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**FILED**  
SEP 24 2007  
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-29945 LA  
 )  
WALTER LOUIS ROSENKRANZ, )  
 )  
Respondent. )

ORDER GRANTING REINSTATEMENT OF LICENSE

On September 15, 2003, a Decision was rendered herein revoking the real estate broker license of Respondent, but granting Respondent the right to apply for and be issued a restricted real estate broker license. A restricted real estate broker license was issued to Respondent on October 22, 2003.

On July 18, 2006, Respondent petitioned for reinstatement of said real estate broker license and the Attorney General of the State of California has been given notice of the filing of said petition.

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///

1 I have considered the petition of Respondent and  
2 the evidence and arguments in support thereof. Respondent  
3 has demonstrated to my satisfaction that Respondent meets  
4 the requirements of law for the issuance to Respondent of  
5 a real estate broker license and that it would not be against  
6 the public interest to issue said license to Respondent.

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

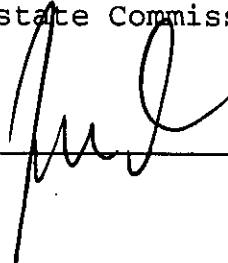
12 1. Submittal of a completed application and payment  
13 of the fee for a real estate broker license.

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

19 This Order shall become effective immediately.

20 DATED: \_\_\_\_\_ 9-11-07

21  
22 JEFF DAVIS  
Real Estate Commissioner

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1  
2 On or about July 18, 2006, Respondent petitioned  
3 for reinstatement of said real estate broker license and the  
4 Attorney General of the State of California has been given  
5 notice of the filing of said petition.

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

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

18 1. Submittal of a completed application and payment  
19 of the fee for a real estate broker license.

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

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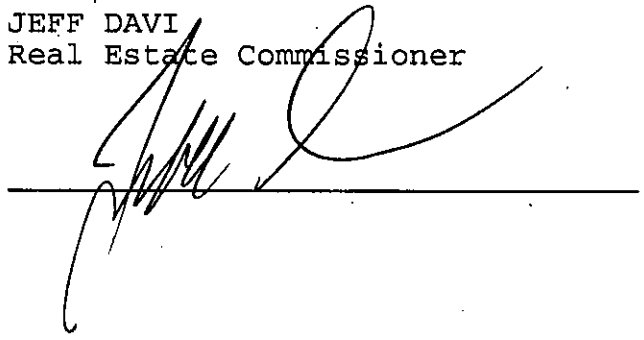
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3. Submittal of proof satisfactory to the  
Commissioner of having taken and completed the trust fund  
accounting and handling course specified in paragraph (3),  
subdivision (a) of Section 10170.5 of the Business and  
Professions Code.

This Order shall become effective immediately.

DATED: 9/23/87

JEFF DAVIS  
Real Estate Commissioner



A handwritten signature in black ink, appearing to read 'Jeff Davis', is written over a horizontal line. The signature is cursive and extends above and below the line.

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ELLIOTT MAC LENNAN, Counsel (SBN 66674)  
Department of Real Estate  
320 W. 4<sup>TH</sup> Street, Suite 350  
Los Angeles, CA 90013-1105

Telephone: (213) 576-6982 (Office)  
-or- (213) 576-6911 (Direct)

**FILED**  
SEP 22 2003  
DEPARTMENT OF REAL ESTATE

By R. Medelholz

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of	)	No. H-29945 LA
WALTER LOUIS ROSENKRANZ, doing	)	<u>STIPULATION</u>
business as Century 21 Astro	)	<u>AND AGREEMENT</u>
Realty, and CAROL ELAINE RAYBURN,	)	
Respondents.	)	

It is hereby stipulated by and between Respondents  
WALTER LOUIS ROSENKRANZ and CAROL ELAINE RAYBURN (sometimes  
referred to herein as "Respondents") represented by Michael J.  
Steponovich, Jr., Attorney At Law, and the Complainant, acting  
by and through Elliott Mac Lennan, Counsel for the Department of  
Real Estate, as follows for the purpose of settling and disposing  
of the Accusation filed on February 7, 2003, in this matter.

