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FILED  
MAY 16 2002  
DEPARTMENT OF REAL ESTATE

By 

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of ) NO. H-27579 LA  
)  
GILBERT CHARLES KOVACS, )  
)  
Respondent. )  
)

ORDER GRANTING REINSTATEMENT OF LICENSE

On August 28, 1998, a Decision was rendered herein  
revoking the real estate salesperson license of Respondent, but  
granting Respondent the right to the issuance of a restricted  
real estate salesperson. A restricted real estate salesperson  
license was issued to Respondent on November 2, 1998.

On October 31, 2001, Respondent petitioned for  
reinstatement of said real estate salesperson license and  
the Attorney General of the State of California has been  
given notice of the filing of said petition.

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1 I have considered the petition of Respondent and  
2 the evidence and arguments in support thereof including  
3 Respondent's record as a restricted licensee. Respondent  
4 has demonstrated to my satisfaction that Respondent meets  
5 the requirements of law for the issuance to Respondent of an  
6 unrestricted real estate salesperson license and that it would  
7 not be against the public interest to issue said license to  
8 Respondent GILBERT CHARLES KOVACS.  
9

10 NOW, THEREFORE, IT IS ORDERED that Respondent's  
11 petition for reinstatement is granted and that a real estate  
12 salesperson license be issued to Respondent, if Respondent  
13 satisfies the following conditions within nine (9) months from  
14 the date of this Order:

15 1. Submittal of a completed application and payment  
16 of the fee for a real estate salesperson license.

17 2. Submittal of evidence of having, since the most  
18 recent issuance of an original or renewal real estate license,  
19 taken and successfully completed the continuing education  
20 requirements of Article 2.5 of Chapter 3 of the Real Estate  
21 Law for renewal of a real estate license.

22 This Order shall be effective immediately.

23 Dated: May 13, 2002.

24 PAULA REDDISH ZINNEBANN  
25 Real Estate Commissioner  
26  
27

cc: Gilbert Charles Kovacs  
9132 Healey Drive  
Garden Grove, CA 92841

FILED  
OCT 30 1998  
DEPARTMENT OF REAL ESTATE

By C3

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of ) NO. H-27579 LA  
VIKING REALTY, INC., a corporation; ) L-1998040197  
KATHERINE ANN GOSSELIN, )  
individually, and as designated )  
officer of Viking Realty, Inc.; )  
and GILBERT CHARLES KOVACS, )  
Respondents. )

ORDER DENYING RECONSIDERATION

On August 28, 1998, a Decision was rendered in the above-entitled matter. The Decision was to become effective on September 22, 1998. A thirty-day stay was granted to GILBERT CHARLES KOVACS only, on September 16, 1998, making the effective date October 22, 1998. A ten-day stay was granted to GILBERT CHARLES KOVACS only, on October 21, 1998, making the effective date November 2, 1998.

On or about October 16, 1998, Respondent GILBERT CHARLES KOVACS petitioned for reconsideration of the Decision of August 28, 1998.

1           I have given due consideration to the petition of  
2 Respondent. I find good cause to reconsider the Decision of  
3 August 28, 1998, and amend the Order therein to include the  
4 following provision:

5           If Respondent petitions and complies with the following  
6 terms and conditions on or before 12 o'clock noon on November 2,  
7 1998, the 60 day suspension (or portion thereof) shall be stayed:

8           1. Respondent pays a monetary penalty pursuant to  
9           Section 10175.2 of the Business and Professions Code at the  
10           rate of \$100.00 for each day of the suspension for a total  
11           monetary penalty of \$6,000.00.

12           2. Said payment shall be in the form of a cashier's  
13           check made payable to the Recovery Account of the Real Estate  
14           Fund. Said check must be delivered to the Department prior to  
15           the effective date of the Decision in this matter.

16           3. No further cause for disciplinary action against the  
17           real estate license of Respondent occurs within one year from  
18           the effective date of the Decision in this matter.

