Title 10, Chapter 6, California Code of Regulations. 11 . III 12 At all times mentioned, FLA was licensed by the Department of Real Estate of the State of California (Department) 13 as a corporate real estate broker by and through CONLEE as 14 designated officer. FLA was first licensed by the Department on 15 16 October 12, 1994. 17 . IV 18 At all times mentioned, CONLEE was licensed by the Department as designated officer of FLA to qualify FLA and to act 19 for FLA as a real estate broker and, as provided by Section 2021 10159.2 of the Code, was responsible for the supervision and 22 control of the activities conducted on behalf of FLA by its 23 officers, managers and employees as necessary to secure full 24 compliance with the provisions of the Real Estate Law including 25 the supervision of the salespersons licensed to the corporation in the performance of acts for which a real estate license is 26 27 required.

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Whenever reference is made in an allegation in the 2 accusation to an act or omission of FLA such allegation shall be 3 deemed to mean that the officers, directors, managers, employees, 4 agents and real estate licensees employed by or associated with 5 FLA, including CONLEE, committed such act or omission while 6 engaged in the furtherance of the business or operation of FLA and 7 while acting within the course and scope of its corporate 8 authority, agency and employment. 9 10 VI At all times mentioned, FLA and CONLEE were acting as 11 . the agent or employee of the other and within the course and scope 12 of such agency or employment. 13 14 VII At all times mentioned, in the City of Simi Valley, Los 15 Angeles County, Respondents FLA and CONLEE acted as real estate 16 17 brokers, within the meaning of Section 10131(a) of the Code in that they operated a residential real estate resale business with 18 the public wherein, on behalf of others and for compensation or in 19 expectation of compensation, Respondents, sold or offered to sell, 20 bought or offered to buy, solicited prospective sellers or 21 purchasers of, solicited or obtained listings of, or negotiated 22 the purchase, sale or exchange of real property. 23 In addition, Respondents conducted broker controlled escrows under the 24 exemption set forth in Section 17006(a)(4) of the California 25 Financial Code. 26 27

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1	VIII		
2	On September 26, 1997, the Department completed a field		
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4	activities of FLA described in Paragraph VII. The audit		
5	examination covered a period of time beginning on May 1, 1996, and		
6	ending on July 31, 1997, which revealed violations of the Code and		
7			
8	;		
. 9	In connection with the aforesaid real estate activities		
10	described in Paragraph VII, FLA and CONLEE, accepted or received		
11	funds in trust (trust funds) from or on behalf of actual or		
12			
13	of such funds. Respondents maintained the following trust account		
14	into which they deposited certain of these funds:		
15			
16	"1st & L A Realty Corporation DBA C-21 Hilltop Escrow No. 001-036939"		
17	First Western Bank 475 Los Angeles Ave		
18	Simi Valley, CA 93005		
19	X		
20	With respect to the trust funds referred to in Paragraph		
21	IX, FLA and CONLEE:		
22	(a) Failed to maintain the trust account in the name of		
23	the broker as trustee at a bank or other financial institution, as		
24	required by Regulation 2832 and 2950(d);		
25	(b) Failed to perform an accurate monthly		
26	reconciliation of the balance of all separate beneficiary or		
27	transaction records maintained pursuant to Regulation 2831.1 with		
COURT PAPER STATE OF CALIFORNIA STD. 113 (REV. 3-95) 95 28391	-4-		

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1 the record of all trust funds received and disbursed by the trust 2 account, as required by Regulation 2831.2 and 2950(d);

3 (c) Commingled FLA's' funds with trust funds, by
4 failing to disburse all broker owned funds in the trust account
5 within twenty-five (25) days of deposit with respect to sales
6 commissions in the form of promotional incentives for the
7 Preferred Client Club, in violation of Section 10176(e) and
8 Regulation 2835;

9 (d) Commingled FLA's' funds with trust funds, by
10 failing to disburse all broker owned funds in the trust account
11 within twenty-five (25) days of deposit with respect to fee
12 subsidiary ledgers Fee 2 account (notary fees) and Fee 3 account
13 (miscellaneous escrow fees), in violation of Section 10176(e) and
14 Regulation 2835;

15 (e) Commingled FLA's' funds with trust funds, by using
16 trust funds to pay business expenses, in violation of Section
17 10176(e) and Regulation 2835; and

(f) Permitted unlicensed persons J. Roberts and Nancy
Houston, who were not bonded, to be authorized signatories on the
trust account, in violation of Section 2834 of the Regulations.