1. All issues which were to be contested and all  
evidence which was to be presented by Complainant and Respondents  
at a formal hearing on the Accusation, which hearing was to be  
held in accordance with the provisions of the Administrative

1 Procedure Act ("APA"), shall instead and in place thereof be  
2 submitted solely on the basis of the provisions of this  
3 Stipulation and Agreement ("Stipulation").

4 2. Respondents have received, read and understand  
5 the Statement to Respondent, the Discovery Provisions of the  
6 APA and the Accusation, filed by the Department of Real Estate  
7 ("Department") in this proceeding.

8 3. Respondents filed a Notice of Defense pursuant to  
9 Section 11506 of the Government Code for the purpose of  
10 requesting a hearing on the allegations in the Accusation.  
11 Respondents hereby freely and voluntarily withdraw said Notice of  
12 Defense. Respondents acknowledge that they understand that by  
13 withdrawing said Notice of Defense, they will thereby waive their  
14 rights to require the Commissioner to prove the allegations in  
15 the Accusation at a contested hearing held in accordance with the  
16 provisions of the APA and that they will waive other rights  
17 afforded to them in connection with the hearing, such as the  
18 right to present evidence in defense of the allegations in the  
19 Accusation and the right to cross-examine witnesses.  
20

21 4. This Stipulation and Agreement is based on the  
22 factual allegations contained in the Accusation filed in this  
23 proceeding. In the interest of expedience and economy,  
24 Respondents choose not to contest these factual allegations, but  
25 to remain silent and understands that, as a result thereof, these  
26 factual statements, without being admitted or denied, will serve  
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1 as a prima facie basis for the disciplinary action stipulated to  
2 herein. This Stipulation and Respondents' decision not to  
3 contest the Accusation are hereby expressly limited to this  
4 proceeding and made for the sole purpose of reaching an agreed  
5 disposition of this proceeding. Respondents' decision not to  
6 contest the factual allegations is made solely for the purpose of  
7 effectuating this Stipulation and is intended by Respondents to  
8 be non-binding upon Respondents in any actions against  
9 Respondents by third parties. The Real Estate Commissioner shall  
10 not be required to provide further evidence to prove such  
11 allegations.

12           5. This Stipulation and any Order made pursuant to  
13 this Stipulation shall have no collateral estoppel or res  
14 judicata effect in any proceedings in which the Respondents and  
15 the Department (or the Department's representative) are not  
16 parties. This Stipulation is made by Respondents and received  
17 by the Commissioner and the Department, with the express  
18 understanding and agreement that it is for the purpose of  
19 settling these proceedings only, and that this Stipulation is  
20 not intended as, and shall not be deemed, used, or accepted as  
21 an acknowledgment or admission of fact in any other judicial,  
22 administrative, or other proceeding to which the Department is  
23 not a party.

24  
25           6. It is understood by the parties that the Real  
26 Estate Commissioner may adopt the Stipulation as her decision  
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1 in this matter, thereby imposing the penalty and sanctions on  
2 Respondents' real estate licenses and license rights as set forth  
3 in the below "Order." In the event that the Commissioner in her  
4 discretion does not adopt the Stipulation, the Stipulation shall  
5 be void and of no effect, and Respondents shall retain the right  
6 to a hearing on the Accusation under all the provisions of the  
7 APA and shall not be bound by any stipulation or waiver made  
8 herein.

9           7. The Order or any subsequent Order of the Real  
10 Estate Commissioner made pursuant to this Stipulation shall  
11 not constitute an estoppel, merger or bar to any further  
12 administrative or civil proceedings by the Department of Real  
13 Estate with respect to any matters which were not specifically  
14 alleged to be causes for accusation in this proceeding.

15           8. Respondent WALTER LOUIS ROSENKRANZ understands that  
16 by agreeing to this Stipulation, Respondent agrees to pay,  
17 pursuant to Business and Professions Code Section 10148, the cost  
18 of the audit which led to this disciplinary action. The amount  
19 of said cost is \$9,298.34.

20           9. Respondent WALTER LOUIS ROSENKRANZ has received,  
21 read, and understands the "Notice Concerning Costs of Subsequent  
22 Audit". Respondent further understands that by agreeing to this  
23 Stipulation, the findings set forth below in the Determination of  
24 Issues become final, and the Commissioner may charge Respondent  
25 for the cost of any subsequent audit conducted pursuant to  
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1 Business and Professions Code Section 10148 to determine if the  
2 violations have been corrected. The maximum cost of the  
3 subsequent audit will not exceed \$9,298.34.

