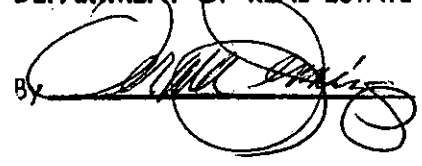


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FILED
DEC 22 2010
DEPARTMENT OF REAL ESTATE
By 

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of) No. H-29222 LA
)
JUDY ILENE LORDEN,)
)
Respondent.)

DECISION AFTER RECONSIDERATION

On June 8, 2005, in Case No. H-29222 LA, a Decision was entered revoking the real estate salesperson license of Respondent, but granting the right to a restricted real estate salesperson license. Respondent was issued a restricted license effective July 5, 2005.

On April 24, 2009, Respondent petitioned for reinstatement of said real estate salesperson license.

On June 1, 2010, an Order Denying Reinstatement of License ("Order") was rendered to become effective October 19, 2010, pursuant to Sections 2911(j) and 2911(l), Title 10, Chapter 6, California Code of Regulations.

On October 6, 2010, Respondent filed a petition for reconsideration.

Said Order was stayed by separate Order to October 29, 2010.

1 On October 29, 2010, the Department filed an Order Granting Reconsideration.

2 Respondent has filed written argument.

3 Complainant filed its written argument on November 23, 2010.

4 I have considered Respondent's petition for reconsideration and the evidence and
5 arguments submitted in support thereof. Respondent has demonstrated to my satisfaction that
6 Respondent meets the requirements of law for the issuance to Respondent of an unrestricted real
7 estate salesperson license and that it would not be against the public interest to issue said license
8 to Respondent.
9

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

14
15 1. Submits a completed application and pays the fee for a real estate salesperson
16 license within the 12 month period following the date of this Order; and

17 2. Submits proof that Respondent has completed the continuing education
18 requirements for renewal of the license sought. The continuing education courses must be
19 completed either (i) within the 12 month period preceding the filing of the completed application,
20 or (ii) within the 12 month period following the date of this Order.
21

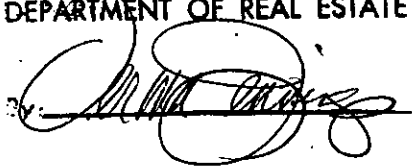
22 This Order shall be effective immediately.

23 Dated: 12/18/2010

24 JEFF DAVI
25 Real Estate Commissioner
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SAMO.
Klan

FILED
OCT 29 2010
DEPARTMENT OF REAL ESTATE



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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation of)	No. H-29222 LA
JUDY ILENE LORDEN,)	
Respondent.)	

ORDER GRANTING RECONSIDERATION

On June 1, 2010, an Order Denying Reinstatement of License was rendered to become effective October 19, 2010 which was stayed by separate Order to October 29, 2010.

On October 1, 2010, Respondent petitioned for reconsideration of the Order of June 1, 2010.

I have given due consideration to the petition of Respondent. I find good cause to reconsider the Order of June 1, 2010 and reconsideration is hereby granted.

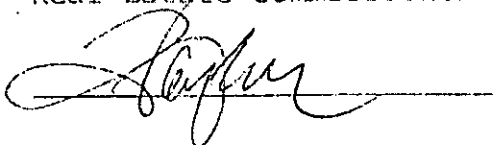
Respondent shall have ten (10) days from the date of this Order in which to file written argument in further support

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//

1 of her petition for reconsideration. Counsel for the Department
2 of Real Estate shall submit any written reply to said argument
3 within ten (10) days thereafter.

4 IT IS SO ORDERED 10/28/2010

5 JEFF DAVE
6 Real Estate Commissioner

7 

8 By WAYNE S. BELL
9 Chief Counsel

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FILED

OCT 18 2010

DEPARTMENT OF REAL ESTATE

BY: *Laura B. [Signature]*

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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

In the Matter of the Accusation of)	NO. H-29222 LA
)	
JUDY ILENE LORDEN,)	
)	
Respondent.)	
_____)	

ORDER STAYING EFFECTIVE DATE

On June 1, 2010, an Order Denying Reinstatement of License was rendered in the above-entitled matter to become effective October 19, 2010.

IT IS HEREBY ORDERED that the effective date of the Order Denying Reinstatement of License of June 1, 2010, is stayed for a period of 10 days to consider Respondent's petition for reconsideration.

The Order Denying Reinstatement of License of June 1, 2010, shall become effective at 12 o' clock noon on October 29, 2010.

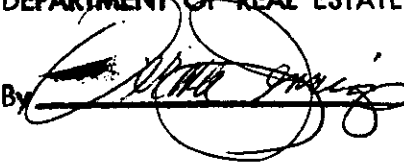
DATED: *October 18, 2010*

JEFF DAVI
Real Estate Commissioner

By: *Dolores Weeks*
DOLORES WEEKS
Regional Manager

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FILED
SEP 29 2010
DEPARTMENT OF REAL ESTATE

By 

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of
JUDY ILENE LORDEN,
Respondent.

No. H-29222 LA

ORDER DENYING REINSTATEMENT OF LICENSE

On June 8, 2005, a Decision was rendered revoking the real estate salesperson license of Respondent, but providing Respondent the right to apply for and be issued a restricted real estate salesperson license. Respondent was issued a restricted license on July 5, 2005.

On or about April 24, 2009, 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.

I have considered the petition of Respondent and the evidence submitted in support thereof. Respondent has failed to demonstrate to my satisfaction that Respondent has undergone sufficient rehabilitation to warrant the reinstatement of Respondent's real estate salesperson license at this time.

The burden of proving rehabilitation rests with the petitioner (*Feinstein v. State Bar* (1952) 39 Cal. 2d 541). A petitioner is required to show greater proof of honesty and

1 integrity than an applicant for first time licensure. The proof must be sufficient to overcome the
2 prior adverse judgment on the applicant's character (*Tardiff v. State Bar* (1980) 27 Cal. 3d 395).

3 The Department has developed criteria in Section 2911 of Title 10, California
4 Code of Regulations (Regulations) to assist in evaluating the rehabilitation of an applicant for
5 reinstatement of a license. Among the criteria relevant in this proceeding are:

6 Regulation 2911(j) – Discharge of, or bona fide efforts toward discharging
7 adjudicated debts or monetary obligations.

8 Respondent has not provided proof that eight (8) court judgments against
9 Respondent have been discharged.

10 Regulation 2911(l) – Significant or conscientious involvement in community,
11 church or social programs:

12 Respondent has not provided such proof.

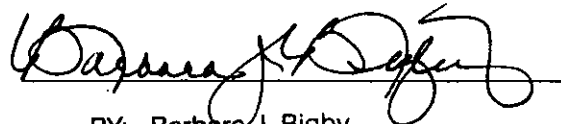
13 Given the violations found and the fact that Respondent has not established that
14 Respondent has complied with Regulations 2911 (j) and (l), I am not satisfied that Respondent is
15 sufficiently rehabilitated to receive an unrestricted real estate license.

16 NOW, THEREFORE, IT IS ORDERED that Respondent's petition for
17 reinstatement of Respondent's real estate license is denied.

18 This Order shall become effective at 12 o'clock noon on OCT 19 2010

19 IT IS SO ORDERED 6/1/10

20 JEFF DAVI
21 Real Estate Commissioner

22
23 

24 BY: Barbara J. Bigby
25 Chief Deputy Commissioner

1 restrictions imposed under authority of Section 10156.6 of said
2 Code. Among those terms, conditions and restrictions, Respondent
3 was required, within nine (9) months from the effective date of
4 the Decision, to submit evidence of having completed the
5 continuing education requirements of Article 2.5 of Chapter 3 of
6 the Real Estate Law. The Commissioner has determined that as of
7 May 4, 2006, Respondent has failed to satisfy this condition, and
8 as such, is in violation of Section 10177(k) of the Business and
9 Professions Code.