19           4. If Respondent fails to pay the monetary penalty in  
20           accordance with the terms and conditions of the Decision, the  
21           Commissioner may, without a hearing, order the immediate  
22           execution of all or any part of the stayed suspension in which  
23           event the Respondent shall not be entitled to any repayment  
24           nor credit, prorated or otherwise, for money paid to the  
25           Department under the terms of this Decision.

26           ///

27           ///

          ///



5. If Respondent pays the monetary penalty and if no  
further cause for disciplinary action against the real estate  
license of Respondent occurs within one year from the  
effective date of the Decision, the stay hereby granted shall  
become permanent.

IT IS SO ORDERED 10/27, 1998.

JIM ANTT, JR.  
Real Estate Commissioner

In Love

SAC

FILED  
OCT 21 1998  
DEPARTMENT OF REAL ESTATE

By C.3

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA  
\* \* \*

In the Matter of the Accusation of	)	
VIKING REALTY, INC., a corporation;	)	NO. H-27579 LA
KATHERINE ANN GOSSELIN,	)	
individually, and as designated	)	L-1998040197
officer of Viking Realty, Inc.;	)	
and <u>GILBERT CHARLES KOVACS,</u>	)	
Respondents.	)	

ORDER STAYING EFFECTIVE DATE

On August 28, 1998, a Decision was rendered in the above-entitled matter to become effective at 12 o'clock noon on September 22, 1998.

On September 16, 1998, an Order Staying Effective Date was entered ordering that the effective date of the Decision of August 28, 1998, as to GILBERT CHARLES KOVACS, be stayed for a period of thirty (30) days, and further ordering that the Decision of August 28, 1998, become effective at 12 o'clock noon on October 22, 1998.

Additional time is needed to evaluate the petition for reconsideration filed on October 16, 1998.

1 NOW, THEREFORE, GOOD CAUSE APPEARING, it is hereby  
2 ordered pursuant to the provisions of Section 11521(a) of the  
3 Government Code that the expiration of the time to grant or deny  
4 the petition for reconsideration be, and hereby is, stayed for a  
5 period of ten (10) days. The time to grant or deny the petition  
6 for reconsideration shall expire at 12 o'clock noon on  
7 November 2, 1998.

8 DATED: October 21, 1998.

9 JIM ANTT, JR.  
10 Real Estate Commissioner

11 By: *Randolph Brendia*  
12 / RANDOLPH BRENDIA  
13 Regional Manager  
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FILED  
SEP 16 1998  
DEPARTMENT OF REAL ESTATE

By ca

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of ) NO. H-27579 LA  
)  
VIKING REALTY, INC., a corporation; ) L-1998040197  
)  
KATHERINE ANN GOSSELIN, )  
13 individually, and as designated )  
officer of Viking Realty, Inc.; )  
14 and GILBERT CHARLES KOVACS, )  
)  
15 Respondent(s). )  
\_\_\_\_\_ )

ORDER STAYING EFFECTIVE DATE

On August 28, 1998, a Decision was rendered in the  
above-entitled matter to become effective September 22, 1998.

IT IS HEREBY ORDERED that the effective date of the  
Decision of August 28, 1998, is stayed as to Respondent GILBERT  
CHARLES KOVACS, only, for a period of 30 days.

The Decision of August 28, 1998, shall become  
effective at 12 o'clock noon on October 22, 1998.

DATED: September 16, 1998.