4 DETERMINATION OF ISSUES

5 By reason of the foregoing stipulations and waivers and  
6 solely for the purpose of settlement of the pending Accusation  
7 without a hearing, it is stipulated and agreed that the following  
8 determination of issues shall be made:

9 I.

10 The conduct, acts and/or omissions of Respondent  
11 WALTER LOUIS ROSENKRANZ as set forth in the Paragraph 4 above,  
12 constitutes cause to suspend or revoke the real estate broker  
13 license and license rights of Respondent under the provisions of  
14 Code Sections 10177(d), 10177(g) and 10177(h) of the Business and  
15 Professions Code for violations of Section 10145 of the Code and  
16 Sections 2731, 2831, 2831.1, 2831.2, 2832.1, 2832(e), 2834, 2835,  
17 2950(d), 2950(g) and 2950(h) of Title 10, Chapter 6, California  
18 Code of Regulations.  
19

20 II.

21 The conduct, acts and/or omissions of Respondent  
22 CAROL ELAINE RAYBURN as set forth in the Paragraph 4 above,  
23 constitutes unlicensed activity, in violation of Code Section  
24 10130 and is cause to suspend or revoke the real estate broker  
25 license and license rights of Respondent under the provisions of  
26 Code Section 10177(d).  
27

ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

I.

The real estate broker license and licensing rights of Respondent WALTER LOUIS ROSENKRANZ under the Real Estate Law is 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:

(A) makes application thereof and pays to the Department of Real Estate the appropriate fee for the restricted license within ninety (90) days from the effective date of this Decision; and

(B) Respondent shall, prior to and as a condition of the issuance of the restricted license, submit proof satisfactory to the Commissioner of having taken and successfully completed the continuing education course on trust fund accounting and handling specified in paragraph (3) of subdivision (a) of Section 10170.5 of the Business and Professions Code. Proof of satisfaction of this requirement includes evidence that respondent has successfully completed the trust fund accounting and handling continuing education course within 120 days prior to the effective date of the Decision in this matter.

(C) Prior to the issuance of any restricted license, Respondent shall first provide evidence satisfactory to the Commissioner that the trust fund deficit set forth in the

1 Accusation and in Audit Report LA 010286, in the amount of  
2 \$33,727.65, as of February 28, 2002, has been cured, including  
3 the identification of the source of funds used to cure the  
4 deficit.

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

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

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

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

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

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

20                   6. Pursuant to Section 10148 of the Business and  
21 Professions Code, Respondent shall pay the Commissioner's  
22 reasonable cost for: (a) the audit which led to this  
23 disciplinary action and (b) a subsequent audit to determine if  
24 Respondent is now in compliance with the Real Estate Law. The  
25 cost of the audit which led to this disciplinary action is  
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1 \$9,298.34. In calculating the amount of the Commissioner's  
2 reasonable cost, the Commissioner may use the estimated average  
3 hourly salary for all persons performing audits of real estate  
4 brokers, and shall include an allocation for travel time to and  
5 from the auditor's place of work. Said amount for the prior and  
6 subsequent audits shall not exceed \$18,596.68.

7 Respondent WALTER LOUIS ROSENKRANZ shall pay such cost  
8 within 60 days of receiving an invoice from the Commissioner  
9 detailing the activities performed during the audit and the  
10 amount of time spent performing those activities.

11 The Commissioner may suspend the license of Respondent  
12 WALTER LOUIS ROSENKRANZ pending a hearing held in accordance  
13 with Section 11500, et seq., of the Government Code, if payment  
14 is not timely made as provided for herein, or as provided for in  
15 a subsequent agreement between the Respondent and the  
16 Commissioner. The suspension shall remain in effect until  
17 payment is made in full or until a Respondent enters into an  
18 agreement satisfactory to the Commissioner to provide for  
19 payment, or until a decision providing otherwise is adopted  
20 following a hearing held pursuant to this condition.

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II.