10 NOW, THEREFORE, IT IS ORDERED under authority of
11 Section 10156.7 of the Business and Professions Code of the State
12 of California that the restricted real estate salesperson license
13 heretofore issued to Respondent and the exercise of any
14 privileges thereunder is hereby suspended until such time as
15 Respondent provides satisfactory proof to the Department of
16 compliance with the "condition(s)" referred to above, or pending
17 final determination made after hearing (see "Hearing Rights" set
18 forth below).

19 IT IS FURTHER ORDERED that all license certificates and
20 identification cards issued by Department which are in the
21 possession of Respondent be immediately surrendered by personal
22 delivery or by mailing in the enclosed, self-addressed envelope
23 to:

24 Department of Real Estate
25 Attn: Flag Section
26 P. O. Box 187000
27 Sacramento, CA 95818-7000

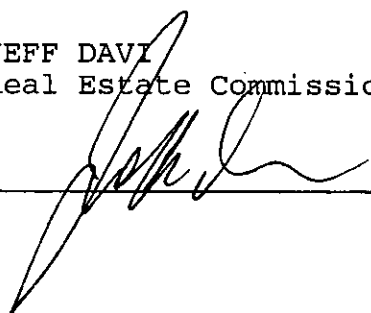
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1 HEARING RIGHTS: Pursuant to the provisions of Section
2 10156.7 of the Business and Professions Code, you have the right
3 to a hearing to contest the Commissioner's determination that you
4 are in violation of Section 10177(k). If you desire a hearing,
5 you must submit a written request. The request may be in any
6 form, as long as it is in writing and indicates that you want a
7 hearing. Unless a written request for a hearing, signed by or on
8 behalf of you, is delivered or mailed to the Department at 320
9 West 4th Street, Suite 350, Los Angeles, California 90013-1105,
10 within 20 days after the date that this Order was mailed to or
11 served on you, the Department will not be obligated or required
12 to provide you with a hearing.

13 This Order shall be effective immediately.

14 DATED: 6-27-06

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16 JEFF DAVIS
17 Real Estate Commissioner

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FILED
JUL - 5 2005
DEPARTMENT OF REAL ESTATE

By *K. Theodor*

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of)	DRE No. H-29222LA
LORDEN LEASING AND REAL ESTATE,)	OAH No. L-2002020123
SERVICES INC., ET AL.,)	
Respondents.)	

ORDER STAYING EFFECTIVE DATE

On June 8, 2005, a Decision was rendered in the above-entitled matter to become effective July 5, 2005, as to Respondent JOEL M. LEVITT.

IT IS HEREBY ORDERED that the effective date of the Decision of June 8, 2005, is stayed for a period of thirty days.

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The Decision of June 8, 2005, shall become effective
at 12 o'clock noon on August 4, 2005, as to Respondent JOEL M.
LEVITT.

DATED: July 5, 2005

JEFF DAVI
Real Estate Commissioner

M. Dolores Weeks
By: M. Dolores Weeks
Regional Manager

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation Against:

LORDEN LEASING AND REAL ESTATE
SERVICES INC., dba

Lorden Leasing and Real Estate Services,
Lorden Leasing, and Pets OK;

BARRY CHARLES MARINE, as former
designated officer of Lorden Leasing and
Real Estate Services Inc., and

individually dba Lorden Leasing, Marine
Financial Services, Pets OK Apt. & Home
Finders, and Pets OK;

JOEL MILES LEVITT, as designated officer
or Lorden Leasing and Real Estate Services
Inc.; and

JUDY ILENE LORDEN, dba Lorden
Leasing, and Pets OK,

Respondents

Case No. H-2922 LA

OAH No. L2002020123

PROPOSED DECISION

Administrative Law Judge Michael A. Scarlett, Office of Administrative Hearings, State of California, heard this matter in Los Angeles, California on October 4, 2004.¹

Elliott Mac Lennon, Staff Counsel, represented Complainant Maria Suarez, Deputy Real Estate Commissioner.

Barry Charles Marine (Respondent Marine) was present at hearing and was represented by Fred Rucker, Attorney at Law. Joel Miles Levitt (Respondent Levitt) was present at hearing and represented himself. Judy Ilene Lorden (Respondent Lorden) was present at hearing and represented herself. Respondent Lorden Leasing and Real Estate Services, Inc., dba Lorden Leasing and Real Estate Services, Lorden Leasing, and Pets OK

¹ On October 4, 2004, ALJ Michael A. Scarlett also conducted a settlement conference at the request of the Complainant and the Respondents. The parties agreed on the record that they would waive any objection to Judge Scarlett sitting as hearing judge even though Judge Scarlett had conducted an unsuccessful settlement conference in this matter prior to hearing.

(LLRESI) was not represented in the proceeding. According to representations made by Respondents present, LLRESI is a defunct corporation as of the date of the hearing. Thus, the hearing proceeded as a default hearing against LLRESI pursuant to Government Code section 11520.

Oral and documentary evidence was received and the record was held open until December 4, 2004, to allow the parties to submit evidence regarding Respondents' payment of restitution to the prospective tenants who contracted with Respondents for rental listing services. By that date, the Office of Administrative Hearings (OAH) had not received any additional documentation from the Department or Respondents.² On January 20, 2005, the Department submitted additional evidence regarding Respondents' obligation to provide restitution to the prospective tenants. On February 15, 2005, Fred Rucker, Respondent Marine's attorney, informed OAH that Respondents were unable to obtain proof of restitution payments. Thereafter, the matter was submitted on February 15, 2005.

FACTUAL FINDINGS

1. Maria Suarez (Complainant) made the First Amended Accusation in her official capacity as a Deputy Real Estate Commissioner of the State of California, the Department of Real Estate (Department).

2. Respondent Marine and Respondent Levitt are presently licensed and/or have license rights under the Real Estate Law (Part 1 or Division 4 of the Business and Professions Code). LLRESI's corporation license expired on October 23, 2003. Respondent Lorden's salesperson's license expired on May 22, 2004.

(a) At all times relevant to the matters contained in the First Amended Accusation, Respondent Marine and Respondent Levitt were licensed by the Department as designated officers of LLRESI to qualify it, and to act for it, as real estate brokers, and were responsible for the supervision and control of the activities conducted on its behalf by its officers, managers and employees, including salespersons licensed to the corporation in the performance of acts for which a real estate license is required.

(b) Respondent Marine was originally licensed as a real estate broker on March 22, 1991. His broker license will expire on March 21, 2007, unless renewed. Respondent Marine became designated officer of LLRESI on October 25, 1999, and retained that title until August 30, 2001.

² The Department informed the ALJ that it had submitted documentation on October 27, 2004, which had not been received by the OAH. Consequently, the Department re-submitted its documentation regarding restitution payments on January 20, 2005. This document was marked and admitted as State Exhibit "On February 15, 2005, Respondent Marine, through his attorney Fred Rucker, informed the ALJ that he had been unable to ascertain proof of restitution payments to the prospective tenants. This document was marked as Respondents Exhibit "B" and admitted into evidence.

(c) Respondent Levitt was originally licensed as a real estate broker on May 6, 1980, license no. 00498879. His broker license expires on February 23, 2006, unless renewed. Respondent Levitt became designated officer of LLRESI on August 30, 2001, and continued in that capacity until March 2002, when LLRESI closed its offices.

(d) Respondent Lorden was originally licensed as a real estate salesperson on September 12, 1995. On November 17, 1998, Respondent Lorden began working as salesperson for Respondent Marine. Her salesperson's license was activated in the employ of Respondent Marine on January 25, 1999. On March 23, 1999, Respondent Lorden began working as a real estate salesperson for LLRESI. Respondent Lorden's real estate salesperson's license expired on May 22, 2004, and had not been renewed by the Department as of the date of hearing in this matter.

