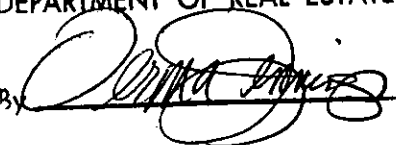


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FILED
JUN 26 2007
DEPARTMENT OF REAL ESTATE

By 

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of) NO. H-28138 LA
)
DAVID MICHAEL WARD,)
)
Respondent.)
)

ORDER GRANTING REINSTATEMENT OF LICENSE

On November 15, 2000, a Decision was rendered herein
revoking Respondent's real estate salesperson license, but
granting Respondent the right to the issuance of a restricted
real estate salesperson license. A restricted real estate
salesperson license was issued to Respondent on December 11,
2000, and Respondent has operated as a restricted licensee
without cause for disciplinary action against Respondent since
that time.

///
///

1 On November 21, 2005, Respondent petitioned for
2 reinstatement of said real estate salesperson license and
3 the Attorney General of the State of California has been
4 given notice of the filing of said petition.
5

6 I have considered the petition of Respondent and
7 the evidence and arguments in support thereof including
8 Respondent's record as a restricted licensee. Respondent
9 has demonstrated to my satisfaction that Respondent meets
10 the requirements of law for the issuance to Respondent of
11 an unrestricted real estate salesperson license and that
12 it would not be against the public interest to issue said
13 license to Respondent.
14

15 NOW, THEREFORE, IT IS ORDERED that Respondent's
16 petition for reinstatement is granted and that a real estate
17 salesperson license be issued to Respondent, if Respondent
18 satisfies the following condition within nine (9) months from
19 the date of this Order:
20

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

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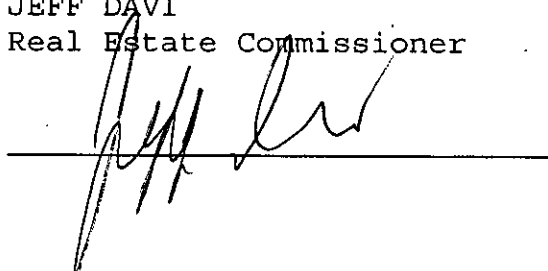
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2. Submittal of evidence of having, since the most
recent issuance of an original or renewal real estate license,
taken and successfully completed the continuing education
requirements of Article 2.5 of Chapter 3 of the Real Estate
Law for renewal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

This Order shall be effective immediately.

Dated: 6/6/08

JEFF DAVI
Real Estate Commissioner



A handwritten signature in black ink, appearing to read 'Jeff Davi', is written over a horizontal line. The signature is stylized and cursive.

By Laura B. Cune

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DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of)	DRE No. H-28138 LA
DAVID MICHAEL WARD,)	OAH No. L-19990060393
Respondent.)	

DECISION AFTER REJECTION

The matter of DAVID MICHAEL WARD, came on for hearing before Joseph D. Montoya, Administrative Law Judge, of the Office of Administrative Hearings, in Los Angeles, California, on March 8, 2000.

Elliott Mac Lennan, Counsel, represented the Complainant. Respondent was personally present throughout the hearing and was represented by Fred Rucker, Esq.

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

1 On May 18, 2000, the Administrative Law Judge submitted
2 a Proposed Decision which I declined to adopt as my Decision
3 herein.

4 Pursuant to Section 11517(c) of the Government Code
5 of the State of California, Respondent was served with notice
6 of my determination not to adopt the Proposed Decision of the
7 Administrative Law Judge along with a copy of said Proposed
8 Decision. Respondent was notified that the case would be decided
9 by me upon the record, the transcript of proceedings held on
10 March 8, 2000, and upon any written argument offered by
11 Respondent and Complainant.

12 On September 29, 2000, Argument was submitted by
13 Respondent. On October 10, 2000, Argument was submitted on
14 behalf of Complainant.

15 I have given careful consideration to the record in
16 this case including the transcript of proceedings of March 8,
17 2000. I have also considered the Argument submitted by
18 Respondent and the Argument submitted by Complainant.