JIM ANTT, JR.  
Real Estate Commissioner

By: Randolph Brendia  
RANDOLPH BRENDIA  
Regional Manager

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \* \* \*

**FILED**  
SEP - 2 1998  
DEPARTMENT OF REAL ESTATE

By C. 3

In the Matter of the Accusation of )

No. H-27579 LA

VIKING REALTY, INC., a corporation; )

L-1998040197

KATHERINE ANN GOSSELIN, )

individually, and as designated )

officer of Viking Realty, Inc.; )

and GILBERT CHARLES KOVACS, )

Respondent(s). )

DECISION

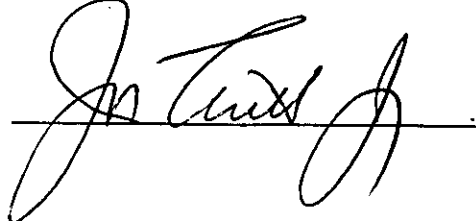
The Proposed Decision dated August 20, 1998,  
of the Administrative Law Judge of the Office of  
Administrative Hearings, is hereby adopted as the Decision  
of the Real Estate Commissioner in the above-entitled matter.

This Decision shall become effective at 12 o'clock  
noon on September 22, 1998.

IT IS SO ORDERED

8/28/98

JIM ANTT, JR.  
Real Estate Commissioner



BEFORE THE  
DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

In the Matter of the Accusation of	)	NO. H-27579 LA
	)	
VIKING REALTY, INC., a corporation;	)	OAH NO. L1998040197
KATHERINE ANN GOSSELIN, individually,	)	
and as designated officer of Viking	)	
Realty, Inc.; and	)	
GILBERT CHARLES KOVACS,	)	
	)	
Respondents..	)	
	)	

---

PROPOSED DECISION

This matter was heard on August 11, 1998, at Los Angeles, by Jerry Mitchell, Administrative Law Judge of the Office of Administrative Hearings of the State of California. The complainant was represented by Chris Leong, Counsel. Respondents Katherine Ann Goselin was present and represented herself and respondent Viking Realty, Inc. Respondent Gilbert Charles Kovacs was present and represented himself.

FACTUAL FINDINGS

1. The Accusation herein was made by Thomas McCrady in his official capacity as a Deputy Real Estate Commissioner of the State of California.

2. As used herein, "Code" refers to the California Business and Professions Code, and "Regulations" refers to Title 10, Chapter 6, of the California Code of Regulations.

3. Respondent Viking Realty, Inc. ("Viking"), a corporation, is, and at all times herein mentioned was, owned by respondent Katherine Ann Gosselin ("Gosselin") and licensed by the Department of Real Estate ("Department") as a corporate real estate broker, with Gosselin as its designated officer.

4. Gosselin is, and at all times herein mentioned was, the owner of Viking and licensed by the Department as a real estate broker and as designated officer of Viking.

5. Until January 12, 1997, respondent Gilbert Charles Kovacs ("Kovacs") was licensed by the Department as a real estate

salesperson employed by Gosselin. On January 12, 1997, his license expired. It was renewed on November 5, 1997, and is currently in effect.

6. In about April 1997, Kovacs began negotiating, on Gosselin's behalf, the potential purchase by Gosselin of real property located at 12414 Carson Street and 21709 Verne Street, Hawaiian Gardens, California ("the property"), which the owners ("sellers") had listed for sale through RE/MAX Beach Cities Realty ("RE/MAX"). On about June 20, 1997, Gosselin submitted an offer through Kovacs to purchase the property for \$230,000.00, "subject to buyer obtaining acceptable financing on S.F.R. [single family residence] located at 6441 Viking Circle, Huntington Beach, CA 92647."

7. Gosselin made her offer on a California Association of Realtors form entitled "Commercial Real Estate Purchase Contract, Receipt for Deposit, and Escrow Instructions." Printing and handwriting on the form indicated that Kovacs was acting as a real estate salesperson employed by Viking; that Viking was the selling agent and represented Gosselin exclusively; that Viking and RE/MAX would each receive a 3% commission from sellers; that Universal Title Escrow Co. would be the escrow holder; and that Viking had received a \$1,000.00 deposit from Gosselin in the form of a personal check payable to Universal Title Escrow Co., "to be deposited with escrow holder, to be held uncashed until the next business day following acceptance of the offer."