3. In 1999, Respondent Lorden asked Respondent Marine to become the supervising broker for LLRESI. Respondent Lorden intended to operate LLRESI under the fictitious business names of Lorden Leasing and Real Estate Services, Lorden Leasing, Marine Financial, Marine Financial Services, Pets OK Apt & Home Finder, and Pets OK. LLRESI was formed to operate a Prepaid Rental Listing Service (PRLS), a business that would supply prospective tenants with listings of residential real properties for tenancy pursuant to an arrangement requiring the prospective tenants to pay a fee in advance of, or contemporaneous with LLRESI supplying the listing of residential properties for rent. Respondent Lorden was the primary managing owner of LLRESI and developed the idea to start the PRLS business.

4. On January 26, 1999, Respondent Marine submitted a proposed PRLS contract to the Department for review. The PRLS contract was to be used by "Pets OK" for contracting with "prospective tenants" for a list of available properties through the LLRESI listing service. The contract indicated that Pets OK was a rental publication company that provided a "master list" of rental properties, and updates, for a fee of \$80.00 for a period of 90 days. The contract also indicated that the fee was "non-refundable" and that there was an additional charge of \$25.00 if a credit check was required by the landlord.

5. On February 26, 1999, the Department responded to Respondent Marine. The Department informed Marine that he would need to add the fictitious business name, as well as add Respondent Marine's own name as the licensee, to the proposed contract. Respondent Marine was also informed that fees collected could not be termed as "non-refundable" in the proposed contract and that it was required that any PRLS contract specifically indicate that prospective tenants had a "RIGHT TO REFUND" in bold and capital or italic letters to any fees paid. The Department further noted that greater specificity was required regarding the credit check provisions of the contract, noting significant conditions, limitations and restrictions on the credit check process. Respondent Marine was informed that the proposed contract was deficient in that it failed to contain a provision for the client to designate the type of structure and the number of bedrooms desired, the maximum acceptable monthly rental amount, the expiration date of the contract, and a signature line for the representative

of the PRLS. Finally, the Department indicated that the proposed contract required a "Small Claims Court" disclosure paragraph in bold type.

6. Neither Respondent Marine, nor anyone else from LLRESI, submitted a revised PRLS contract to the Department for approval after receiving the Department's February 26, 1999 letter. However, Respondent Marine amended the Lorden Leasing contract to incorporate some of the recommended changes contained in the Department's February 26, 1999 letter. The amended Lorden Leasing contract identified "Lorden Leasing Real Estate Services" as the PRLS and stated that "Lorden Leasing" was a licensed real estate brokerage serving as a "private rental listing service." This contract also included a section informing the prospective tenant of a "Right to Refund" of any fee paid in excess of \$25.00 if the prospective tenant did not obtain a rental through the service. The "Right to Refund" language still did not comply with the Department's requirements. The contract also contained a "Small Claims Court" disclosure paragraph and a signature line for the LLRESI representative.

7. Subsequently, Respondents utilized three different PRLS contracts, a "Lorden Leasing" contract, a "Pets OK" contract, and the amended Lorden Leasing contract. None of the PRLS contracts utilized by Respondents were ever pre-approved by the Department. Both the Lorden Leasing and Pets OK contracts had "no refund" clauses and failed to include the statutory language explaining their rights to a full refund of the fees paid if Respondents failed to provide rental listings meeting the prospective tenant's residency specifications, or if the prospective tenant failed to secure a rental using Respondents' PRLS listing service. The amended Lorden Leasing contract, although having some of the refund language required by the Department, still failed to meet the statutory requirements for a PRLS contract and the Respondents failed to acquire pre-approval of the amended contract before utilizing the agreement with prospective tenants. Respondents' use of the three PRLS agreements violated the Department's statutory provisions governing PRLS agreements.

8. On July 23, 1999, LLRESI was incorporated under the laws of the State of California with Respondent Lorden listed as the President and Registered Agent for the corporation. The address of LLRESI was located at 10689 Santa Monica Boulevard, Suite 1, in West Los Angeles, California. On October 25, 1999, Respondent Marine became designated officer for LLRESI.

9. From approximately July 1999 through March or April 2002, Respondents LLRESI, Marine, Levitt, and Lorden solicited and operated as a PRLS business under the fictitious business names of Lorden Leasing and Pets OK. The Respondents supplied prospective tenants with listings of residential properties for tenancy for a fee. Respondents, through advertisements in newspapers, magazines, on the internet, or through telephone solicitations, obtained PRLS membership fees without providing a PRLS contract or providing an unapproved PRLS contract to prospective tenants who sought their services. The following prospective tenants paid membership fees of \$50.00 to \$150.00 to Respondents for PRLS rental listings:

Richard Arigo; Robert Ayotte; Loren Basch; Rebecca Bates; Sharon Berman; Shaul Bernshtein; Elizabeth Corsini; Gene and Marina Crowley; Hugh Duff and Mitchell Durette; Vanessa Fung; Hallie F. Goodman; Robert Harlan Greenberg; Christina Hall; Susan Rochelle Harshman; Adams Haskins; Rachel Heieck; Alexandra Houska; Roy Johnson; Jennifer Kincaid; Brandy King; Matthew Krinsky; Valerie Billie Klayman; Jon Larson; Chuen-Yen Lau; Carmen Lundy; Gregory Mastrogiovani; Hamish McColleston; Jeff Scott Mahoney and Erin Dawn O'Leary; Alvaro and Luciana Melo; Zoe Muntaner; Anastasios John Papadakis; Patrick Reilly; Maria Ana Ricabal; Sofia Rodriguez; Elliot Clifford Rothman; Marta Hebron Russell; David Brian Salyers; Beth Rachel Scheffress; Kelly D. Simmons; Silvana Smud; and Julie Wyloge.

10. Respondents utilized the Pets OK, Lorden Leasing, and amended Lorden Leasing PRLS contracts, or no contract at all, in obtaining membership fees for rental listings to the prospective tenants in Paragraph 9 above. Respondents failed to refund the membership/rental listing fee to prospective tenants even though, in many cases, Respondents failed to provide the prospective tenants a list of available properties which met the tenant specifications, or the prospective tenants were unable to obtain rental properties using Respondents' PRLS rental listings. Respondents' PRLS contracts also failed to provide the required statutory language notifying the prospective tenants that they had a to the refund of their full PRLS fee if Respondents failed to provide properties meeting the tenant specifications or if they were unable to obtain a rental property using Respondents' PRLS service.

11. Respondents misrepresented the nature and extent of the services they offered to induce prospective tenants to purchase rental listings for a fee by providing misleading availability and descriptions of rental properties, failing to confirm the availability of the listed properties in their PRLS, and failing to obtain written or oral permission to list the properties from the property owner, manager or agent. The following PRLS transactions by Respondents are indicative of this conduct:

(a) On August 18, 2000, Sharon Berman responded to an LLRESI newspaper advertisement. She was told by Respondents that they would assist her in finding an apartment by providing landlord approved rental listings and setting appointments to view the apartments. Berman agreed to pay \$150.00 for the LLRESI PRLS service and Respondents faxed a "Lorden Leasing" contract for her to sign. The contract indicated the fee was \$80.00, which she was informed was incorrect. Berman paid a fee of \$150.00 and was promised a refund if she did not find an apartment using Respondents' PRLS service. Berman received rental listings from Respondents only after making several telephone calls and demanding that she be provided the listings for which she had paid. When she was finally provided rental listings, the properties were either non-existent, rundown, or had been already rented out. None of the listings she received contained houses, which she had specified as one of her requirements. On August 29, 2000, Berman requested a refund of her fee but was told it would take three months for her to receive her refund. Berman called her

credit card company to dispute Respondents' fee charge and learned that she had been charged twice for the PRLS fee, once for \$150.00 and another charge for \$80.00. A few months later, Respondents again charged Berman's credit card for \$450.00 for purported PRLS fees. Berman disputed all of the charges to her credit card by Respondents and was successful in getting the charges reversed by her credit card company.

(b) Richard Arigo responded to an internet rental listing posted on the "Westside Rental" website. His telephone call was returned by a representative from LLRESI who promised to find a rental property for Arigo within one week and to provide rental listings in his desired area for a fee of \$150.00. Respondents did not provide a written contract and charged Arigo's credit card for the \$150.00 over the telephone. Arigo received a faxed rental listing from Respondents which did not have rental properties in the area he requested and he did not use the rental lists provided by Respondents.