19 The following shall constitute the Decision of the Real
20 Estate Commissioner in this proceeding:

21 FINDINGS OF FACT

22 I

23 Pursuant to the agreement of the parties, Finding of
24 Fact 10 shall be added as follows:

25 10. On or about September 27, 2000, a Minute Order
26 issued from the Superior Court of California, County of Los
27 Angeles, State of California, in the People of the State of

1 California v. David Michael Ward, Case No. BA094516, pursuant to
2 California Penal Code Section 1203.4, dismissing all convictions
3 against respondent, terminating probation, remitting community
4 service and probationary fines, and converting to a civil money
5 judgment pursuant to California Penal Code Section 1214, any
6 further restitution to the extent due and owing.

7 All other findings are accepted and those other
8 findings are adopted as the Findings of Fact of the Real Estate
9 Commissioner in this proceeding.

10 LEGAL CONCLUSIONS

11 I

12 The Legal Conclusions in the Proposed Decision dated
13 May 18, 2000, are hereby adopted as a part of this Decision with
14 the following addition:
15

16 6. Pursuant to Title 10, Chapter 6, California Code of
17 Regulations, Sections 2912(c) and (d), it has been shown that
18 Respondent is partially rehabilitated based on evidence of the
19 dismissal of convictions pursuant to Penal Code Section 1203.4
20 and the termination of probation as set forth in Finding of Fact
21 10.

22 II

23 Consideration has been given to all competent evidence
24 of mitigation and rehabilitation, and it has been determined
25 that protection of the public interest would not be undermined by
26 the issuance of a restricted real estate salesperson's license to
27



1 Respondent. Respondent's convictions, although dismissed, and
2 the factors underlying them, require additional protection of the
3 public interest.

4 ORDER

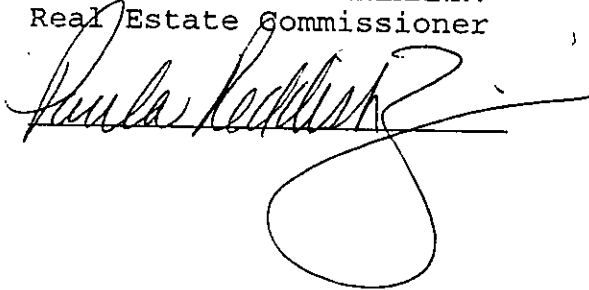
5 WHEREFORE, THE FOLLOWING ORDER is hereby made:

6
7 The Order set forth in the Proposed Decision of the
8 Administrative Law Judge dated May 18, 2000 is hereby adopted.

9 This Decision shall become effective at 12 o'clock noon
10 on December 11, 2000.

11
12
13 IT IS SO ORDERED November 15, 2000.

14
15 PAULA REDDISH ZINNEMANN.
16 Real Estate Commissioner

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Dicto King

FILED
JUN 26 2000
DEPARTMENT OF REAL ESTATE

By *Laura B. Orme*

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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	No. H-28138 LA
DAVID MICHAEL WARD,)	
)	L-1999060393
Respondent.)	

NOTICE

TO: Respondent DAVID MICHAEL WARD, and FRED RUCKER, his counsel.

YOU ARE HEREBY NOTIFIED that the Proposed Decision herein dated May 18, 2000, of the Administrative Law Judge is not adopted as the Decision of the Real Estate Commissioner. A copy of the Proposed Decision dated May 18, 2000, is attached for your information.

In accordance with Section 11517(c) of the Government Code of the State of California, the disposition of this case will be determined by me after consideration of the record herein including the transcript of the proceedings held on March 8,

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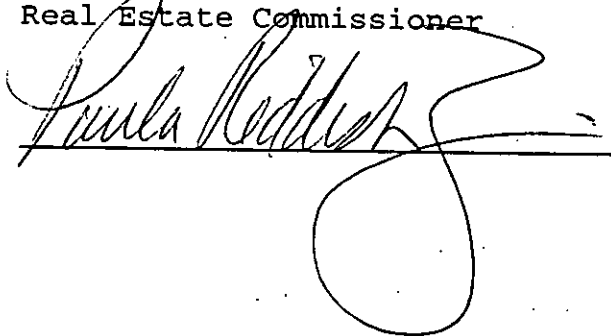
1 2000, and any written argument hereafter submitted on behalf of
2 Respondent and Complainant.

3 Written argument of Respondent to be considered by me
4 must be submitted within 15 days after receipt of the transcript
5 of the proceedings of March 8, 2000, at the Los Angeles office of
6 the Department of Real Estate unless an extension of the time is
7 granted for good cause shown.

