

1 Department of Real Estate
2 320 West Fourth Street, Suite 350
3 Los Angeles, California 90013-1105

4 Telephone: (213) 576-6982
5 -or- (213) 576-6910 (Direct)

FILED
JUL 23 2003
DEPARTMENT OF REAL ESTATE

6
7
8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)
12 EMF MORTGAGE, INC., a corporation,)
13 and ALAN TYREE ALFORD,)
14 individually and as designated)
15 officer of EMF Mortgage, Inc.,)
16 and dba Equity Funding and)
Towne & Country Properties,)
Respondents.)

NO. H-29567 LA

L-2002090470

STIPULATION AND AGREEMENT

17 It is hereby stipulated by and between ALAN TYREE
18 ALFORD, individually and as designated officer of EMF Mortgage,
19 Inc., and dba Equity Funding and Towne & Country Properties
20 (hereinafter "Respondent"), represented by L. Keith Ogburn,
21 Esq., and the Complainant, acting by and through Chris Leong,
22 Counsel for the Department of Real Estate, as follows for the
23 purpose of settling and disposing of the Accusation filed on
24 June 21, 2002. The Accusation against EMF MORTGAGE, INC., a
25 corporation, will be handled separately.
26
27

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

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

12 3. Respondent filed a Notice of Defense pursuant to
13 Section 11505 of the Government Code for the purpose of
14 requesting a hearing on the allegations in the Accusation.
15 Respondent hereby freely and voluntarily withdraws said Notice
16 of Defense. Respondent acknowledges that he understands that
17 by withdrawing said Notice of Defense he will thereby waive his
18 right to require the Commissioner to prove the allegations in
19 the Accusation at a contested hearing held in accordance with
20 the provisions of the Administrative Procedure Act and that
21 Respondent will waive other rights afforded to him in
22 connection with the hearing, such as the right to present
23 evidence in defense of the allegations in the Accusation and
24 the right to cross-examine witnesses.

25 4. In the interest of expedience and economy,
26 Respondent chooses not to contest the factual allegations in
27 Paragraphs 1 through 14 of the Accusation, but to remain silent

1 and understands that, as a result thereof, these factual
2 statements, without being admitted or denied, will serve as a
3 prima facie basis for the disciplinary action stipulated to
4 herein. The Real Estate Commissioner shall not be required to
5 provide further evidence to prove such allegations.

6 5. It is understood by the parties that the Real
7 Estate Commissioner may adopt the Stipulation as her Decision
8 in this matter, thereby imposing the penalty and sanctions on
9 Respondent's real estate license and license rights as set
10 forth in the "Order" below. In the event that the Commissioner
11 in her discretion does not adopt the Stipulation, it shall be
12 void and of no effect, and Respondent shall retain the right to
13 a hearing and proceeding on the Accusation under all the
14 provisions of the Administrative Procedure Act and shall not be
15 bound by any admission or waiver made herein.

16 ///

17 ///

18 ///

19 ///

20 ///

21 ///

22 ///

23 ///

24 ///

25 ///

26 ///

27 ///

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

7 DETERMINATION OF ISSUES

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

13 The acts and omissions of Respondent, described in
14 Paragraphs 1 through 14 of the Accusation, are cause for the
15 suspension or revocation of all real estate licenses and
16 license rights of Respondent under the provisions of Business
17 and Professions Code (hereafter "Code") Section 10137 and Code
18 Section 10177(d) for violation of Code Section 10240.

19 ORDER

20 WHEREFORE, THE FOLLOWING ORDER is hereby made:

21 All licenses and licensing rights of Respondent under
22 the Real Estate Law are revoked; provided, however, a
23 restricted real estate broker license shall be issued to
24 Respondent pursuant to Section 10156.5 of the Business and
25 Professions Code if:

26 a) Respondent makes application therefor and pays to
27 the Department of Real Estate the appropriate fee for the

1 restricted license within 90 days from the effective date of
2 this Decision.

3 b) Respondent submits proof satisfactory to the Real
4 Estate Commissioner that he has repaid the borrower, Ilona
5 Missakian, \$1,000.00.