(c) On March 6, 2001, Alexandra Elizabeth Houska received a telephone call from Respondents after she telephoned a contact number on a sign in front of an apartment building where she was interested in renting an apartment. Houska was told that Respondents' fee was \$150.00 for the PRLS listings. She was told that she would receive a full refund of the \$150.00 fee if Houska selected an exclusive "Lorden Leasing" listings, or a \$125.00 refund (less the \$25.00 credit check fee) if she selected a rental not listed with Respondents. Houska was given access to Respondents website rental listings but was initially unable to access the website with the password supplied. When Houska was finally able to access Respondents' website listings, she learned that there were very few properties on the website. Houska called Respondents on several occasions but her calls were never returned. Subsequently she spoke with Respondent Marine who agreed to meet with her at Respondents' office on June 27, 2001. Respondent Marine initially provided Houska a small list of properties that did not meet her specifications, and later provided her a list of properties that Houska recognized from her prior searches with other rental agencies. Houska was able to obtain a rental from this list of properties but later learned from the owner of the property that his rental was not listed with LLRESI and that the owner had never heard of Respondents. Believing Respondents had merely provided her rental listings that were listed with other agencies, Houska requested a refund of her fees. Respondents never provided a refund of her \$150.00 PRLS fee.

(d) In approximately June 2001, Loren Basch was referred to LLRESI by a friend. He signed a PRLS contract with Respondents and paid a fee of \$150.00. Basch received rental listings from Respondents for about 10 days, but none of the listings met his specifications previously agreed upon in his PRLS agreement with Respondents. Basch ultimately found an apartment without the use of Respondents PRLS listings. Several months later, Respondents charged Basch's credit card for two more fees of \$150.00 on September 27, 2001 and October 9, 2001. Basch requested Respondents to refund the additional charges to his credit card but Respondents did not comply.

(e) Shaul Bernshtein responded to a newspaper advertisement for a specific rental property in the Los Angeles Times Classified Rentals. His telephone call was returned by a

representative from LLRESI offering its PRLS services. Bernshtein was told by Respondents that for a fee of \$150.00, they would provide him a listing of rental properties meeting his specifications and would set up appointments with the landlords of the properties, from whom Respondents had consent to list the properties. Bernshtein paid the \$150.00 fee with his credit card over the telephone and later went to Respondents' office to obtain a rental listing of potential properties. He was instructed to obtain the listings from an online website. The LLRESI website did not help Bernshtein find an apartment and Respondents never set up any appointments with prospective landlords for rentals. Bernshtein never received information from Respondents regarding an apartment that met his specifications and later found an apartment on his own. Bernshtein requested a refund of his fee and was told by Respondent Marine that it would take three months to process his refund.

(f) On June 28, 2001, Christine Hall received a call from a representative from LLRESI after she responded to an advertisement under "Home Renters/Apartment for Rent" in the classifieds. Hall agreed over the telephone to pay a fee of \$150.00, which she was told was fully refundable if she did not find a rental property using Respondents' listings. Hall reviewed Respondents listings online on the internet but discovered the rental listings were outdated and did not meet her specifications. Hall requested a refund from Respondents on several occasions, at one point speaking to Respondent Lorden who informed Hall that her refund was being processed. Hall never received a refund of her PRLS fee from Respondents.

(g) On April 6, 2002, Rachel Elizabeth Heieck signed up for Respondents PRLS services after responding to an advertisement for "homes/apartments for rent." Heieck paid a \$150.00 fee and was told by Respondents she did not have to sign a contract. Respondents told Heieck that they had "exclusive" listings for rental properties from landlords that were not available through other rental agencies. Heieck was provided listings which she found were not exclusive as she had already seen several of the rental listings in other advertisements. Heieck further found that Respondents' listings were not up-to-date. Respondents also failed to provide listings in the area requested by Heieck in her specifications. After several requests to Respondents for additional rental listings meeting her specifications and receiving no response from Respondents, Heieck requested a refund of her fee. Heieck was told that she would need to speak with Respondent Lorden to receive her refund. Respondent Lorden ultimately told Heieck she would need to speak to Respondent Marine who never returned any of Heieck's telephone calls.

12. Respondents entered into over 40 documented PRLS fee agreements with prospective tenants. The transactions listed in Paragraph 11 above are typical of the PRLS agreements that Respondents negotiated with most of its prospective tenants. Respondents misrepresented the availability of rental listings in advertisements, offered inadequate and outdated PRLS listings which did not meet the specifications of prospective tenants as agreed, and failed to offer assistance to prospective tenants in locating rental properties as promised. Respondents failed to provide adequate rental listings, and on many occasions, did not provide any rental listings at all, and refused to refund the PRLS fees to prospective tenants when they could not find suitable rental properties using Respondents' services.

Respondents repeatedly listed rental properties for which they had no authority from the owners, agents, or landlords of the properties, and told prospective tenants that they had exclusive authority to list these properties. In fact, the properties were listed with several other rental agencies. Respondents failed to confirm the availability of the properties contained in its PRLS listings and on many occasions, merely placed other agencies' rental listings in their PRLS listings and charged the prospective tenants a fee.

13. LLRESI operated an office which included four persons, including Yvonne Masser, an office manager who apparently was the only person with prior PRLS experience, and a salesperson named Jerry Lee Davis. Masser and Davis were not licensed as real estate salespersons. Both worked selling PRLS services at LLRESI from approximately 1999 until sometime in 2002, when LLRESI ceased its business operations. Davis double and triple billed PRLS clients for LLRESI membership fees resulting in many prospective tenants' credit cards being over charged. Respondent Lorden was unaware of Davis' over billing practices until several complaints were filed against the company by prospective tenants and LLRESI was required to repay the overcharges. Sometime after the Desist and Refrain Order was issued by the Department, Jerry Lee Davis disappeared. Respondent Lorden filed a lawsuit against Davis seeking to recover money he had apparently stolen from LLRESI. The record did not indicate how or when this lawsuit was resolved, if at all.

14. In August 2001, Respondent Marine resigned as designated officer for LLRESI and terminated his relationship with the PRLS. Respondent Levitt assumed the title of designated officer at the request of Respondent Lorden, a long time friend of Respondent Levitt. Respondent Levitt was designated officer of the LLRESI in title only as he did not participate in the daily operation of the company or the PRLS service. Instead, he delegated all supervisory authority to Respondent Lorden in running the PRLS service. Respondent Levitt failed to review the PRLS contracts used by LLRESI or to ensure that the PRLS service was being operated pursuant to the Department's laws and regulations pertaining to PRLS services. Respondent Levitt actually worked as a paralegal during the time he was designated officer of LLRESI and received no compensation from LLRESI as designated officer of the company. Respondent Levitt has not personally used his real estate broker license, other than as designated officer of LLRESI, since approximately 1986.

15. On February 15, 2002, the Department, after receiving numerous consumer complaints, issued an Order to Respondents to Desist and Refrain from engaging in a business as a PRLS and using the fictitious business name of "Lorden Leasing." The Department informed Respondents that they did not hold a license for use of a fictitious business name, that they had failed to submit to, and obtain an approved PRLS contract from the Department prior to engaging in the prepaid rental listing service as required by law, and that their conduct in operating the PRLS was in violation of the real estate laws of California.

16. Respondents Levitt, Lorden, and LLRESI continued to operate the PRLS business until approximately April or May 2002, after being notified of the Desist and Refrain Order by Department on February 15, 2002. Respondent Levitt claimed that he was not aware of the Desist and Refrain Order because he was never actively involved in the

PRLS. He stated he was not informed by Respondent Lorden that the Order had been issued. In approximately May 2002, LLRESI closed its offices and went out of business.