9. On June 26, 1997, sellers counteroffered with a purchase price of \$240,000.00 and additional conditions, one of which was: "Escrow to open after removal of physical contingency by buyer and removal of 1st right of refusal by seller." The "physical contingency" referred to a condition in Gosselin's offer allowing her 14 days after acceptance of her offer to perform certain inspections. The "1st right of refusal" referred to the right of sellers' tenant to purchase the property. On June 27, 1997, Gosselin counteroffered with a purchase price of \$230,000.00, and on June 28, 1997, sellers accepted.

10. Kovacs put Gosselin's deposit check between the covers of a book in which Viking recorded trust fund transactions. The check was never deposited in escrow. The financing that Gosselin was able to obtain was not acceptable to her and she exercised her right not to proceed with the purchase. Her deposit check remained in the book where Kovacs put it until on or about September 10, 1997, when he returned it to her without sellers' permission or consent.

11. Respondents' explanation for Kovac's employment as a real estate salesperson at a time when his license was expired was that they failed to keep themselves informed about the status of his license.

## LEGAL CONCLUSIONS

1. The FACTUAL FINDINGS establish that Viking and Gosselin violated Section 10137 of the Code by employing Kovacs to perform acts for which a real estate license was required, at a time when his license was expired. Therefore, the licenses and license rights of Viking and Gosselin are subject to discipline under Section 10177(d) of the Code.

2. The FACTUAL FINDINGS establish that Kovacs violated Section 10130 of the Code by performing acts for which a real estate license was required, at a time when his license was expired. Therefore, the license and license rights of Kovacs are subject to discipline under Section 10177(d) of the Code.

3. It is alleged that the FACTUAL FINDINGS establish that Viking and Gosselin violated Section 10145 of the Code and Section 2832 of the Regulations.

Section 10145 provides in pertinent part:

"A real estate broker who accepts funds belonging to others in connection with any transaction subject to this part shall deposit all funds that are not immediately placed into a neutral escrow depository or into the hands of the broker's principal, into a trust fund account maintained by the broker in a bank or recognized depository in this state."

And Section 2832 provides in pertinent part:

"Compliance with Section 10145 of the Code requires that the broker place funds accepted on behalf of another into the hands of the owner of the funds, into a neutral depository or into a trust fund account maintained pursuant to Section 2830 of these Regulations not later than the next business day following receipt of the funds by the broker or by the broker's salesperson."

The FACTUAL FINDINGS do not establish a violation of Section 10145 or Section 2832. According to Section 2832, compliance with Section 10145 may be accomplished in any of three ways, one of which is to place the funds in the hands of their owner. Since Gosselin's check was never cashed, she never ceased to be the owner of both the check and the funds on which it was drawn; and since she was the owner and designated officer of Viking, the check was never out of her hands or the hands of

Kovacs, who was her and Viking's agent. Confirmation that Gosselin remained the owner of the check and the funds on which it was drawn is found in the escrow instructions contained in the aforementioned form entitled "Commercial Real Estate Purchase Contract, Receipt for Deposit, and Escrow Instructions." California Association of Realtors, in which the buyer's deposit, in escrow, is referred to as "Buyer's funds."

4. It is alleged that by "representing that the \$1,000.00 was to be deposited into escrow," Viking, Gosselin and Kovacs made a substantial misrepresentation and engaged in conduct which constitutes fraud or dishonest dealing, thereby subjecting their licenses and license rights to discipline under Sections 10176(a) and 10177(j) of the Code.