6 The restricted license issued to Respondent shall be
7 subject to all of the provisions of Section 10156.7 of the
8 Business and Professions Code and to the following limitations,
9 conditions, and restrictions imposed under authority of Section
10 10156.6 of that Code:

11 1. The restricted license issued to Respondent may
12 be suspended prior to hearing by Order of the Real Estate
13 Commissioner in the event of Respondent's conviction or plea of
14 nolo contendere to a crime which is substantially related to
15 Respondent's fitness or capacity as real estate licensee.

16 2. The restricted license issued to Respondent may
17 be suspended prior to hearing by Order of the Real Estate
18 Commissioner on evidence satisfactory to the Commissioner that
19 Respondent has violated provisions of the California Real
20 Estate Law, the Subdivided Lands Law, Regulations of the Real
21 Estate Commissioner or conditions attaching to the restricted
22 license.

23 3. Respondent shall not be eligible to apply for the
24 issuance of an unrestricted real estate license nor for the
25 removal of any of the conditions, limitations or restrictions
26 of a restricted license until two (2) years has elapsed from
27 the effective date of this Decision.

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

13 5. Respondent shall, within six (6) months from the
14 effective date of this Decision, take and pass the Professional
15 Responsibility Examination administered by the Department
16 including the payment of the appropriate examination fee. If
17 Respondent fails to satisfy this condition, the Commissioner
18 may order suspension of Respondent's license until Respondent
19 passes the examination.

20 6. Any restricted real estate license issued to
21 Respondent shall be suspended for a period of forty-five (45)
22 days from the date of issuance of said restricted license;
23 provided, however, that if Respondent petitions, said forty-five
24 (45) day suspension (or portion thereof) shall be stayed upon
25 condition that:

26 1. Respondent pays a monetary penalty pursuant to
27 Section 10175.2 of the Business and Professions Code at the rate

1 of \$125.00 for each day of the suspension for a total monetary
2 penalty of \$5,625.00.

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

8 3. No further cause for disciplinary action against
9 the real estate license of Respondent occurs within one (1)
10 year from the effective date of the Decision in this matter.

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

18 5. If Respondent pays the monetary penalty and if no
19 further cause for disciplinary action against the real estate
20 license of Respondent occurs within one (1) year from the
21 effective date of the Decision, the stay hereby granted shall
22 become permanent.

23
24 DATED: 6/27/03

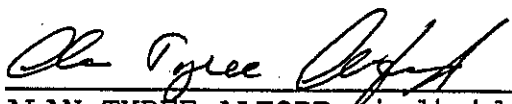
CHRIS LEONG
CHRIS LEONG, ESQ.
Counsel for Complainant

* * *

1
2 I have read the Stipulation and Agreement and its
3 terms are understood by me and are agreeable and acceptable to
4 me. I understand that I am waiving rights given to me by the
5 California Administrative Procedure Act (including but not
6 limited to Sections 11506, 11508, 11509 and 11513 of the
7 Government Code), and I willingly, intelligently and
8 voluntarily waive those rights, including the right of
9 requiring the Commissioner to prove the allegations in the
10 Accusation at a hearing at which I would have the right to
11 cross-examine witnesses against me and to present evidence in
12 defense and mitigation of the charges.


13 Respondent can signify acceptance and approval of the
14 terms and conditions of this Stipulation and Agreement by
15 faxing a copy of the signature page, as actually signed by
16 Respondent, to the Department at the following fax number (213)
17 576-6917. Respondent agrees, acknowledges and understands that
18 by electronically sending to the Department a fax copy of his
19 actual signature as it appears on the Stipulation and
20 Agreement, that receipt of the faxed copy by the Department
21 shall be as binding on Respondent as if the Department had
22 received the original signed Stipulation and Agreement.