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2           The real estate broker license and licensing rights of  
3 Respondent CAROL ELAINE RAYBURN under the Real Estate Law is  
4 revoked; provided, however, a restricted real estate broker  
5 license shall be issued to Respondent pursuant to Section 10156.5  
6 of the Business and Professions Code, if Respondent:

7           (A) makes application thereof and pays to the  
8 Department of Real Estate the appropriate fee for the restricted  
9 license within ninety (90) days from the effective date of this  
10 Decision; and

11           (B) Respondent shall, prior to and as a condition of  
12 the issuance of the restricted license, submit proof satisfactory  
13 to the Commissioner of having taken and successfully completed  
14 the continuing education course on trust fund accounting and  
15 handling specified in paragraph (3) of subdivision (a) of Section  
16 10170.5 of the Business and Professions Code. Proof of  
17 satisfaction of this requirement includes evidence that  
18 respondent has successfully completed the trust fund accounting  
19 and handling continuing education course within 120 days prior to  
20 the effective date of the Decision in this matter.

21  
22           1. The restricted license issued to Respondent may be  
23 suspended prior to hearing by Order of the Real Estate  
24 Commissioner in the event of Respondent's conviction or plea of  
25 nolo contendere to a crime which is substantially related to  
26 Respondent's fitness or capacity as a real estate licensee.  
27

1                   2. The restricted license issued to Respondent may  
2 be suspended prior to hearing by Order of the Real Estate  
3 Commissioner on evidence satisfactory to the Commissioner that  
4 Respondent has violated provisions of the California Real Estate  
5 Law, the Subdivided Lands Law, Regulations of the Real Estate  
6 Commissioner or conditions attaching to the restricted license.

7                   3. Respondent shall not be eligible to apply for the  
8 issuance of an unrestricted real estate license nor for the  
9 removal of any of the conditions, limitations or restrictions of  
10 a restricted license until two (2) years have elapsed from the  
11 effective date of this Decision.

12                   4. Respondent shall, within nine (9) months from the  
13 effective date of this Decision, present evidence satisfactory to  
14 the Real Estate Commissioner that Respondent has, since the most  
15 recent issuance of an original or renewal real estate license,  
16 taken and successfully completed the continuing education  
17 requirements of Article 2.5 of Chapter 3 of the Real Estate Law  
18 for renewal of a real estate license. If Respondent fails to  
19 satisfy this condition, the Commissioner may order the suspension  
20 of the restricted license until the Respondent presents such  
21 evidence. The Commissioner shall afford Respondent the  
22 opportunity for a hearing pursuant to the Administrative  
23 Procedure Act to present such evidence.

24                   5. Respondent shall within six (6) months from the  
25 effective date of the restricted license, take and pass the  
26  
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1 Professional Responsibility Examination administered by the  
2 Department including the payment of the appropriate examination  
3 fee. If Respondent fails to satisfy this condition, the  
4 Commissioner may order suspension of the restricted license  
5 until Respondent passes the examination.

6 II.

7 Any restricted real estate broker license issued to  
8 Respondent CAROL ELAINE RAYBURN under the Real Estate Law shall  
9 be suspended for a period of one-hundred (100) days from the date  
10 of issuance of said restricted license; provided, however, that  
11 if Respondent petitions said suspension (or a portion thereof)  
12 shall be stayed for two (2) years upon condition that:

13 1. Respondent pays a monetary penalty pursuant to  
14 Section 10175.2 of the Business and Professions Code at a rate of  
15 \$100 for each day of the suspension for a total monetary penalty  
16 of \$10,000.

17 2. Said payment shall be in the form of a cashier's  
18 check or certified check made payable to the Recovery Account of  
19 the Real Estate Fund. Said check must be received by the  
20 Department prior to the effective date of the Decision  
21 in this matter.

22 3. No further cause for disciplinary action against  
23 the real estate license of Respondent occur within two (2) years  
24 from the effective date of the Decision in this matter.

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1 Accusation at a hearing at which we would have the right to  
 2 cross-examine witnesses against us and to present evidence in  
 3 defense and mitigation of the charges.