The FACTUAL FINDINGS do not establish a violation of Section 10176(a) or 10177(j). The representation in question was made before sellers counteroffered, "escrow to open after removal of physical contingency by buyer and removal of 1st right of refusal by seller." There was no evidence that the check could have been deposited into escrow without opening an escrow, but presumably it could not have been. Therefore, Viking was precluded from depositing the check into escrow until "removal of physical contingency by buyer and removal of 1st right of refusal by seller." Viking could not deposit the check into its trust account in the interim because the check was only payable to Universal Title Escrow Co. Under Section 10145 of the Code and Section 2832 of the Regulations, Viking's only remaining option was to return the check to its owner, Gosselin, which it did. In the interim, another contingency occurred, to wit: Gosselin's right not to proceed with the purchase if the financing she was able to obtain was not acceptable to her. She exercised that right, which effectively ended the transaction.

Moreover, with respect to Kovacs, although his license was expired at the time, he did what a licensed real estate salesperson is required to do, by putting the check in Viking's book and later returning it to Gosselin. Section 10145(c) of the Code provides:

"A real estate salesperson who accepts trust funds from others on behalf of the broker under whom he or she is licensed shall immediately deliver the funds to the broker or, if so directed by the broker, shall place the funds into the hands of the broker's principal, into a neutral escrow depository, or shall deposit the funds into the broker's trust fund account."

ORDER RE VIKING REALTY, INC.

By reason of Paragraph 1 of the LEGAL CONCLUSIONS, above, all licenses and license rights of respondent Viking Realty, Inc., are suspended for a period of six months from the effective date of this Decision; provided, however, that all but 30 days of the suspension shall be stayed for one year upon the following terms and conditions:

1. Respondent shall obey all laws, rules and regulations governing the rights, duties and responsibilities of a real estate licensee in the State of California; and
2. That no final subsequent determination be made, after hearing or upon stipulation, that cause for disciplinary action occurred within one (1) year of the effective date of this Decision. Should such a determination be made, the Commissioner may, in his discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed suspension. Should no such determination be made, the stay imposed herein shall become permanent.

ORDER RE KATHERINE ANN GOSSELIN

By reason of Paragraph 1 of the LEGAL CONCLUSIONS, above, all licenses and license rights of respondent Katherine Ann Gosselin are suspended for a period of six months from the effective date of this Decision; provided, however, that all but 30 days of the suspension shall be stayed for one year upon the following terms and conditions:

1. Respondent shall obey all laws, rules and regulations governing the rights, duties and responsibilities of a real estate licensee in the State of California; and
2. That no final subsequent determination be made, after hearing or upon stipulation, that cause for disciplinary action occurred within one (1) year of the effective date of this Decision. Should such a determination be made, the Commissioner may, in his discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed suspension. Should no such determination be made, the stay imposed herein shall become permanent.

ORDER RE GILBERT CHARLES KOVACS

By reason of Paragraph 2 of the LEGAL CONCLUSIONS, above, all licenses and license rights of respondent Gilbert Charles Kovacs 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 issue to respondent shall be subject to all of the provisions of 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:

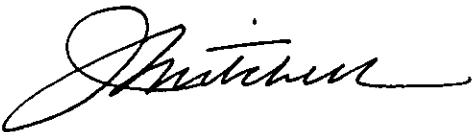
1. The restricted license issued to respondent may be suspended prior to hearing by order of the Real Estate Commissioner in the event of respondent's conviction or plea of nolo contendere to a crime which is substantially related to respondent's fitness or capacity as a real estate licensee.
2. The restricted license issued to respondent may be suspended prior to hearing by order of the Real Estate Commissioner on 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.
3. Respondent shall not be eligible to apply for the issuance of an unrestricted real estate license nor for the removal of any of the conditions, limitations or restrictions of a restricted license until two years have elapsed from the effective date of this Decision.
4. Respondent shall submit with any application for license under an employing broker, or 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.

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

6. Any restricted real estate license issued to respondent shall be suspended for 60 days from the date of issuance of said restricted license.