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

13 DATED: June 5, 2000

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15 PAULA REDDISH ZINNEMANN
16 Real Estate Commissioner

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DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

In the Matter of the Accusation Against:) Case No. H-28138 LA
DAVID MICHAEL WARD,) OAH No. L-1999060393
Respondent.)
_____)

PROPOSED DECISION

Joseph D. Montoya, Administrative Law Judge, Office of Administrative Hearings, heard this matter at Los Angeles, California on March 8, 2000. Complainant was represented by Mr. Elliott Mac Lennan, Staff Counsel, Department of Real Estate. Respondent appeared with his attorney, Mr. Fred Rucker.

Evidence was received and the case argued on the hearing date. However, the parties stipulated that the record would be held open so that Respondent could submit evidence on the issue of his effort to have his underlying criminal conviction reduced. On April 8, 2000, Respondent timely submitted his Supplemental Brief, which is made part of the record as Exhibit "B". On April 19, 2000, Respondent submitted the Declaration of Fred Rucker, which authenticated an order of the Superior Court regarding Respondent's conviction. There being no objection to receipt of the declaration, it is received as Exhibit "C".¹

The matter is deemed submitted for decision on April 19, 2000. The Administrative Law Judge hereby makes his findings of fact, conclusions of law, and orders, as follows:

FINDINGS OF FACT

1. Complainant Thomas McCrady filed the Accusation in the above-captioned proceeding while acting in his capacity as a Deputy Real Estate Commissioner of the Department of Real Estate ("the Department"), State of California.

¹ Having received no objection to Exhibit "C", the ALJ contacted Complainant's counsel by telephone on May 8, 2000, to verify there was none. Because Respondent was only forwarding a copy of a Superior Court minute order, which order was unavailable at the time Exhibit "B" was submitted, counsel confirmed no objection was made to receipt of Mr. Rucker's declaration.

2. Respondent is currently licensed as a real estate salesperson by the Department. His license, number 00828544, is due to expire November 22, 2001.

3. (A) On October 27, 1997, in the Superior Court of California, County of Los Angeles, in the case *People v. David Michael Ward*, case no. BA094516, Respondent was convicted of one count of violating Penal Code section 487.1. That conviction followed Respondent's guilty plea, and by that plea he was convicted of misdemeanor grand theft.

(B) At that same time, and in that same case Respondent was convicted of three counts of violating Corporations Code section 25110/25540(A). That conviction followed his plea of guilty, and by that plea Respondent was convicted of the sale of securities without qualification. At the time of his plea, these convictions entered as felonies.

4. Following entry of the pleas, the matter was continued for sentencing. On September 25, 1998, the court suspended imposition of sentence, on the condition that Respondent be placed on formal (supervised) probation for a period of five years. As terms and conditions of that probation, Respondent was required to pay restitution in the amount of \$144,847.00 and to perform 1000 hours of community service. He was further ordered to pay the restitution in an amount no less than \$300.00 per month, and to pay a \$500.00 fine to the restitution fund. Other terms and conditions, standard to probation grants, were imposed.

5. The facts and circumstances of the crimes are as follows:

(A) In approximately 1985 Respondent became involved with a business entity known as the Tri-State companies², which firms invested in commercial real estate. At the behest of the leader of the enterprise Respondent obtained a contractor's license. He acted as general contractor in the construction of buildings that Tri-State invested in, and he made the tenant improvements when those buildings were leased out.

(B) The Tri State companies, including Tri-State Financial Services, were primarily controlled by a Mr. Gene Skelton and his wife. However, a tax attorney named Michael McCoy was also involved in ownership and control of the company. Mr. McCoy would often use his status as a tax preparer or advisor to recruit investors in the company.

(C) In approximately 1990 the company began to experience financial difficulties, and by 1991 it had effectively collapsed. Prior to July 1991 Respondent had no role in the general management of the company. At that time, and after the departure of several key persons including Mssr's Skelton and McCoy, Respondent was nominated as president of the firm. Upon his accession to that position he found the company in total disarray, with almost no assets. He learned that the company was keeping itself afloat in part by kiting checks among several bank accounts. Mr. Ward told the staff to maintain the status quo until he could gather information and obtain advice on what to do about the situation.

² Apparently there were several related entities, under some common control, bearing some form of the name "Tri-State." The last entity involved in these events was known as Tri-State Financial Services.