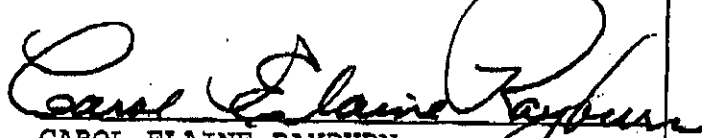
4 FACSIMILE TRANSMISSION

5 Respondents can signify acceptance and approval of the  
 6 terms and conditions of the Stipulation by faxing a copy of its  
 7 signature page, as actually signed by Respondents, to the  
 8 Department at the following telephone/fax number: (213) 576-6917,  
 9 Attention: Elliott Mac Lennan. Respondents agree, acknowledge  
 10 and understand that by electronically sending to the Department a  
 11 fax copy of Respondents' actual signatures as they appear on the  
 12 Stipulation and Agreement, that receipt of the faxed copy by the  
 13 Department shall be as binding on Respondents as if the  
 14 Department had received the original signed Stipulation.  
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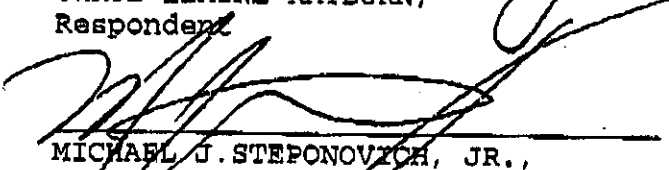
16 DATED: 8-14-03

17   
 18 WALTER LOUIS ROSENKRANZ,  
 19 Respondent

20 DATED: 8-14-03

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 22 CAROL ELAINE RAYBURN,  
 23 Respondent

24 DATED: 8/14/03

25   
 26 MICHAEL J. STEPONOVICH, JR.,  
 27 Attorney for Respondents  
 Approved as to form

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1 Accusation at a hearing at which we would have the right to  
2 cross-examine witnesses against us and to present evidence in  
3 defense and mitigation of the charges.

4 FACSIMILE TRANSMISSION

5 Respondents can signify acceptance and approval of the  
6 terms and conditions of the Stipulation by faxing a copy of its  
7 signature page, as actually signed by Respondents, to the  
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9 Attention: Elliott Mac Lennan. Respondents agree, acknowledge  
10 and understand that by electronically sending to the Department a  
11 fax copy of Respondents' actual signatures as they appear on the  
12 Stipulation and Agreement, that receipt of the faxed copy by the  
13 Department shall be as binding on Respondents as if the  
14 Department had received the original signed Stipulation.  
15

16  
17 DATED: \_\_\_\_\_

\_\_\_\_\_  
WALTER LOUIS ROSENKRANZ,  
Respondent

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20 DATED: \_\_\_\_\_

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CAROL ELAINE RAYBURN,  
Respondent

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22  
23 DATED: \_\_\_\_\_

\_\_\_\_\_  
MICHAEL J. STEPONOVICH, JR.,  
Attorney for Respondents  
Approved as to form

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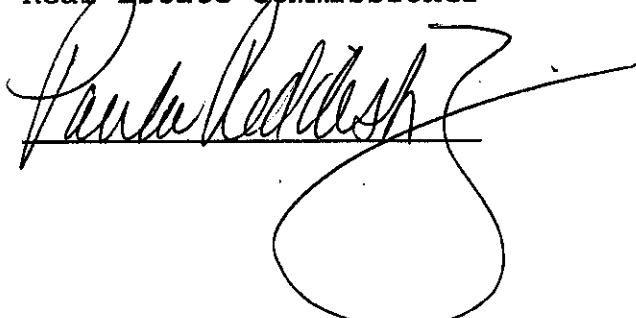
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2           The foregoing Stipulation and Agreement is hereby  
3 adopted as my Decision as to Respondents WALTER LOUIS ROSENKRANZ  
4 and CAROL ELAINE RAYBURN, and shall become effective at 12  
5 o'clock noon on OCT 22, 2003

6                           IT IS SO ORDERED September 15, 2003

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8                           PAULA REDDISH ZINNEMANN  
9                           Real Estate Commissioner

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*Sacto*

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

**FILED**  
MAY 21 2003  
DEPARTMENT OF REAL ESTATE

*In the Matter of the Accusation of*

WALTER L. ROSENKRANZ, et al.