17. Respondents LLRESI, Marine, Levitt, and Lorden's overall conduct in operating the PRLS constituted negligence and incompetence and a disregard for the real estate laws of the State of California. Although the evidence showed there were misrepresentations made in the manner in which Respondents advertised and secured prospective tenants for fee memberships for its PRLS rental listing, this conduct resulted from the negligent and incompetent manner in which Respondents Marine, Levitt, and Lorden operated the PRLS business. Respondent Lorden started the PRLS business relying primarily on the experience of her office manager who had been involved in a PRLS prior to coming to work for LLRESI. She was inexperienced in running a PRLS business and this inexperience resulted in an ineffective service being offered prospective tenants. The evidence does not prove that Respondents Lorden, Marine, or Levitt engaged in fraudulent conduct in the operation of the PRLS service. Although an employee inappropriately over billed membership fees to several prospective tenants, Respondents were not aware of this conduct and did not condone or authorize the over billing.

18. Respondent Marine attempted to comply with the Department's contractual requirements for PRLS agreements but fell short in his attempt. Although LLRESI began to use a contract that implemented several changes identified by the Department in response to Respondent Marine's initial attempt to obtain approval for a PRLS contract, LLRESI's contracts still did not comply with the Department's laws and regulations. Respondent Marine never obtained approval from the Department to utilize any contract used by LLRESI. Respondent Marine was not knowledgeable about the PRLS business and relied upon Respondent Lorden to a great degree in running the PRLS business. He admittedly became overwhelmed by the volume of PRLS transactions and that he ultimately realized he could manage the PRLS business. Recognizing his inability to effectively manage the PRLS business as designated officer, Respondent Marine resigned from that position.

19. Respondent Levitt failed entirely to perform his functions as the designated officer of LLRESI. He never once entered LLRESI's offices and relied totally upon Respondent Lorden to operate the PRLS. Respondent Levitt did not have any knowledge or experience in operating a PRLS business and agreed to become the designated officer knowing he was incompetent to manage such a business.

20. Respondents Marine and Levitt failed to exercise reasonable supervision and control as designated officers over the activities of LLRESI as is required in their capacity as the corporate broker licensee. Respondent Marine and Respondent Levitt, Respondent Levitt to a greater degree than Respondent Marine, abdicated their responsibility as designated officers to Respondent Lorden, who essentially ran the PRLS business. Respondent Marine's and Respondent Levitt's conduct constitute negligence and incompetence and is cause for discipline under the real estate laws of California.

21. Respondents' conduct resulted in prospective tenants paying PRLS membership fees for services that were not rendered. Respondents failed to refund the prospective tenants' PRLS fees as required by law. Respondents Marine and Levitt, as designated officers of LLRESI from 1999 until 2002, are liable for payment of restitution to these prospective tenants. The total amount owed is \$5,470.00: \$3,800.00 incurred while Respondent Marine was designated officer, and \$1,670.00 incurred while Respondent Levitt was designated officer. Respondent LLRESI is jointly and severally liable with Respondents Marine and Levitt for payment of the full amount of restitution. The restitution is due the prospective tenants as follows³:

Richard Arigo	\$150.00 (M)	Matthew Krinsky	\$150.00 (M)
Robert Ayotte	\$150.00 (M)	Carmen Lundy	\$150.00 (M)
Loren Basch	\$300.00 (M)	Greg Mastrogiovani	\$150.00 (L)
Rebecca Bates	\$150.00 (L)	Hamish McColleston	\$175.00 (M)
Shaul Bernshtein	\$150.00 (M)	Alvaro and Luciana	
Elizabeth Corsini	\$150.00 (M)	Melo	\$25.00 (M)
Gene Crowley	\$550.00 (M)	Zoe Muntaner	\$80.00 (M)
Hugh Duff and		Anastasios John	
Mitchell Durette	\$150.00 (M)	Papadakis	\$150.00 (M)
Vanessa Fung	\$100.00 (M)	Patrick Reilly	\$50.00 (M)
Hallie F. Goodman	\$150.00 (M)	Maria Ana Ricabal	\$150.00 (M)
Robert Greenberg	\$150.00 (M)	Sofia Rodriguez	\$150.00 (L)
Christina Hall	\$150.00 (M)	Elliot Rothman	\$150.00 (M)
Adams Haskins	\$150.00 (M)	David Salyers	\$150.00 (M)
Rachel Heieck	\$150.00 (L)	Beth Scheffress	\$150.00 (M)
Roy Johnson	\$770.00 (L)	Kelly D. Simmons	\$80.00 (M)
Jennifer Kincaid	\$80.00 (M)	Silvana Smud	\$80.00 (M)
Brandy King	\$100.00 (M)	Julie Wyloge	\$150.00 (L)

LEGAL CONCLUSIONS

1. Cause exists to discipline the real estate licenses issued to Respondents LLRESI, Marine, Levitt, and Lorden pursuant to Business and Professions Code sections 10167.9, subdivisions (a) and (c), 10167.12, subdivision (a), and 10177, subdivision (d), in that Respondents utilized PRLS contracts which were not submitted for approval by, or approved by the Department, by reason of Factual Findings 3 through 12.

³ "M" designates restitution amounts owed to prospective tenants who paid PRLS fees during Respondent Marine's tenure as designated officer of LLRESI, and "L" designates restitution amounts owed to prospective tenants who paid PRLS fees during Respondent Levitt's tenure as designated officer of LLRESI.

2. Cause exists to discipline the real estate licenses issued to Respondents LLRESI, Marine, Levitt, and Lorden pursuant to Business and Professions Code sections 10167.10, 10167.12, subdivision (a), and 10177, subdivision (d), in that Respondents failed to provide prospective tenants the refund of fees paid for PRLS rental lists that did not meet contracted specifications, and failed to properly notify said tenants of their "Right to Refund" as required by law, by reason of Factual Findings 7 through 14, and 21.

3. Cause exists to discipline the real estate licenses issued to Respondents LLRESI, Marine, Levitt, and Lorden pursuant to Business and Professions Code sections 10167.11, 10167.12, subdivision (a), and 10177, subdivision (d), in that Respondents misrepresented the nature and extent of the services offered in their PRLS rental lists, by reason of Factual Findings 7 through 12.

4. Cause exists to discipline the real estate licenses issued to Respondents LLRESI, Marine, Levitt, and Lorden pursuant to Business and Professions Code section 10177, subdivisions (d) and (g), in that Respondents were negligent and incompetent in operating the PRLS, by reason of Factual Findings 4 through 21.

5. Cause exists to discipline the real estate broker licenses issued to Respondents Marine and Levitt pursuant to Business and Professions Code sections 10159.2, and 10177, subdivisions (d), (g), and (h), in that Respondents failed to exercise reasonable supervision and control over the licensed activities of LLRESI as required by law, by reason of Factual Findings 4 through 21.

6. Cause exists to discipline Respondent Marine's real estate broker license pursuant to Business and Professions Code sections 2731, subdivision (c), and 10177, subdivision (d), in that Respondent Marine used the fictitious business names of LLRESI and "Lorden Leasing" without first having a valid real estate license identifying the fictitious business names, by reason of Factual Findings 4 through 12.

7. Cause exists to discipline Respondent Levitt's real estate broker license pursuant to Business and Professions Code sections 10086 and 10177, subdivision (d), in that Respondent Levitt continued to operate the LLRESI prepaid rental listing service after the Department issued a Desist and Refrain Order, by reason of Factual Findings 14 through 16.

DISCUSSION

Respondents Marine, Levitt, and Lorden started a PRLS business which none of the Respondents were competent and qualified to operate. Invariably, mistakes were made which resulted in the business being run in an ineffective manner as a result of their incompetence and negligence. The Respondents did not have the expertise or resources to provide up-to-date PRLS rental listings and they failed to assist prospective tenants in locating rental properties meeting their identified rental specifications. In short, Respondents were overwhelmed by the operational requirements of an effective PRLS rental listing

service and resorted to using short cuts and inappropriate practices to maintain the viability of its PRLS business. LLRESI no longer operates as a PRLS business and its corporation license will be revoked to prevent any further operation by this entity.