23
24 DATED: 6-16-03


ALAN TYREE ALFORD, individually
and as designated officer of EMF
Mortgage, Inc., and dba Equity
Funding and Towne & Country
Properties, Respondent

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

DATED: 6/20/03

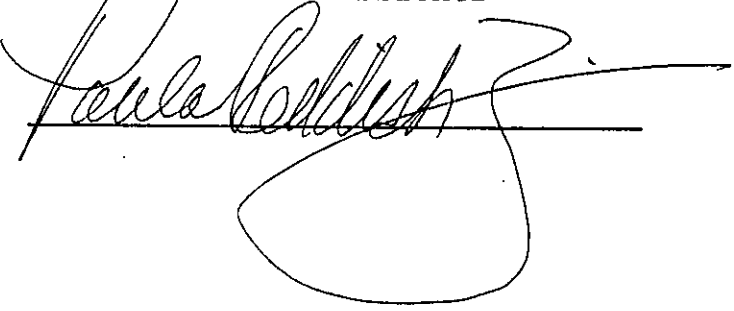

L. KEITH OGBURN
Counsel for Respondent

* * *

The foregoing Stipulation and Agreement is hereby
adopted as my Decision in this matter and shall become
effective at 12 o'clock noon on August 12, 2003.

IT IS SO ORDERED July 17, 2003

PAULA REDDISH ZINNEMANN
Real Estate Commissioner



al

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

FILED
JUL 23 2003
DEPARTMENT OF REAL ESTATE

~~13~~

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	No. H-29567 LA
)	
)	L-2002090470
<u>EMF MORTGAGE, INC.</u> , a)	
corporation, and ALAN TYREE)	
ALFORD, individually and as)	
designated officer of EMF)	
Mortgage, Inc., and dba Equity)	
Funding and Town & Country)	
Properties,)	
)	
Respondents.)	

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSE

On June 21, 2002, an Accusation was filed in this matter against Respondent EMF MORTGAGE, INC., a corporation.

On June 16, 2003, Respondent petitioned the Commissioner to voluntarily surrender its corporate real estate broker license pursuant to Section 10100.2 of the Business and Professions Code.

IT IS HEREBY ORDERED that Respondent EMF MORTGAGE, INC.'s, petition for voluntary surrender of its corporate real

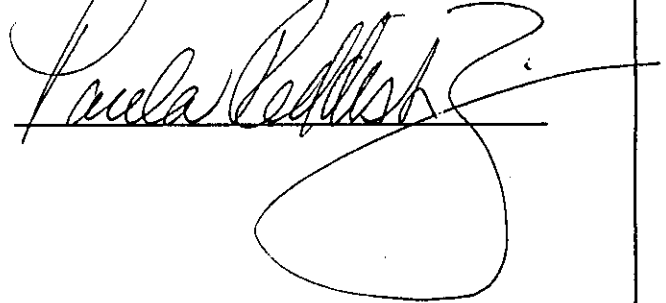
1 estate broker license is accepted as of the effective date of
2 this Order as set forth below, based upon the understanding and
3 agreement expressed in Respondent's Declaration dated June 16,
4 2003 (attached as Exhibit "A" hereto). Respondent's license
5 certificate(s), pocket card(s) and any branch office license
6 certificate(s) shall be sent to the below listed address so that
7 they reach the Department on or before the effective date of this
8 Order:

9 Department of Real Estate
10 Atten: Licensing Flag Section
11 P.O. Box 187000
12 Sacramento, CA 95818-7000

12 This Order shall become effective at 12 o'clock
13 noon on August 12, 2003.

14 DATED: July 17, 2003

16 PAULA REDDISH ZINNEMANN
17 Real Estate Commissioner

18 
19
20
21
22
23
24
25
26
27

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	No. H-29567 LA
)	
<u>EMF MORTGAGE, INC.</u> , a corporation,)	L-2002090470
and ALAN TYREE ALFORD,)	
individually and as designated)	
officer of EMF Mortgage, Inc.,)	
and dba Equity Funding and)	
Towne & Country Properties,)	
)	
Respondents.)	

DECLARATION

My name is ALAN TYREE ALFORD and I am currently an officer of EMF MORTGAGE, INC., a corporation, which is licensed as a corporate real estate broker and/or has license rights with respect to said license. I am authorized and empowered to sign this declaration on behalf of EMF MORTGAGE, INC., a corporation. EMF MORTGAGE, INC., a corporation, is represented in this matter by L. Keith Ogburn, Attorney at Law.

///



1 In lieu of proceeding in this matter in accordance with
2 the provisions of the Administrative Procedure Act (Sections
3 11400 et seq., of the Government Code) EMF MORTGAGE, INC., a
4 corporation, wishes to voluntarily surrender its real estate
5 license issued by the Department of Real Estate ("Department"),
6 pursuant to Business and Professions Code Section 10100.2.