By *K. Mederholt*

Case No. H-29945 LA

OAH No. L-2003030859

}

*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 320 W. Fourth Street, Ste. 630, Los Angeles, CA on October 23 & 24, 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: MAY 21 2003

By *ELI*  
ELLIOTT MAC LENNAN, Counsel

cc: Walter L. Rosenkranz/Carol E. Rayburn  
Michael J. Steponovich, Jr.  
Sacto/OAH/LF

*Handwritten initials/signature*

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

**FILED**  
FEB -7 2003  
DEPARTMENT OF REAL ESTATE

By *R. Wiederholt*

8 BEFORE THE DEPARTMENT OF REAL ESTATE  
9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of )  
12 WALTER LOUIS ROSENKRANZ, doing )  
13 business as Century 21 Astro )  
14 Realty; and, CAROL ELAINE RAYBURN, )  
15 Respondents. )

No. H-29945 LA

A C C U S A T I O N

16 The Complainant, Maria Suarez, a Deputy Real Estate  
17 Commissioner of the State of California, for cause of Accusation  
18 against WALTER LOUIS ROSENKRANZ dba Century 21 Astro Realty; and,  
19 CAROL ELAINE RAYBURN, alleges as follows:  
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1 accounts during the audit period into which were deposited  
2 certain of these funds at:

3 "Horizon Adventures Inc dba Astro Escrow  
4 Account No. 1890568122"  
5 Commercia Bank  
6 Long Beach, California  
7 (Escrow Trust Account #1)

8 "Century 21 Astro Realty Escrow Trust Account  
9 Account No. 9120015572"  
10 Union Bank of California  
11 Los Angeles, California  
12 (Former Escrow Trust Account #2)

13 8.

14 With respect to the trust funds referred to in  
15 Paragraph 7, it is alleged that ROSENKRANZ, except for Paragraph  
16 (b) (1):

17 (a) Permitted, allowed or caused the disbursement of  
18 trust funds from the escrow trust account where the disbursement  
19 of funds reduced the total of aggregate funds in the trust  
20 account, to an amount which, on February 28, 2002, was \$33,727.65  
21 less than the existing aggregate trust fund liability of  
22 ROSENKRANZ to every principal who was an owner of said funds,  
23 without first obtaining the prior written consent of the owners  
24 of said funds, as required by Code Section 10145 and Regulations  
25 2832.1, 2950(d) and 2950(g). This deficit, caused by an  
26 overdrawn balance, was cured in May 2002.

27 (b) (1) RAYBURN conducted activities requiring a real  
estate license including negotiating the purchase and sale of the

1 (b) (1) RAYBURN conducted activities requiring a real  
2 estate license including negotiating the purchase and sale of the  
3 real property commonly known as 17727 Jersey Street, Artesia,  
4 California including the accompanying mortgage loan refinancing  
5 on behalf of buyer Lisa Helen Just-Garcia and including  
6 compensation paid from ROSENKRANZ in amount of \$4,241.28, during  
7 the seventeen (17) month period from June 4, 2000 to November 8,  
8 2001, during which her real estate broker license had expired, in  
9 violation of Code Sections 10130 and 10137:

10 (b) (2) Compensated RAYBURN for negotiating four  
11 aforementioned real property sales and purchase transactions  
12 during the seventeen (17) month from June 4, 2000 to November 8,  
13 2001, during which her broker license had lapsed, in violation of  
14 Code Section 10137.

15 (c) Failed to disburse from Escrow Trust Account #1  
16 four mistakenly deposited checks for broker's escrow fees  
17 totaling \$6,919.50, in violation of Code Section 10145 and  
18 Regulation 2835. The aforesaid checks were deposited on August  
19 31, 2002, wherein they remained until June 6, 2002, and therefore  
20 were not disbursed within twenty-five (25) days of deposit, as  
21 required by Regulation 2835. On June 6, 2002, these broker's  
22 funds were transferred back into the general account.  
23

24 (d) Failed to maintain an adequate or complete control  
25 record in the form of a columnar record in chronological order of  
26 all trust funds received in Escrow Trust Account #1, as required  
27

1 by Code Section 10145 and Regulation 2831. The control record  
2 did not indicate the date trust funds were deposited into Escrow  
3 Trust Account #1; nor were the check numbers in correct sequence.