Respondents Marine, Levitt, and Lorden licenses should be revoked and allowed to apply for properly restricted real estate licenses. There was insufficient evidence that Respondents acted with fraudulent intent, as it is found that their conduct constituted negligence and incompetence. To be sure, Respondents made material misrepresentations in their advertisement for prospective tenants and in their PRLS listings. But these misrepresentations are deemed a result of incompetence and negligence as the evidence showed that none of the Respondents were competent and qualified to operate a PRLS business when they started LLRESI.

Respondent Marine attempted to comply with the Department's PRLS contract and operational requirements and tried to perform some of his supervisory responsibilities as designated officer of LLRESI. Because he attempted to comply with the Department's laws and regulations, Respondent Marine should be allowed to retain a properly restricted broker license. Respondent Levitt, however, completely abdicated his duties as designated officer of LLRESI to Respondent Lorden and failed to even attempt to supervise the PRLS business for which his broker license was being used to run. In fact, Respondent Levitt was not practicing as a real estate broker when he allowed his broker license to be used by Respondent Lorden and LLRESI. This conduct is inexcusable. Consequently, Respondent Levitt's broker license should be revoked and he should be allowed to apply for a restricted real estate salesperson license if he so chooses.

As a condition of obtaining any restricted licenses, Respondents Marine and Levitt are required to pay full restitution to the prospective tenants who were not refunded their PRLS membership fees even though they were unable to secure suitable rental properties using Respondents' PRLS service. Respondent Marine is liable for restitution in the amount of \$3,800.00 and Respondent Levitt is liable for restitution in the amount of \$1,670.00. Respondent LLRESI, with Respondent Marine and Respondent Levitt, is jointly and severally liable for the full amount of restitution owing the prospective tenants in the amount of \$5,470.00.

Finally, Respondents should be prohibited from operating or engaging in a PRLS business in the State of California during the time their licenses are subject to probation or revocation.

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ORDER

I. Respondent Lorden Leasing and Real Estate Services, Inc., dba Lorden Leasing and Real Estate Services, Lorden leasing, and Pets Ok (LLRESI):

All licenses and licensing rights of Respondent LLRESI, Corporation License No. 01268951, under the Real Estate Law are revoked. Respondent LLRESI is jointly and severally liable with Respondents Marine and Levitt for repayment of the full amount of restitution in the amount of \$5470.00, pursuant to Factual Finding 21, and Legal Conclusion 2.

II. Respondent Barry Charles Marine, as former Designated Officer of LLRESI and Individually dba Lorden Leasing, Marine Financial, Marine financial Services, Pets OK Apt & Home Finders, and Pets OK:

All licenses and licensing rights of Respondent Barry Charles Marine, License No. 00953776, under the Real Estate Law are revoked; provided, however, a restricted real estate broker license shall be issued to Respondent pursuant to Section 10156.5 of the Business and Professions Code if Respondent makes application therefor and pays to the Department of Real Estate the appropriate fee for the restricted license within 90 days from the effective date of this Decision. The restricted license issued to Respondent shall be subject to all of the provisions of 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, 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 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 order 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 the Respondent engaged during the period covered by the report.
6. Respondent shall, prior to the issuance of the restricted license and as a condition of the issuance of said restricted license, submit proof satisfactory to the Commissioner of payment of restitution in the amount of \$3,800.00 pursuant to Factual Finding 21 and Legal Conclusion 2.
7. Respondent is prohibited from operating or engaging in a PRLS business in the State of California while licensed under a restricted broker license.

III. Respondent Joel Miles Levitt, as Designated Officer of LLRESI:

All licenses and licensing rights of Respondent Joel Miles Levitt, License No. 00498879, 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 therefore and pays to the Department of Real Estate the appropriate fee for the restricted license within 90 days from the effective date of this Decision. The restricted license issued to Respondent shall be subject to all of the provisions of 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 real estate 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 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.
8. Respondent shall, prior to the issuance of the restricted license and as a condition of the issuance of said restricted license, submit proof satisfactory to the Commissioner of payment of restitution in the amount of \$1,670.00 pursuant to Factual Finding 21 and Legal Conclusion 2.
9. Respondent is prohibited from operating or engaging in a PRLS business in the State of California while licensed under a restricted salesperson license.

IV. Respondent Judy Ilene Levitt, dba Lorden Leasing, and Pets OK

All licenses and licensing rights of Respondent Judy Ilene Lorden, License No. 01201303, 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 therefore and pays to the Department of Real Estate the appropriate fee for the restricted license within 90 days from


the effective date of this Decision. The restricted license issued to Respondent shall be subject to all of the provisions of 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 real estate 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 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.

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6. Respondent is prohibited from operating or engaging in a PRLS business in the State of California while licensed under a restricted salesperson license.

DATED: May 11, 2005



MICHAEL A. SCARLETT
Administrative Law Judge
Office of Administrative Hearings

1 3.

2 LORDEN LEASING AND REAL ESTATE SERVICES INC.
3 ("LLARESI"), BARRY CHARLES MARINE ("MARINE"), JOEL MILES LEVITT
4 ("LEVITT") and JUDY ILENE LORDEN ("JIL"), are presently licensed
5 and/or have license rights under the Real Estate Law (Part 1 of
6 Division 4 of the Business and Professions Code).

7 4.

8 (a) At all mentioned times, MARINE and LEVITT were
9 licensed by the Department as designated officers of LLARESI to
10 qualify it and to act for it as real estate brokers and, as
11 provided by Section 10159.2 of the Code, were responsible for the
12 supervision and control of the activities conducted on its behalf
13 by its officers, managers and employees as necessary to secure
14 full compliance with the provisions of the Real Estate Law
15 including the supervision of the salespersons licensed to the
16 corporation in the performance of acts for which a real estate
17 license is required.

18
19 (b) MARINE was originally licensed as a real estate
20 broker on March 22, 1991. MARINE has been the designated officer
21 of LLARESI since it was originally licensed as a corporate real
22 estate broker on October 25, 1999, until August 30, 2001.

23 (c) LEVITT was originally licensed as a real estate
24 broker on May 6, 1980. LEVITT has been the designated officer of
25 LLARESI since August 30, 2001.

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5.

At all mentioned times, JIL was licensed by the Department as a real estate salesperson. JIL was originally licensed as a real estate salesperson on September 12, 1995. JIL was employed by MARINE from January 25, 1999 until September 11, 1999. JIL has been employed by LLARESI as a real estate salesperson since May 23, 2000. JIL is the President of Lorden Leasing.

6.

Although Respondents LLARESI, MARINE and LEVITT presently hold active real estate broker licenses, Respondent JIL is not licensed as either a real estate broker or is she approved for a Prepaid Rental Listing Service (sometimes "PRLS") license for the Prepaid Rental List Service of Lorden Leasing she is conducting. All further references to Lorden Leasing and Real Estate Services, Pets OK Apt & Home Finders, Pets OK, Marine Financial, Marine Financial Services or Lorden Leasing shall apply to the agents or employees of Respondents LLARESI, MARINE, LEVITT, and JIL interchangeably.

7.

All names used herein, LORDEN LEASING AND REAL ESTATE SERVICES INC., BARRY CHARLES MARINE, individually dba Marine Financial, Marine Financial Services, Pets OK, Pets OK Apt & Home Finders, and Lorden Leasing, JOEL MILES LEVITT and JUDY ILENE LORDEN are used interchangeably to refer to the Prepaid Rental

1 Listing Service conducted jointly and severally by Respondents
2 under all of the above or a combination of the above names.

3 FIRST CAUSE OF ACCUSATION

4 (Violation of Code Section 10167.9(a) and (c) and 10177(d))

5 8.

6 On or about January 26, 1999, pursuant to an
7 application for a PRLS license, MARINE submitted a proposed PRLS
8 contract to Department of Real Estate (Department) for approval
9 under the name "Pets OK". However, two versions of unapproved
10 PRLS contracts have been used by Respondents. One version was
11 for "Pets OK" and the other for "Lorden Leasing". Neither
12 contract was submitted to the Department for approval.