DATED: August 20, 1998



JERRY MITCHELL  
Administrative Law Judge

SAC

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

In the Matter of the Accusation of )  
 )  
VIKING REALTY, INC., a corporation; )  
KATHERINE ANN GOSSELIN, )  
individually and as designated )  
officer of Viking Realty, Inc.; )  
and GILBERT CHARLES KOVACS, )  
 )  
Respondent(s)

Case No. H-27579 LA

OAH No. L-1998040197

FILED  
APR 22 1998  
DEPARTMENT OF REAL ESTATE

NOTICE OF HEARING ON ACCUSATION

By C. B. [Signature]

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, 107 South Broadway, Second Floor, Los Angeles, CA 90012 on AUGUST 11, 12 and 13, 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.

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: April 22, 1998

By

Chris Leong  
CHRIS LEONG, Counsel

cc: Viking Realty, Inc.  
Katherine Ann Gosselin  
Gilbert Charles Kovacs  
Sacto.  
OAH

CEB

RE 501 (La Mac 11/92)

SAC

1 CHRIS LEONG, Counsel  
2 State Bar Number 141079  
3 Department of Real Estate  
4 107 South Broadway, Room 8107  
5 Los Angeles, CA 90012  
6 (213) 897-3937

FILED  
MAR - 3 1998  
DEPARTMENT OF REAL ESTATE

By CSJ

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \*

11 In the Matter of the Accusation of ) NO. H-27579 LA  
12 )  
13 VIKING REALTY, INC., a corporation; ) A C C U S A T I O N  
14 KATHERINE ANN GOSSELIN, )  
15 individually and as designated )  
16 officer of Viking Realty, Inc.; )  
and GILBERT CHARLES KOVACS, )  
Respondents. )

17 The Complainant, Thomas McCrady, a Deputy Real  
18 Estate Commissioner of the State of California, for cause of  
19 Accusation against VIKING REALTY, INC., a corporation  
20 (hereinafter "VRI"); KATHERINE ANN GOSSELIN, individually and  
21 as designated officer of Viking Realty, Inc. (hereinafter  
22 "GOSSELIN"); and GILBERT CHARLES KOVACS (hereinafter  
23 "KOVACS") (hereinafter sometimes referred to as  
24 "Respondents") is informed and alleges as follows:

25 1.

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

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2.

Respondents are presently licensed and/or have license rights under the Real Estate Law, Part 1 of Division 4 of the Business and Professions Code (hereinafter "Code").

3.

At all times herein mentioned, VRI was licensed or had license rights by the Department of Real Estate of the State of California (hereinafter "the Department") as a corporate real estate broker.

4.

At all times herein mentioned, GOSSELIN was licensed or had license rights by the Department as a real estate broker individually and as designated officer of Viking Realty, Inc.

5.

At all times herein mentioned, KOVACS was licensed or had license rights by the Department as a real estate salesperson. From about January 12, 1997, when his license expired, to November 5, 1997, when it was renewed, KOVACS was not licensed. KOVACS was employed by GOSSELIN from March 29, 1993 to January 12, 1997.

6.

At all times mentioned 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



1 Section 10131(a) of the Code, including the operation of a real  
2 estate sales business with the public wherein buyers and sellers  
3 were solicited for sales, wherein such agreements were arranged,  
4 negotiated, processed, and consummated on behalf of others for  
5 compensation or in expectation of compensation.

6 7.

7 At all times herein mentioned Ginger Antoinette  
8 Lewis, Timothy Allen Goodin Corrick and Robert Royal Lewis  
9 (hereinafter "Sellers") were owners of real property located  
10 at 12414 Carson St. and 21709 Verne St., Hawaiian Gardens  
11 California (hereinafter "Hawaiian Garden lots"). Sellers  
12 listed the property for sale and employed John Trombetti  
13 (hereinafter "Trombetti") of Remax Cities Realty as their  
14 listing agent.

15 8.