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1		XI		
2	The con	The conduct of Respondents FLA and CONLEE, described in		
3		ated the Code and the Regulations as set forth:		
4	PARAGRAPH	PROVISIONS VIOLATED		
5	X(a)	Section 10145 & 10159.2 of the Code, and		
6	·	Section 2832 of the Regulations		
7.				
8	X(b)	Section 10145 & 10159.2 of the Code, and		
9		Section 2831.2 of the Regulations		
10				
11	X(c)	Section 10176(e) of the Code, and		
12		Section 2835 of the Regulations		
13		3		
14	X(d)	Section 10176(e) of the Code, and		
15	-	Section 2835 of the Regulations		
16				
17	X(e)	Section 10176(e) of the Code, and		
18		Section 2835 of the Regulations		
19				
20	X(f)	Section 10145 & 10159.2 of the Code, and		
21	Section 2834 of the Regulations			
23	Each of the foregoing violations separately constitutes cause for			
20	the suspension or revocation of the real estate licenses and			
25	license rights of Respondents FLA and CONLEE under the provisions			
26	of Section 10177(d) of the Code.			
27		/		
(€)				
COURT PAPER STATE OF CALIFORNIA STD. 113 (REV. 3-95)				
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The audit examination further revealed that Respondent 2 FLA used the fictitious names of "Century 21 Hilltop Wood Ranch, 3 Century 21 Hilltop WD and Century 21 Hilltop Realtors" to conduct 4 licensed activities on behalf of FLA without holding a license . 5 bearing these fictitious business names. The conduct of 6 Respondent FLA, in failing to obtain licenses for use of the 7. aforesaid names, is in violation of Regulation 2731 and is cause 8 to suspend or revoke Respondent's real estate license and license 9 rights under Section 10177(d) of the Code. 10

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XIII

The conduct of Respondent FLA in failing to obtain a 12 license for the unlicensed branch office located at 5754 Country 13 Club Drive, Simi Valley, California operating under the unlicensed 14 fictitious business name of Century 21 Wood Ranch to conduct its 15 residential resale business, is in violation of Section 10163 of 16 the Code and is cause to suspend or revoke Respondent FLA's real 17 . estate license and license rights under Section 10177(d) of the 18 Code. 19

20

XIV

21 The investigative audit also revealed that Respondent FLA's escrow instructions for its escrow operation failed to . 22 contain a statement which included the name of the licensee and 23 24 the State of California department issuing the license or authority under which FLA operated said escrow company. 25 FLA's name and the Department of Real Estate were not disclosed on the 26 Lynch, Bjordahl, Graney and Cohen sales escrow instructions. 27 This

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conduct constitutes a violation of Section 17403.4 of the
 California Financial Code and is cause to suspend or revoke
 Respondent's real estate license and license rights under Sections
 10177(d) and 10177(f).

XV

6 The audit revealed that Respondent FLA failed to advise 7 all parties to its escrow operation of its ownership of said 8 escrow company, in violation of Regulation 2950(h). FLA's name 9 and the Department of Real Estate were not disclosed on the Lynch, 10 Bjordahl, Graney and Cohen sales escrow instructions. Said 11 conduct is cause to suspend or revoke Respondent's licenses and 12 license rights under Section 10177(d) of the Code.

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XVI

14 The overall conduct of Respondents FLA and CONLEE in 15 violating Sections 10145, 10163 and 10176(e) of the Code and 16 Regulations Sections 2731, 2831.2, 2832, 2834, 2835, 2959(d) and 2959(h), as described in Paragraphs VII through XV above, 17 18 constitutes a failure to supervise, negligence or incompetence. This conduct and violation are cause for the suspension or 19 20 revocation of the real estate license and license rights of 21 Respondents under the provisions of Sections 10177(g) and 10177(h) 22 of the Code.

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3 (REV. 3-95)

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WHEREFORE, Complainant prays that a hearing be conducted 1 on the allegations of this Accusation and that upon proof thereof, 2 a decision be rendered imposing disciplinary action against all 3 licenses and license rights of Respondents against FIRST & LA 4 REALTY CORPORATION and, ROBERT LA VERN CONLEE, individually and as 5 designated officer of First & LA Realty Corporation, under the 6 Real Estate Law (Part 1 of Division 4 of the Business and 7 Professions Code) and for such other and further relief as may be 8 proper under other applicable provisions of law. 9 10 Dated at Los Angeles, California 11 this 31st day of December, 1997. 12 THOMAS MC CRADY 13 Deputy Real Estate Commissioner 14 15 16 17 18 19 20 21 22 23 Robert La Vern Conlee, D.O. 24 СÇ c/o First LA Realty Corporation Sacto 25 RW 26 27 GALIFORNIA 13 (REV. 3-95) -9-