He eventually found competent attorneys, who advised that he stop that activity, and make disclosure to various banks involved. Respondent took such steps, but the check kiting activities caused substantial losses to third parties.³

(D) Meanwhile, in earlier days Respondent had allowed his name to be placed on a private placement memorandum, which memorandum was not entirely accurate. Respondent had relied on the principals of the firm, and the attorneys who had drafted the memorandum, to assure its accuracy; he did not look into the matter on his own. This ultimately formed the basis of the prosecution for violations of the security laws.

6. (A) Respondent's conviction for grand theft is the conviction of a crime of moral turpitude, per se, and substantially related to the duties, qualifications, and functions of a real estate salesperson.

(B) It was not established that Respondent's convictions for selling unqualified securities constituted crimes of moral turpitude.

7. Since Respondent entered his plea he has been in compliance with the terms and conditions of his criminal probation. On April 7, 2000, the Superior Court re-sentenced Mr. Ward, after reducing his convictions to misdemeanors pursuant to Penal Code section 17(b). As a result of that order, Respondent was placed on three years formal probation, with the bulk of the terms of his original probation carried over. This has effectively shortened Respondent's criminal probation term by nearly six months.⁴

8. (A) After the debacle at Tri-State ended, Respondent was forced to relocate to a new community, as he lost his house in the ensuing financial disaster. He and his family had invested hundreds of thousands of dollars in the venture, and lost it. Mr. Ward associated with a real estate brokerage, and in approximately 1993 started using his license in an active manner. He had not concentrated on real estate sales prior to that, despite his status as a licensee.

(B) Respondent has built a solid reputation for honesty, integrity, and competency within his community during the last five to six years. He has been involved with several hundred transactions since approximately 1994, without any complaint from the public. He has earned the respect of his professional peers, his clients, and the community.

(C) If he is allowed to practice, he can retain his position with his current brokerage, whose management is aware of Respondent's convictions and these proceedings.

9. At the hearing two former investors appeared and attested that Respondent had not participated the solicitation of investments, or in the daily management of Tri-State, at least

³ The Superior Court deemed him responsible for twenty percent of the losses.

⁴ That is, it appears the original five-year term would have ended September 25, 2003; based on this recent order his probation will now terminate April 7, 2003.

until the time that Mssr's McCoy and Skelton left the firm. They attested that Respondent had, after becoming president, made efforts to have assets distributed to the investors. They did not blame Respondent for their losses.

LEGAL CONCLUSIONS

1. (A) Respondent's conviction for grand theft constitutes a crime of moral turpitude *per se*, based on Factual Findings 3(A), 5(C), and 6(A), and the discussion below. That crime is substantially related to the duties, qualifications, and functions of a real estate licensee, based on Title 10, California Code of Regulations (hereafter "CCR"), section 2910(a)(8), and the discussion below.

(B) Respondent's convictions for selling an unqualified security do not constitute crimes of moral turpitude, based on Factual Findings 5(D) and 6(B), and the discussion below.

2. Cause exists to suspend or revoke or otherwise discipline the real estate salesperson's license issued to Respondent David Michael Ward pursuant to Business and Professions Code sections 490 and 10177(b), for his conviction of a crime of moral turpitude, based on Legal Conclusion 1(A), Factual Findings 3(A), 4, 5(C), 6(A), and the discussion below.

3. There are some mitigating facts that should be considered in assessing discipline, based on Factual Findings 5 through 7, and 9.

4. Respondent has taken steps toward rehabilitation, but can not establish his complete rehabilitation, based on Factual Findings 4, 7, 8, and 9.

5. Notwithstanding the forgoing conclusions, the public interest can be protected by a discipline order that does not require an outright revocation of Respondent's license.

Discussion and Rationale:⁵

The conviction for selling unqualified securities was not found a crime of moral turpitude *per se* because Corporations Code section 25110 has been interpreted as a "strict liability" penal statute. (*People v. Corey* (1995) 35 Cal. App. 4th 717, 729; *People v. Baumgart* (1990) 218 Cal. App. 3d 1207, 1222.) A person is not required to have scienter—guilty knowledge of the act—in order to be penalized; they may be convicted for mere

⁵ The section which follows is within the ambit of Government Code section 11425.50(d) and is intended to explain the basis for the findings and conclusions, and to discuss legal issues. To the extent stated it is to augment credibility findings as well.

negligence in issuing the securities. (*Id.*) In such circumstances it can not be said that the conviction is, as a matter of law, one for a crime of moral turpitude; it does not factually establish dishonesty, moral depravity, or a readiness to do evil. (See, e.g., *In Re Hallinan* (1954) 43 Cal. 2d 243; *People v. Castro* (1985) 38 Cal. 3d. 301, 315.)