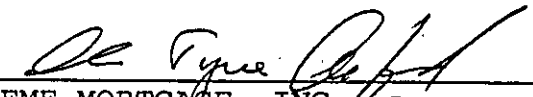
7 I understand that EMF MORTGAGE, INC., a corporation, by
8 so voluntarily surrendering its license, can only have it
9 reinstated in accordance with the provisions of Section 11522 of
10 the Government Code. I also understand that by so voluntarily
11 surrendering its license, EMF MORTGAGE, INC., a corporation,
12 agrees to the following:

13 The filing of this Declaration shall be deemed as its
14 petition for voluntary surrender. It shall also be deemed to be
15 an understanding and agreement by EMF MORTGAGE, INC., a
16 corporation, that it waives all rights it has to require the
17 Commissioner to prove the allegations contained in the Accusation
18 filed in this matter at a hearing held in accordance with the
19 provisions of the Administrative Procedure Act (Government Code
20 Sections 11400 et seq.), and that it also waives other rights
21 afforded to it in connection with the hearing such as the right
22 to discovery, the right to present evidence in defense of the
23 allegations in the Accusation and the right to cross-examine
24 witnesses. I further agree on behalf of EMF MORTGAGE, INC., a
25 corporation, that upon acceptance by the Commissioner, as
26 evidenced by an appropriate order, all affidavits and all
27 relevant evidence obtained by the Department in this matter prior


1 to the Commissioner's acceptance, and all allegations contained
2 in the Accusation filed in the Department Case No. H-29567 LA,
3 may be considered by the Department to be true and correct for
4 the purpose of deciding whether or not to grant reinstatement of
5 EMF MORTGAGE, INC.'s, a corporation, license pursuant to
6 Government Code Section 11522.

7 I declare under penalty of perjury under the laws of
8 the State of California that the above is true and correct and
9 that I am acting freely and voluntarily on behalf of EMF
10 MORTGAGE, INC., to surrender its license and all license rights
11 attached thereto.

12
13 6-16-03 Santa Ana, Ca
14 Date and Place


EMF MORTGAGE, INC., a
15 corporation, By Alan Tyree
16 Alford

17
18 6/20/03 Santa Ana, CA
19 Date and Place


L. Keith Ogburn, Esq.
20 Counsel for EMF MORTGAGE,
21 INC., a corporation
22
23
24
25
26
27

SM

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)
)
EMF MORTGAGE, INC., a corporation,)
and ALAN TYREE ALFORD, individually)
and as designated officer of EMF)
Mortgage, Inc., and dba Equity Funding)
and Towne & Country Properties,)

Case No. H-29567 LA

OAH No. L-2002090470

FILED
APR - 2 2003
DEPARTMENT OF REAL ESTATE

Respondent (s)

NOTICE OF CONTINUED HEARING ON ACCUSATION

12

To the above-named Respondent (s):

You are hereby notified that a hearing will be held before the Department of Real Estate at the Office of Administrative Hearings, 320 West Fourth Street, Suite 630, Los Angeles, CA 90013-1105 on AUGUST 13 and 14, 2003, 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: April 2, 2003

By CHRIS LEONG
CHRIS LEONG, Counsel

cc: EMF Mortgage, Inc.
Alan Tyree Alford
L. Keith Ogburn, Esq.
L.A. Audits/Lisa Kwong
Sacto.
OAH

506

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)
)
EMF MORTGAGE, INC., a corporation,)
and ALAN TYREE ALFORD, individually)
and as designated officer of EMF)
Mortgage, Inc., and dba Equity Funding)
and Towne & Country Properties,)

Case No. H-29567 LA

OAH No. L-2002090470

FILED
OCT - 2 2002
DEPARTMENT OF REAL ESTATE

Respondent(s)

NOTICE OF HEARING ON ACCUSATION

To the above-named Respondent(s):

By Chris Wong

You are hereby notified that a hearing will be held before the Department of Real Estate at the Office of Administrative Hearings, 320 West Fourth Street, Suite 630, Los Angeles, CA 90013-1105 on MARCH 18, 19 and 20, 2003, 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: October 2, 2002