13 9.

14 Neither the "Pets OK" nor "Lorden Leasing" contracts
15 have been approved by the Department for a Prepaid Rental Listing
16 Service, in violation of Code Section 10167.9(c).

17 10.

18 During 1999 to date, Respondents received a membership
19 fee from, and either failed to provide contracts to, or entered
20 into the aforesaid unapproved PRLS contracts with prospective
21 tenants, including but not necessarily limited to: Papadakis
22 Anastasios J., Richard Arigo, Robert Ayotte, Loren Basch, Rebecca
23 Bates, Sharon Berman, Shaul Bernshtein, Lau Cheun-Yen, Elizabeth
24 Corsini, Gene and Marina Crowley, Hugh Duff, M. Durette, Vanessa
25 Fung, Hallie F. Goodman, Robert Greenberg, Christiana Hall, Susan
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1 Rochelle Harshman, Adam Haskins, Rachel Heieck, Alexandra Houska,
2 Roy Johnson, Jennifer Kincaid, Brandi King, Valerie Billie
3 Klayman, Matthew Krinsky, Jon Larson, Carmen Lundy, Gregory
4 Mastrogiovani, Hamish McCollester, Scott O'Leary, Dawn Mahoney,
5 Alvaro and Luciana Melo, Zoe Muntaner, Patrick Reily, Maria Ana
6 Ricabal, Sofia Rodriguez, Marta Russell, Cliff Rothman, David
7 Salyers, Beth R. Scheffres, Silvana Smud, Kelly D. Simmons, and
8 Julie Wyloge. Respondents' conduct, acts and/or omissions are in
9 violation of Code Sections 10167.9(a) and (c) and 10177(d).

10 SECOND CAUSE OF ACCUSATION

11 (Violation of Code Section 10167.10 and 10177(d))

12 11.

13 During 1999 to date, Respondents LLARESI, MARINE,
14 LEVITT, and JIL, failed to provide to prospective tenants the
15 refund of fees paid for a (1) list of available properties; (2)
16 meeting the contracted tenant specifications; by means of a
17 contract that (3) contains of the statutory "RIGHT TO REFUND"
18 language. Respondents' conduct, acts and/or omissions in failing
19 to ensure refunds to the prospective tenants are in violation of
20 Code Section 10167.10 and 10177(d).
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THIRD CAUSE OF ACCUSATION

(Violation of Code Sections 10167.11

and 10177(d) and/or 10177(g))

12.

During 1999 to date, Respondents LLARESI, MARINE, LEVITT, and JIL, misrepresented the nature and extent of the services offered in order to induce prospective list purchasers into entering into a contractual relationship with LLARESI and into paying the service fees therein by: (1) providing misleading availability and descriptions of properties; (2) failing to confirm the availability of the property for tenancy during the four-day period immediately preceding dissemination of the listing information; (3) and failing to obtain written or oral permission to list the property from the property owner, manager or other authorized agent, with respect to the aforesaid prospective tenants. Respondents' conduct, acts and/or omissions are in violation of Code Section 10167.11 and 10177(d).

13.

Respondents' conduct, acts and/or omissions in not ensuring an approved contract were provided to prospective tenants, in compliance with Code Section 10167.9; in not ensuring refunds were made to prospective tenants, in violation of Code Section 10167.10, and in falsely misrepresenting the property description and confirmed availability and the services to be provided to prospective tenants, in violation of Code Section

1 10167.11, are cause to suspend or revoke the real estate licenses
2 and license rights of Respondents pursuant to Code Sections
3 10167.12(a) and 10177(d).

4 FOURTH CAUSE OF ACCUSATION

5 (Violation of Regulation 2731(c)(3) Code Section 10177(d))

6 14.

7 Respondent MARINE used the fictitious name of Lorden
8 Leasing and Real Estate Services and Lorden Leasing to conduct
9 licensed activities on his and its behalf without holding a
10 license bearing said fictitious business names and after being
11 denied permission to use the name "Lorden" by the Department
12 pursuant to Code Section 2731(c)(3). MARINE's conduct, in
13 failing to obtain a license for use of the aforesaid name, is in
14 violation of Regulation 2731(c)(3), and is cause to suspend or
15 revoke MARINE's real estate license and license rights under Code
16 Section 10177(d).
17

18 FIFTH CAUSE OF ACCUSATION

19 (Violation of Code Sections 10086 and 10177(d))

20 15.

21 The conduct of Respondent LEVITT in continuing to
22 conduct licensed operations in violation of the Desist and
23 Refrain Order (H-29393 LA) filed on February 15, 2002, for
24 violations of Code Sections 10167.9(a) and 10167.9(c), is in
25 violation of Regulation 10086, and is cause to suspend or revoke
26
27

1 LEVITT's real estate license and license rights under Code
2 Section 10177(d).

3 SIXTH CAUSE OF ACCUSATION

4 (Violation of Code Sections 10177(d) and/or 10177(g))

5 16.

6 The overall conduct of Respondents LORDEN LEASING AND
7 REAL ESTATE SERVICES INC., BARRY CHARLES MARINE, individually and
8 as former designated Officer of Lorden Leasing and Real Estate
9 Services Inc., JOEL MILES LEVITT, individually and as designated
10 Officer of Lorden Leasing and Real Estate Services Inc., and JUDY
11 ILENE LORDEN, with respect to the Prepaid Rental Listing Service
12 Lourden Leasing and Pets OK, or the combination thereof,
13 constitutes negligence and/or incompetence. This conduct and
14 violations are cause to suspend or revoke the real estate license
15 and license rights of Respondents pursuant to Code Sections
16 10177(d) and/or 10177(g).

17
18 SEVENTH CAUSE OF ACCUSATION

19 (Violation of Code Sections 10159.2 and 10177(d) and/or 10177(h))

20 17.

21 The overall conduct of Respondents MARINE and LEVITT
22 constitutes a failure on their part, as officers designated by a
23 corporate broker licensee, to exercise the reasonable supervision
24 and control over the licensed activities of LLARESI as required
25 by Code Section 10159.2, and to keep it in compliance with the
26 Real Estate Law, and is cause for the suspension or revocation of
27

1 the real estate license and license rights of MARINE and LEVITT
2 pursuant to the provisions of Code Sections 10177(d), 10177(g)
3 and/or 10177(h).

4 WHEREFORE, Complainant prays that a hearing be
5 conducted on the allegations of this Accusation and that upon
6 proof thereof, a decision be rendered imposing disciplinary
7 action against all licenses and license rights of Respondent
8 LORDEN LEASING AND REAL ESTATE SERVICES INC., BARRY CHARLES
9 MARINE, individually and as former designated Officer of Lorden
10 Leasing and Real Estate Services Inc., JOEL MILES LEVITT,
11 individually and as designated Officer of Lorden Leasing and Real
12 Estate Services Inc., and JUDY ILENE LORDEN, under the Real
13 Estate Law (Part 1 of Division 4 of the Business and Professions
14 Code), and for such other and further relief as may be proper
15 under provisions of law.
16

17
18 Dated at Los Angeles, California

19 This *30th day of September 2003.*

20
21 
22 _____
Deputy Real Estate Commissioner

23 cc: Lorden Leasing And Real Estate Services Inc.,
24 Barry Charles Marine
25 Miles Joel Levitt
26 Judy Ilene Lorden
27 Sacto.
Maria Suarez
EE

Sacto gus

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

FILED
FEB 28 2002
DEPARTMENT OF REAL ESTATE

In the Matter of the Accusation of

By *K. Kuderlo*

LORDEN LEASING & REAL ESTATE
SERVICES, INC., and BARRY CHALES
MARINE,



Case No. H-29222 LA

OAH No. L-2002020123

Respondent

NOTICE OF 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, Ste. 630, Los Angeles, CA** on **July 30 & 31, 2002**, 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.