At the same time, there was evidence that Respondent did not know of the impropriety of the issuance in question. There is no evidence to contradict Respondent's testimony on the matter, but there was testimony that added credibility to his claim. Independent witnesses corroborated Mr. Ward's testimony that he was not active in the firm's financial management until the position of president was thrust upon him, and other aspects of his testimony were corroborated as well. Thus, on this record it can not be determined that the violations of the securities laws were crimes of moral turpitude.

On the other hand, the grand theft is plainly a crime of moral turpitude, even if there are some mitigating circumstances. (*Suspension of Hickman* (1941) 18 Cal. 2d 71, 72 [attempted grand theft a crime of moral turpitude]; see also *In Re Hallinan, supra*, 43 Cal 2d. at 247, 248.) And, such a crime is plainly related to the duties and qualifications of a real estate professional, because the public must be able to rely on the honesty and integrity of such licensees. (See also CCR section 2910(a)(1) and (a)(8).)

Mitigating facts were found. There was testimony to support Respondent's claim that he had generally been outside of Tri-State's financial management, despite any title he had held. There was testimony from independent witnesses to the effect Respondent had not solicited investors despite an opportunity, and that he concentrated his activities on construction and tenant improvements. This corroborated his version of events, and added to his credibility as a witness. There was evidence that the wrongful conduct regarding the bank accounts had begun before he became the president. There was evidence that he was out of his depth in the position, and that he soon sought counsel and assistance; once that occurred he attempted to rectify the wrongdoing. It was also established that he had taken steps to put money back in the hands of investors.

On the issue of rehabilitation, it has been more than five years since the events in question, and approximately three years since Respondent entered his plea. Mr. Ward has been law-abiding during that time, and thus, CCR section 2912(a) can be interpreted in his favor. While he has not completed his criminal probation, he has been in full compliance for nearly two years. The Superior Court appears satisfied with his conduct, as it agreed to reduce his convictions to misdemeanors, and effectively reduced his probation term. From this it may be inferred that he can comply with any orders made by the Commissioner which are probationary in nature.

Respondent has made positive changes in his life and lifestyle. Forced to relocate, he has established credible real estate sales activities. Despite the obvious stress on his personal life, he is still married, and has a stable lifestyle. There has been no hint of wrongdoing in connection with any of the several hundred real estate transactions he has been involved with. At the hearing Mr. Ward had the support of professional colleagues who practice their

profession in his community, and with him. His employing broker would retain Respondent in his employment. In these circumstances Respondent satisfies the provisions of CCR sections 2912(h), (i), and (l).

The purpose of this proceeding is not to punish the Respondent, but to protect the public. (*Camacho v. Youde* (1979) 95 Cal. App. 3d 161, 164.) While the Department is not required to assist Respondent in his rehabilitation, if it can do so without endangering the public welfare, it may. Given the facts and circumstances of this case, revocation of Respondent's license with the issuance of a restricted license will allow Respondent to complete his rehabilitation, which includes an effort toward full restitution, while providing adequate protection for the public.

ORDER

All licenses and licensing rights of Respondent David Michael Ward under the Real Estate Law are revoked; provided, however, that a restricted real estate salesperson's license shall be issued to Respondent pursuant to Section 10156.5 of the Business and Professions Code if Respondent makes application therefor and pays the Department of Real Estate the appropriate fee for a restricted license within ninety (90) days from the effective date of this Decision. The restricted license issued to Respondent shall be subject to all of the provision of Section 1015.6 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 the 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, Regulation 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 three (3) years have elapsed from the effective date of this Decision.

4. Respondent shall, within nine months from the effective date of this Decision, present evidence satisfactory to the 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 the Respondent presents such evidence. The Commissioner shall afford Respondent the opportunity for a hearing pursuant to the Administrative Procedure Act to present such evidence.

5. Respondent shall report in writing to the Department of Real Estate as the Real Estate Commissioner shall direct by his decision herein or by separate written orders issued while the restricted license is in effect, such information concerning Respondent's activities for which a real estate license is required, as the Commissioner shall deem to be appropriate to protect the public interest.