By Chris Wong
CHRIS LEONG, Counsel

cc: EMF Mortgage, Inc.
Alan Tyree Alford
L. Keith Ogburn, Esq.
L.A. Audits/Lisa Kwong
Sacto.
OAH

1 CHRIS LEONG, Counsel
State Bar Number 141079
2 Department of Real Estate
320 West Fourth Street, Suite 350
3 Los Angeles, CA 90013-1105
4 Telephone: (213) 576-6982
-or- (213) 576-6910 (Direct)
5
6
7

FILED
JUN 21 2002
DEPARTMENT OF REAL ESTATE

~~By _____~~

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)
12) NO. H-29567 LA
EMF MORTGAGE, INC., a corporation))
13 and ALAN TYREE ALFORD,)) A C C U S A T I O N
individually and as designated))
14 officer of EMF Mortgage, Inc.,))
and dba Equity Funding and))
15 Towne & Country Properties;))
16 Respondents.))

17 The Complainant, Maria Suarez, a Deputy Real Estate
18 Commissioner of the State of California, for cause of Accusation
19 against EMF MORTGAGE, INC., a corporation (hereinafter "EMF") and
20 ALAN TYREE ALFORD, individually and as designated officer of EMF
21 Mortgage, Inc., and dba Equity Funding and Towne & Country
22 Properties (hereinafter "ALFORD") (hereinafter sometimes both
23 referred to as "Respondents"), is informed and alleges as
24 follows:

25 ///
26
27

1.

1 The Complainant, Maria Suarez, a Deputy Real Estate
2 Commissioner of the State of California, makes this Accusation
3 in her official capacity.
4

2.

5 Respondent EMF is presently licensed and/or has
6 license rights under the Real Estate Law, Part 1 of Division 4
7 of the Business and Professions Code (hereinafter "Code") as a
8 corporate real estate broker.
9

3.

10 Respondent ALFORD is presently licensed and/or has
11 license rights under the Code individually as a real estate
12 broker and as the designated officer of EMF.
13

4.

14 At no time material herein was Scott Abadajian
15 (hereinafter "Abadajian") licensed by the Department of Real
16 Estate and/or had license rights under the Code as a real
17 estate licensee.
18

5.

19 At all times mentioned herein, for compensation or in
20 expectation of compensation, Respondents engaged in the
21 business of, acted in the capacity of, advertised or assumed to
22 act as real estate brokers in the State of California, within
23 the meaning of Code Section 10131(d), including the operation
24 of a real estate loan business with the public wherein
25 borrowers and lenders were solicited for loans, wherein such
26 loans were arranged, negotiated, processed, and consummated on
27

1 behalf of others for compensation or in expectation of
2 compensation.

3 6.

4 In or about July, 1999, Abadjian was employed by
5 Respondents EMF and ALFORD to perform acts requiring a license.
6 These activities included, but were not limited to, negotiating
7 loans secured by a deed of trust for borrowers, including Ilona
8 V. Missakian (hereinafter "Borrower").

9 7.

10 In or about July 1999, Borrower contacted Abadjian at
11 EMF by telephone regarding obtaining a refinance loan on her
12 property at 18004 Lariat Drive, Chino Hills, California.
13 Borrower was recommended to Abadjian by a friend. Borrower
14 discussed with Abadjian the fact that she wanted to refinance the
15 present loan on her home and consolidate some of her debts.
16 Abadjian and Borrower discussed loan terms and rates for several
17 different programs that might be available. Ultimately, Abadjian
18 recommended that Borrower obtain two loans - a refinance loan of
19 \$136,000 and a second loan of \$36,000.00. Borrower, being
20 inexperienced in the area of loans, relied on the recommendation
21 of Abadjian as to what type of loan(s) would best suit her needs,
22 and agreed to the two loans as specified above. Abadjian and
23 Borrower also discussed that all fees and costs would be
24 incorporated into the loan(s) and Borrower would not be out-of-
25 pocket any money.

26 8.

27 Prior to July 14, 1999, Abadjian took Borrower's loan

1 application for the \$136,000.00 refinance loan over the phone,
2 and on July 14, 1999, they met in a McDonald's parking lot, where
3 Borrower signed said loan application. Borrower signed two
4 additional loan applications, on August 3, 1999 and August 14,
5 1999, both relating to the \$36,000.00 second loan. These loan
6 applications were also taken over the phone by Abadjian.

