

1 Department of Real Estate
2 320 West 4th Street, Ste. 350
3 Los Angeles, California 90013-1105

4 Telephone: (213) 576-6982

FILED
DEC 20 2002
DEPARTMENT OF REAL ESTATE

By K. Mederholt

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 To:

12 WILLIAM GREGORY MORTGAGE INC.;
13 JOHN B. RAMLJAK, individually
14 and as designated officer of
15 William Gregory Mortgage Inc.

No. H-29842 LA

ORDER TO DESIST

AND REFRAIN

17 The Real Estate Commissioner of the State of California
18 (hereinafter "Commissioner") has caused an investigation to be
19 made of you, WILLIAM GREGORY MORTGAGE INC. (hereinafter "WGMI"),
20 and you, JOHN B. RAMLJAK (hereinafter "RAMLJAK"), and based upon
21 the findings of that investigation, as set forth below, is of the
22 opinion that you, WGMI, violated Sections 10137 and 10240 of the
23 California Business and Professions Code (hereinafter "Code") and
24 Section 2840 of Title 10, Chapter 6, California Code of
25 Regulations (hereinafter "Regulations"). In addition, you,
26 RAMLJAK, have violated Code Section 10159.2.
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1.

At all times material herein, you, WGMI, were and now are licensed by the Department of Real Estate of the State of California (hereinafter "Department") as a corporate real estate broker through RAMLJAK as the designated officer and broker responsible, pursuant to the provisions of Code Section 10159.2, for supervising the activities requiring a real estate license conducted on behalf of WGMI by WGMI's officers, agents and employees.

2.

At all times material herein, you, RAMLJAK, were and now are licensed by the Department as a real estate broker, individually and as the designated officer of WGMI.

3.

At no time herein mentioned, was John Robert Forte ("Forte") licensed by the Department as a real estate broker or a real estate salesperson employed by a real estate broker. Forte was originally licensed by the Department on March 29, 1988 as a conditional real estate salesperson. On March 28, 1992, said license expired.

4.

All further references to "you" include the parties identified in Paragraphs 1 and 2 above, and also include the officers, directors, employees, agents and real estate licensees employed by or associated with said parties and who at all times herein mentioned were engaged in the furtherance of the business

1 or operations of said parties and who were acting within the
2 course and scope of their authority and employment.

3 5.

4 At all times herein mentioned, you, WGMI, engaged in
5 the business of, acted in the capacity of, advertised or assumed
6 to act as a real estate broker in the State of California, within
7 the meaning of Code Section 10131(d), including the operation and
8 conduct of a mortgage loan brokerage with the public, wherein you
9 solicited prospective borrowers or lenders for and/or negotiated
10 or serviced loans secured by liens on real property for another
11 or others, all for or in expectation of compensation.

12 6.

13 On or about February 9, 2001, the Department completed
14 an audit examination of WGMI's books and records, pertaining to
15 the activities described in Paragraph 5, above, covering a period
16 beginning on July 1, 2000 and terminating on December 31, 2000.
17 The audit examination revealed violations of the Code as set
18 forth below, and more fully discussed in Audit Report LA 000235
19 and exhibits/workpapers attached to said audit report.

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1 In the course of activities described in Paragraphs 6
2 and 7, you, WGMI, acted in violation of the Code and the
3 Regulations in that you:
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5 (a) On or about August 20, 1993, WGMI employed Forte to
6 engage in activity requiring a real estate license. During his
7 employment for WGMI, Forte originated loans secured by liens on
8 real property on behalf of WGMI, solicited borrowers and lenders,
9 negotiated for and accepted fees from prospective borrowers and
10 lenders, including borrowers Wanda Coleman and Jason Frank.
11 These are acts for which a real estate broker license is
12 required. By employing and compensating Forte to originate
13 loans, solicit borrowers and lenders, and negotiate loans secured
14 by liens on real property when he was not licensed by the
15 Department, you, WGMI, are in violation of Code Section 10137.
16

17 (b) failed to retain a signed statement in writing
18 containing all the information required to be disseminated to
19 borrowers by Code Section 10241 including but not limited to
20 Sharon Tunstall for the real property located at 14885 Jadestone
21 Drive, Sherman Oaks, California; Joel and Pamela Fischer for the
22 real property located at 10331 Cheviot Drive, Los Angeles,
23 California; Roger and Lorraine Kitch for the real property
24 located at 6252 Moonfield Drive, Huntington Beach, California;
25 Charles Erdman for the real property located at 871 Kagawa,
26 Pacific Palisades, California; David Hallinger for the real
27

1 property located at 751 N. Virgil Avenue, Los Angeles,
2 California; and, Christopher Buchanan for the real property
3 located at 1148 Sierra Alta Way, Los Angeles, California, before
4 these borrowers became obligated to perform under the terms of
5 their respective loans, in violation of Code Section 10240 and
6 Regulation 2840.

7 8.

8 Your conduct, acts and/or omissions, RAMLJAK, as
9 described herein above, constitute a failure on your part, to
10 exercise the supervision and control over the licensed activities
11 of WGMI as required by Code Section 10159.2.

12 NOW, THEREFORE, YOU, WILLIAM GREGORY MORTGAGE INC. ARE
13 ORDERED TO DESIST AND REFRAIN from engaging in any activity
14 within the meaning of Code Sections 10131, 10131.2 and 10131.3
15 unless and until you are in compliance with Code Sections 10137
16 and 10240 and Regulation 2840.

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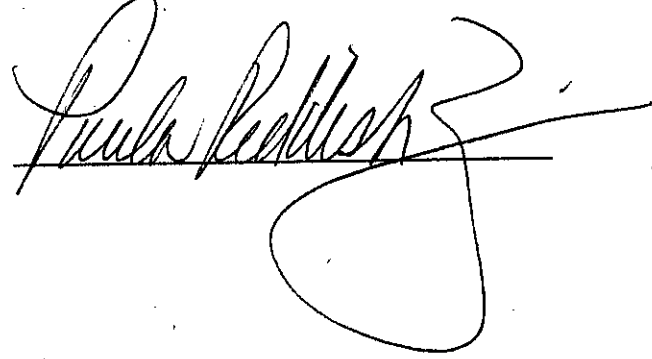
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1 AND FURTHER, YOU, JOHN B. RAMLJAK, ARE ORDERED TO
2 DESIST AND REFRAIN from performing any of the acts for which a
3 real estate license is required as the designated officer of a
4 corporation, unless and until you are in compliance with Code
5 Section 10159.2.

6 DATED: December 12, 2002

8 PAULA REDDISH ZINNEMANN
9 Real Estate Commissioner

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25 cc: John B. Ramljak
26 c/o William Gregory Mortgage Inc.
27 12100 Wilshire Blvd., #200
Los Angeles, Ca 90025