4 (e) Failed to maintain an accurate and complete  
5 separate record for each beneficiary or transaction, thereby  
6 failing to account for all trust funds received, deposited into,  
7 and disbursed from the trust account, as required by Code Section  
8 10145 and Regulation 2831.1. Check numbers and dates of deposits  
9 of trust funds into Escrow Trust Account #1 did not match.

10 (f) Failed to perform a monthly reconciliation of the  
11 balance of all separate beneficiary or transaction records  
12 maintained pursuant to Regulation 2831.1 with the record of all  
13 trust funds received and disbursed by Escrow Trust Account #1, as  
14 required by Code Section 10145 and Regulation 2831.2. 107  
15 required reconciliation adjustments recommended by ROSENKRANZ'  
16 software processor, SMS, were not made.

17 (g) While acting in the capacity of an escrow holder in  
18 four purchase and sale transactions, failed to place trust funds,  
19 including earnest money deposits, accepted on behalf of another  
20 into the hands of the owner of the funds, a neutral escrow  
21 depository or into a trust fund account in the name of the broker  
22 at a bank or other financial institution not later than the next  
23 business day following receipt of the funds by the broker or by  
24 the broker's salesperson, as required by Code Section 10145 and  
25 Regulation 2832(e).  
26  
27

1 (h) Permitted Becky Wiggins, former escrow officer, a  
2 licensed person who was not bonded, and Carol Rayburn, an expired  
3 licensee, and a licensed person who was not bonded, to be  
4 authorized signatories on the escrow trust accounts in violation  
5 of Code Section 10145 and Regulation 2834.

6 (i) Used the fictitious names "Astro Escrow" and  
7 "Horizon Adventures Inc." to conduct in-house broker-controlled  
8 escrow activities without holding a license bearing these  
9 fictitious business names, in violation of Regulation 2731.

10 (j) Failed to disclose in writing to all parties of his  
11 financial interest and ownership of his escrow companies Astro  
12 Escrow" and "Horizon Adventures Inc.", as required by Code  
13 Section 10145 and Regulation 2950(h).

14 9.

15 The conduct of Respondent ROSENKRANZ, described in  
16 Paragraph 8, above, violated the Code and the Regulations as set  
17 forth below:  
18

19 <u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
20 8(a)	Code Section 10145 and Regulations 21 2832.1, 2950(d) and 2950(g)
22 8(b)(1)	Code Sections 10130 and 10137 23 (RAYBURN only)
24 8(b)(2)	Code Section 10137
25 8(c)	Code Section 10145 and Regulation 26 2835 27

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- 8(d) Code Section 10145 and Regulations 2831 and 2950(d)
- 8(e) Code Section 10145 and Regulations 2831.1 and 2950(d)
- 8(f) Code Section 10145 and Regulations 2831.2 and 2950(d)
- 8(g) Code Section 10145 and Regulation 2832(e)
- 8(h) Code Section 10145 and Regulation 2834
- 8(i) Regulation 2731
- 8(j) Code Section 10145 and Regulation 2950(h)

The foregoing violation constitutes cause for the suspension or revocation of the real estate license and license rights of ROSENKRANZ and RAYBURN under the provisions of Code Sections 10177(d) and/or 10177(g).

SECOND CAUSE OF ACTION


10.

The overall conduct of Respondent ROSENKRANZ constitutes a failure on his part to exercise reasonable supervision and control over the activities of his salesperson RAYBURN. This conduct is cause for the suspension or revocation of the real estate license and license rights of ROSENKRANZ pursuant to Code Sections 10177(d), 10177(g) and 10177(h).

1 WHEREFORE, Complainant prays that a hearing be  
2 conducted on the allegations of this Accusation and that upon  
3 proof thereof, a decision be rendered imposing disciplinary  
4 action against the license and license rights of Respondents  
5 WALTER LOUIS ROSENKRANZ and CAROL ELAINE RAYBURN, under the Real  
6 Estate Law (Part 1 of Division 4 of the Business and Professions  
7 Code) and for such other and further relief as may be proper  
8 under other applicable provisions of law.

9  
10 Dated at Los Angeles, California

11 this *15* day of February 2002.

12  
13   
14 Deputy Real Estate Commissioner

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23 cc: Walter Louis Rosenkranz  
24 cc: Carol Elaine Rayburn  
25 Maria Suarez  
26 Sacto  
27 LF  
Audits