16 In or about April, 1997, Respondent GOSSELIN, as a  
17 buyer, employed an unlicensed agent, Respondent KOVACS, to  
18 negotiate the purchase of the Hawaiian Garden lots. On about  
19 June 20, 1997, GOSSELIN and KOVACS executed a purchase  
20 contract for the Hawaiian Garden lots. This contract named  
21 KOVACS as the agent for buyer and VRI as the broker for  
22 buyer. This contract also stated that the: "Deposit (of  
23 \$1,000.00) to be deposited with escrow holder by personal  
24 check, payable to Universal Title Escrow Co." Said check was  
25 dated June 20, 1997 and signed by GOSSELIN.

26 /////  
27



9.

On June 27, 1997, in reliance of this purchase contract, Sellers accepted the offer and stopped marketing the property and opened escrow. However, in fact the \$1,000.00 deposit check was not deposited with the escrow holder. On or about September 10, 1997, Respondents VIR and GOSSELIN returned the check to GOSSELIN without Sellers' permission or consent.

10.

The transaction was not completed and no deposit was ever made to escrow.

FIRST CAUSE OF ACCUSATION

(Violation by KOVACS of Sections 10130 and 10177(d) of the Code)

11.

As a First Cause of Accusation, Complainant incorporates herein by this reference the Preamble and each of the allegations in Paragraphs 1 through 10, herein above.

12.

The conduct of Respondent, in negotiating and engaging in sales activities as described in Paragraphs 1 through 10, constitutes performing licensed acts without a license. Said conduct and violations are cause to suspend or revoke the real estate license and license rights of KOVACS under Section 10177(d) for violation of Section 10130 of the Code.

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1                                    SECOND CAUSE OF ACCUSATION

2                    (Violation by GOSSELIN and VRI of Sections 10137 and  
3                                    10177(d) of the Code)

4                                    13.

5                    As a Second Cause of Accusation, Complainant  
6 incorporates herein by this reference the Preamble and each  
7 of the allegations in Paragraphs 1 through 10, herein above.

8                                    14.

9                    The conduct of GOSSELIN and VRI in employing KOVACS  
10 to perform acts requiring a license while he was not  
11 licensed, constitutes violation under Section 10137 of the  
12 Code. Said conduct is cause pursuant to Sections 10177(d)  
13 and 10137 of the Code for the suspension or revocation of all  
14 licenses and license rights of GOSSELIN and VRI under Real  
15 Estate Law.

16                                    THIRD CAUSE OF ACCUSATION

17                    (Violation by GOSSELIN and VRI of Sections 10145 and  
18                                    10177(d) of the Code and Section 2832 of the Regulations)

19                                    15.

20                    As a Third Cause of Accusation, Complainant  
21 incorporates herein by this reference the Preamble and each  
22 of the allegations in Paragraphs 1 through 10, herein above.

23                                    16.

24                    The conduct of VRI and GOSSELIN in handling trust  
25 funds as alleged in Paragraphs 1 through 10, constitutes  
26 violation under Section 10145 of the Code and Section 2832 of  
27 the Regulations. Said conduct is cause pursuant to Section



1 10177(d) of the Code for the suspension or revocation of all  
2 licenses and license rights of GOSSELIN and VRI under Real  
3 Estate Law.

4 FOURTH CAUSE OF ACCUSATION

5 (Violation by GOSSELIN, KOVACS and VRI of Section 10176(a)  
6 and 10177(j) of the Code)

7 17.

8 As a Fourth Cause of Accusation, Complainant  
9 incorporates herein by this reference the Preamble and each  
10 of the allegations in Paragraphs 1 through 10, herein above.

11 18.

12 The conduct of VRI, KOVACS and GOSSELIN in  
13 representing that the \$1,000.00 was to be deposited into  
14 escrow, constitutes violation under Sections 10176(a) and  
15 10177(j) of the Code. Said conduct is cause for the  
16 suspension or revocation of all licenses and license rights  
17 of GOSSELIN, KOVACS and VRI under Real Estate Law.

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