DEPARTMENT OF REAL ESTATE

Dated: February 28, 2002

By *[Signature]*
ELLIOTT MAC LENNAN, Counsel

cc: Barry C. Marine
Paul J. Cohen, Esq. Sacto OAH

*back
glens*

1 ELLIOTT MAC LENNAN, SBN 66674
Department of Real Estate
2 320 West 4th Street, Ste. 350
Los Angeles, California 90013-1105
3
4 Telephone: (213) 576-6911 (direct)
-or- (213) 576-6982 (office)

FILED
SEP 13 2001
DEPARTMENT OF REAL ESTATE

By K. Kriegerholt

8 DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11	In the Matter of the Accusation of)	No. H-29222 LA
12	LORDEN LEASING AND REAL ESTATE)	<u>ACCUSATION</u>
13	SERVICES INC.; doing business)	
14	as Lorden Leasing and Real Estate)	
15	Services, Lorden Leasing, and)	
16	Pets OK; BARRY CHARLES MARINE,)	
17	as designated officer of)	
18	Lorden Leasing and)	
19	Real Estate Services Inc., and)	
20	individually doing business as)	
21	Lorden Leasing, Marine Financial,)	
22	Marine Financial Services, Pets OK)	
23	Apt & Home Finders, and Pets OK; and)	
24	JUDY ILENE LORDEN, doing business as)	
25	Lorden Leasing, and Pets OK,)	
26)	
27	Respondents.)	

22 The Complainant, Maria Suarez, a Deputy Real Estate
23 Commissioner of the State of California, for cause of Accusation
24 against LORDEN LEASING AND REAL ESTATE SERVICES INC.; doing
25 business as Lorden Leasing and Real Estate Services, Lorden
26 Leasing, and Pets OK; BARRY CHARLES MARINE, as designated officer
27

1 of Lorden Leasing and Real Estate Services Inc.; and individually
2 doing business as and Lorden Leasing, Marine Financial, Marine
3 Financial Services, Pets OK Apt & Home Finders, and Pets OK; and
4 JUDY ILENE LORDEN, doing business as Lorden Leasing, and Pets OK,
5 sometimes hereinafter referred to as ("Respondents"), is informed
6 and alleges as follows:

7 1.

8 The Complainant, Maria Suarez, a Deputy Real Estate
9 Commissioner of the State of California, acting in her official
10 capacity as such and not otherwise, makes this Accusation against
11 Respondents.

12 2.

13 All references to the "Code" are to the California
14 Business and Professions Code and all references to "Regulations"
15 are to Title 10, Chapter 6, California Code of Regulations.
16

17 3.

18 LORDEN LEASING AND REAL ESTATE SERVICES INC.
19 ("LLARESI"), BARRY CHARLES MARINE ("MARINE"), and JUDY ILENE
20 LORDEN ("JIL"), are presently licensed and/or have license rights
21 under the Real Estate Law (Part 1 of Division 4 of the Business
22 and Professions Code).

23 4.

24 At all mentioned times, MARINE was licensed by the
25 Department as designated officer of LLARESI to qualify it and to
26 act for it as a real estate broker and, as provided by Section
27

1 10159.2 of the Code, was responsible for the supervision and
2 control of the activities conducted on its behalf by its
3 officers, managers and employees as necessary to secure full
4 compliance with the provisions of the Real Estate Law including
5 the supervision of the salespersons licensed to the corporation
6 in the performance of acts for which a real estate license is
7 required. MARINE was originally licensed as a real estate
8 broker on March 22, 1991. MARINE has been the designated officer
9 of LLARESI since it was originally licensed as a corporate real
10 estate broker on October 25, 1999. Additionally, MARINE does
11 business as Marine Financial, Marine Financial Services, Pets OK
12 Apt & Home Finders, Pets OK and Lorden Leasing in his individual
13 capacity.

14
15 5.

16 At all mentioned times, JIL was licensed by the
17 Department as a real estate salesperson. JIL was originally
18 licensed as a real estate salesperson on September 12, 1995. JIL
19 was employed by MARINE from January 25, 1999 until September 11,
20 1999. JIL has been employed by LLARESI as a real estate
21 salesperson since May 23, 2000. JIL is the President of Lorden
22 Leasing.

23
24 6.

25 Although Respondents LLARESI and MARINE presently hold
26 active real estate broker licenses, Respondent JIL is not
27 licensed as either a real estate broker nor is she approved for a

1 Prepaid Rental Listing Service (sometimes "PRLS") license for the
2 Prepaid Rental List Service of Lorden Leasing she is conducting.
3 All further references to Lorden Leasing and Real Estate
4 Services, Pets OK Apt & Home Finders, Pets OK, Marine Financial,
5 Marine Financial Services or Lorden Leasing shall apply to the
6 agents or employees of Respondents LLARESI, MARINE and JIL
7 interchangeably.

8 7.

9 All names used herein, LORDEN LEASING AND REAL ESTATE
10 SERVICES INC., BARRY CHARLES MARINE, individually dba Marine
11 Financial, Marine Financial Services, Pets OK, Pets OK Apt & Home
12 Finders, and Lorden Leasing, and JUDY ILENE LORDEN are used
13 interchangeably to refer to the Prepaid Rental Listing Service
14 conducted jointly and severally by Respondents under all of the
15 above or a combination of the above names.
16

17 8.

18 On or about January 26, 1999, pursuant to an
19 application for a PRLS license, MARINE submitted a proposed PRLS
20 contract to Department of Real Estate (Department) for approval
21 under the name "Pets OK". However, two versions of unapproved
22 PRLS contracts have been employed by Respondents. One version
23 was for "Pets OK" and the other for "Lorden Leasing". The "Lorden
24 Leasing" contract was not submitted to the Department for
25 approval.
26
27

9.

1
2 Neither the "Pets OK" or "Lorden Leasing" contracts
3 have been approved by the Department for a Pre Paid Rental
4 Listing Service.

5 10.

6 During 1999 to date, Respondents received a membership
7 fee from and entered into the aforesaid PRLS contracts with
8 prospective tenants Vanessa Fung, Beth Rachel Scheffress, Valerie
9 Billie Klayman, Zoe Muntaner, Kelly D. Simmons, David Brian
10 Salyers, Susan Rochelle Harshman, and Alvaro and Luciana Melo.

11 11.

12 The conduct of Respondent LLARESI and MARINE in
13 operating a PRLS doing business as Lorden Leasing and Real Estate
14 Services, Pets OK Apt & Home Finders, Pets OK, Marine Financial,
15 Marine Financial Services or Lorden Leasing or a combination
16 thereof, as set forth above, including failing to give the
17 aforementioned prospective tenants a contract approved by the
18 Department is in violation of Code Section 10167.9(c), and is
19 cause for the suspension or revocation of all real estate
20 licenses and license rights of Respondents under Section
21 10167.12(a) of the Code.

22 12.

23
24 Respondent MARINE used the fictitious name of Lorden
25 Leasing and Real Estate Services and Lorden Leasing to conduct
26 licensed activities on his behalf without holding a license
27

1 bearing said fictitious business names and after being denied
2 permission to use the name "Lorden" by the Department pursuant to
3 Code Section 2731(c)(3). MARINE's conduct, in failing to obtain
4 a license for use of the aforesaid name, is in violation of
5 Regulation 2731(c)(3), and is cause to suspend or revoke MARINE's
6 real estate license and license rights under Code Section
7 10177(d).

8 13.

9 The overall conduct of Respondents LORDEN LEASING AND
10 REAL ESTATE SERVICES INC., BARRY CHARLES MARINE, individually and
11 as designated Officer of Lorden Leasing and Real Estate Services
12 Inc. and JUDY ILENE LORDEN, with respect to the Prepaid Rental
13 Listing Service Lourden Leasing and Pets OK, or the combination
14 thereof, as described in Paragraphs 1 through 10 herein above,
15 constitutes negligence and/or incompetence. This conduct and
16 violations are cause to suspend or revoke the real estate license
17 and license rights of Respondents pursuant to Section 10177(g) of
18 the Code.
19

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