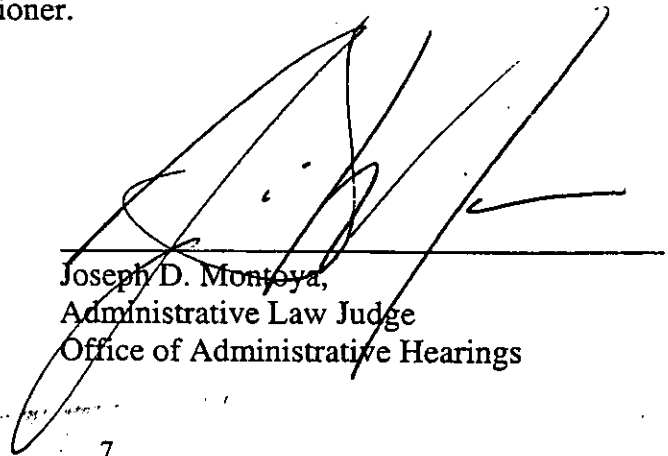
Such reports may include, but shall not be limited to, periodic independent accountings of trust funds in the custody and control of Respondent and periodic summaries of salient information concerning each real estate transaction in which Respondent has engaged during the period covered by the report.

6. During the period that the restricted license is in effect 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 shall remain in compliance with the terms and conditions of his criminal probation.

7. Respondent shall provide a copy of this decision to any broker employing him at the time the decision becomes final, and within ten days of receiving it. Such broker(s) shall, within ten days of receipt from Respondent, provide to the Commissioner a written statement that certifies that such employer, partner, or corporation has read this Decision.

8. Respondent shall not change his place of employment or address of record without written notice to the Commissioner. Should Respondent seek to enter the employ of any other licensee, or to enter into any partnership with any other licensee, or become the officer of any corporate real estate licensee, he shall provide such person or persons a copy of this Decision. Such persons shall, within ten days of such employment, provide to the Commissioner a written statement which certifies that such employer, partner, or corporation has read this Decision of the Commissioner.

May 18, 2000



Joseph D. Montoya,
Administrative Law Judge
Office of Administrative Hearings

CHAPTER 3

Hand Filed

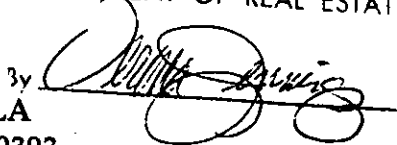
BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * *

FILED
FEB 22 2000
DEPARTMENT OF REAL ESTATE

In the Matter of the Accusation of)
)
 DAVID MICHAEL WARD,)
)
 Respondent.)

Case No. H-28138 LA
OAH No. L-1999060393

By 

NOTICE OF CONTINUED HEARING ON ACCUSATION

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, 320 West Fourth Street, Suite 630, Los Angeles, California, on March 8, 2000, 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 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 and pay his or her costs. The interpreter must be certified in accordance with Sections 11435.30 and 11435.55 of the Government Code.

Dated: February 22, 2000.

cc: David Michael Ward
Fred Rucker, Esq.
CMC Residential, Inc.
Sacto.
OAH

DEPARTMENT OF REAL ESTATE

By: 
ELLIOTT MAC LENNAN, Counsel

David Ward

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * *

FILED
DEC 14 1999
DEPARTMENT OF REAL ESTATE

In the Matter of the Accusation of)
Case No. H-28138 LA)
DAVID M. WARD,)
OAH No. L-2999060393)
)
)
)
Respondent.)

By *Samia B. Jones*

NOTICE OF HEARING ON ACCUSATION

To the above-named Respondent(s):

You are hereby notified that a hearing will be held before the Department of Real Estate at Office of Administrative Hearings, 320 West Fourth Street, 6th Floor, Suite 630, Los Angeles, California, on FEBRUARY 1, 2000, 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 upon you. Failure to notify the presiding administrative law judge within ten days will deprive you of a change in the place of 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 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 and pay his or her costs. The interpreter must be certified in accordance with Sections 11435.30 and 11435.55 of the Government Code.