7 9.

8 On July 14, 1999, Borrower signed Page 3 of the loan
9 application, relating to the refinance loan in the amount of
10 \$136,000.00. Also on that page, Respondent ALFORD signed the
11 application and checked the box stating that the application was
12 taken over the phone by ALFORD, the designated broker/officer of
13 EMF. In fact, Borrower is unaware of who ALFORD is, having never
14 met him or talked with him over the phone. The only person
15 Borrower ever spoke to at EMF regarding her loan application was
16 Abadjian.

17 10.

18 On August 3, 1999, Borrower signed Page 3 of the loan
19 applications relating to the second loan in the amount of
20 \$36,000.00. Also on that same page, Respondent ALFORD signed
21 stating that the application was taken over the phone by ALFORD,
22 the designated broker/officer of EMF. In fact, Borrower is
23 unaware of who ALFORD is, having never met him or talked with him
24 over the phone. The only person Borrower ever spoke to at EMF
25 regarding her loan applications was Abadjian.

26 11.

27 On or about October 18, 2000 through October 20, 2000,

1 the Department of Real Estate performed an audit No. LA 000094,
2 of the mortgage loan activities of EMF. The audit covered the
3 period of March 1, 1999 through September 30, 2000. The audit
4 found that commission checks regarding both the \$136,000.00
5 refinance loan and the \$36,000.00 second loan were deposited into
6 the general bank account of EMF. Abadjian was a signer on the
7 general bank account of EMF, and withdrew monies for himself from
8 said account. In addition, Adabjian requested \$1,000.00 from
9 Borrower to pay for escrow charges. In fact, these charges were
10 paid through escrow and should not have been charged to Borrower
11 directly.

12 12.

13 In addition, the audit found that the broker did not
14 maintain a copy of the Department of Real Estate approved
15 Mortgage Loan Disclosure Statements, that were executed by the
16 broker and the borrowers, in some of the loan files to show that
17 said statement was prepared and provided to the borrowers, in
18 violation of Code Section 10240 and Section 2840 of Title 10,
19 Chapter 6, California Code of Regulations. Said conduct, acts
20 and/or omissions are cause for suspension or revocation of all
21 licenses and license rights of Respondents under the Real Estate
22 Law.

23 13.

24 The conduct of Respondents EMF and ALFORD, as described
25 above in stating that they took the application over the phone
26 constitutes dishonest dealing and/or making a substantial
27 misrepresentation. Said conduct is cause pursuant to Code

1 Sections 10176(a) and (i) for the suspension or revocation of all
2 licenses and license rights of Respondent under Real Estate Law.

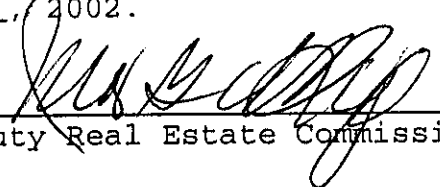
3 14.

4 The conduct of Respondents EMF and ALFORD, as
5 described above, violated the Real Estate Law in compensating
6 Abadjian an unlicensed person for performing licensed acts.
7 Said conduct is cause pursuant to Code Section 10137 for the
8 suspension or revocation of all licenses and license rights of
9 Respondents under Code Section 10177(d).

10 WHEREFORE, Complainant prays that a hearing be
11 conducted on the allegations of this Accusation and that upon
12 proof against all licenses and license rights of Respondents EMF
13 MORTGAGE, INC., a corporation and ALAN TYREE ALFORD, individually
14 and as designated officer of EMF Mortgage, Inc., and dba Equity
15 Funding and Towne & Country Properties, under the Real Estate Law
16 (Part 1 of Division 4 of the Business and Professions Code) and
17 for such other and further relief as may be proper under other
18 applicable provisions of law, including the imposition of a fine
19 of up to \$10,000 pursuant to the provisions of Section 10139.5 of
20 the Business and Professions Code.

21 Dated at Los Angeles, California

22 this 20th day of June, 2002.

23
24 
Deputy Real Estate Commissioner

25 cc: EMF Mortgage, Inc.
26 Alan Tyree Alford
27 Maria Suarez
Sacto.
RLJ