Dated: DEC 14 1999

DEPARTMENT OF REAL ESTATE

By: *Elliott MacLennan*
ELLIOTT MAC LENNAN, Counsel

cc: David Michael Ward
CMC Residential Inc.
Sacto.
OAH

Sacto Ward

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * *

FILED
OCT 18 1999
DEPARTMENT OF REAL ESTATE

In the Matter of the Accusation of)
Case No. H-28138 LA)
DAVID MICHAEL WARD,)
OAH No. L-1999060393)
)
)
)
Respondent.)

By Jawa B. Owen

NOTICE OF HEARING ON ACCUSATION

To the above-named Respondent(s):

You are hereby notified that a hearing will be held before the Department of Real Estate at Office of Administrative Hearings, 320 West Fourth Street, 6th Floor, Suite 630, Los Angeles, California, on NOVEMBER 30, 1999, 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 upon you. Failure to notify the presiding administrative law judge within ten days will deprive you of a change in the place of 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 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 and pay his or her costs. The interpreter must be certified in accordance with Sections 11435.30 and 11435.55 of the Government Code.

Dated: OCT 18 1999

DEPARTMENT OF REAL ESTATE

By: Elliott MacLennan
ELLIOTT MACLENNAN, Counsel

cc: David Michael Ward
Fred Rucker, Esq.
CMC Residential Inc.
Sacto., OAH

Sacto May

In the Matter of the Accusation of)
)
 DAVID M. WARD,)
)
)
)
)
 Respondents.)

Case No. H-28138 LA
OAH No. L-1999060393
By Laura P. Crona

NOTICE OF HEARING ON ACCUSATION

To the above-named Respondent(s):

You are hereby notified that a hearing will be held before the Department of Real Estate at Office of Administrative Hearings, 320 West Fourth Street, 6th Floor, Suite 630, Los Angeles, California, on JULY 29, 1999, at the hour of 1:30 p.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 upon you. Failure to notify the presiding administrative law judge within ten days will deprive you of a change in the place of 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.

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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.

Dated: July 1 1999

DEPARTMENT OF REAL ESTATE

By: Elliott MacLennan
ELLIOTT MAC LENNAN, Counsel

cc: David Michael Ward.
CMC Residential Inc.
Sacto.
OAH

1 ELLIOTT MAC LENNAN SBN 66674
2 Department of Real Estate
3 320 West 4th Street, Suite
4 Los Angeles, California 90013-1105

5 (213) 576-6911 (direct); 576-6982 office

FILED
MAY 21 1999
DEPARTMENT OF REAL ESTATE

By Anna B. [Signature]

8 DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * * * *

11 In the Matter of the Accusation of) No. H- 28138 LA
12 DAVID MICHAEL WARD,) A C C U S A T I O N
13)
14)
15 Respondent.)

16 The Complainant, Thomas McCrady, a Deputy Real Estate
17 Commissioner of the State of California, for cause of accusation
18 against DAVID MICHAEL WARD is informed and alleges in his official
19 capacity as follows:

20 1

21 Respondent is presently licensed and/or has license
22 rights as a real estate salesperson under the Real Estate Law
23 (Part 1 of Division 4 of the California Business and Professions
24 Code) (Code).

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Respondent was originally licensed by the Department of Real Estate of the State of California as a real estate salesperson on November 23, 1981.

On October 27, 1997, in the Superior Court of Los Angeles, Los Angeles County, Central Judicial District, State of California, respondent was convicted upon a guilty plea to one count of violating Section 487(1) of the California Penal Code (grand theft), a misdemeanor crime, and upon a guilty plea to three counts of violating Section 25110/25540(A) of the California Corporations Code (sale of securities without qualification), felony crimes that occurred between 1988 through November 1991. These crimes by their facts and circumstances involve moral turpitude and are substantially related under Section 2910, Chapter 6, Title 10 of the California Code of Regulations, to the qualifications, functions or duties of a real estate licensee.

The facts as alleged constitute cause under Sections 490 and 10177(b) of the Code for the suspension or revocation of the license and license rights of respondent under the Real Estate Law.

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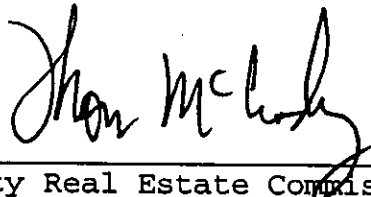
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WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action against the license and license rights of DAVID MICHAEL WARD under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Los Angeles, California
this 21st day of May, 1999.


Deputy Real Estate Commissioner

cc: David Michael Ward
Sacto.
JL