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FILED
SEP 16 2008
DEPARTMENT OF REAL ESTATE

Handwritten signature: K. M. ...

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of) NO. H-30178 LA
)
MARIA GUADALUPE OLMOS,)
)
Respondent.)
)

ORDER DENYING REINSTATEMENT OF LICENSE AND
GRANTING RIGHT TO A RESTRICTED LICENSE

On January 20, 2004, a Decision was rendered herein
revoking Respondent's real estate salesperson license.

On or about October 17, 2007, Respondent petitioned
for reinstatement of Respondent's real estate salesperson
license and the Attorney General of the State of California has
been given notice of the filing of the petition.

I have considered Respondent's petition and
the evidence and arguments in support thereof. Respondent
has failed to demonstrate to my satisfaction that Respondent
has undergone sufficient rehabilitation to warrant the

1 reinstatement of Respondent's real estate salesperson license,
2 in that:

3
4 I

5 In the Decision which revoked Respondent's real
6 estate license, there were Determination of Issues made that
7 there was cause to revoke Respondent's real estate license
8 pursuant to Code Sections 490 and 10177(b) due to a criminal
9 conviction.

10 On October 22, 2001, Respondent was convicted of
11 violating 18 United States Code (U.S.C.) Section 1343 (wire
12 fraud) and 18 U.S.C. Section 2(b) (using others to cause an
13 act to be done, to wit: wire fraud). Said crimes are felonies,
14 involved moral turpitude and are substantially related to the
15 functions, qualifications and duties of a real estate licensee.
16

17 The underlying facts were that from 1996 through
18 1999, Respondent intentionally engaged in a scheme to defraud
19 the Department of Housing and Urban Development (HUD).
20

21 II

22 The burden of proving rehabilitation rests with the
23 petitioner (Feinstein v. State Bar (1952) 39 Cal. 2d 541).
24 A petitioner is required to show greater proof of honesty and
25 integrity than an applicant for first time licensure. The proof
26 must be sufficient to overcome the prior adverse judgment on the
27 applicant's character (Tardiff v. State Bar (1980) 27 Cal. 3d
395).

1 The Department has developed criteria in Section 2911,
2 Title 10, Chapter 6, California Code of Regulations
3 ("Regulations"), to assist in evaluating the rehabilitation of
4 an applicant for reinstatement of a license. Among the criteria
5 relevant in this proceeding are:

6 2911 (a) and 2911 (k) - Additional time is needed to
7 assess Respondent's rehabilitation and business practices,
8 given Respondent's history of substantially related acts and
9 conduct.
10

11 Given the fact that Respondent has not established
12 that Respondent has complied with Regulations 2911(a) and
13 2911(k), I am not satisfied that Respondent is sufficiently
14 rehabilitated to receive an unrestricted real estate
15 salesperson license.
16

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

20 I am satisfied, however, that it will not be against
21 the public interest to issue a restricted real estate
22 salesperson license to Respondent.

23 A restricted real estate salesperson license shall
24 be issued to Respondent pursuant to Code Section 10156.5
25 if Respondent within twelve (12) months from the date hereof:
26

27 (a) takes and passes the written examination required
to obtain a real estate salesperson license.

1 (b) makes application therefor and pays the
2 appropriate fee for said license.

3 (c) takes and passes the Professional Responsibility
4 Examination administered by the Department including payment of
5 the appropriate fee for said examination.
6

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

11 1. The restricted license issued to Respondent
12 may be suspended prior to hearing by Order of the Real Estate
13 Commissioner in the event of Respondent's conviction or plea
14 of nolo contendere to a crime which is substantially related
15 to Respondent's fitness or capacity as a real estate licensee.
16

17 2. The restricted license issued to Respondent
18 may be suspended prior to hearing by Order of the Real Estate
19 Commissioner on evidence satisfactory to the Commissioner that
20 Respondent has violated provisions of the California Real
21 Estate Law, the Subdivided Lands Law, Regulations of the Real
22 Estate Commissioner or conditions attaching to the restricted
23 license.
24

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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 (2) years
have elapsed from the effective date of this Decision.

4. Respondent shall submit with any application for
license under an employing broker, or with 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 which shall certify:

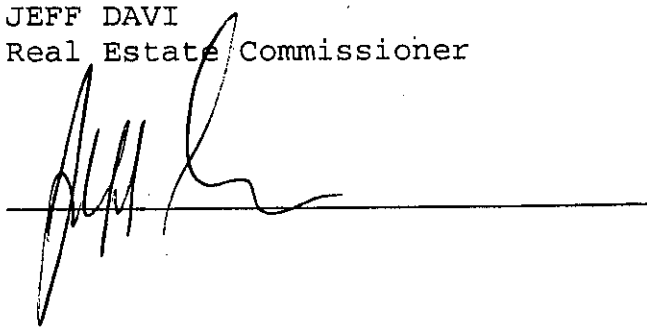
(a) That the employing broker has read the Decision
of the Commissioner which granted the right to a restricted
license; and

(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.

This Order shall become effective at 12 o'clock noon
OCT - 6 2008
on _____.

DATED: 9-10-08 .

JEFF DAVI
Real Estate Commissioner



A handwritten signature in black ink, appearing to read 'JEFF DAVI', is written over a horizontal line.

FILED
 JAN 21 2004
 DEPARTMENT OF REAL ESTATE

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of) No. H-30178 LA
)
 MARIA GUADALUPE OLMOS,) L-2003070317
)
 Respondent.)
 _____)

DECISION

The Proposed Decision dated December 19, 2003, of the Administrative Law Judge of the Office of Administrative Hearings, is hereby adopted as the Decision of the Real Estate Commissioner in the above-entitled matter.

The Decision suspends or revokes one or more real estate licenses on grounds of the conviction of a crime.

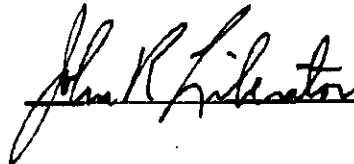
The right to reinstatement of a revoked real estate license or to the reduction of a suspension is controlled by Section 11522 of the Government Code. A copy of Section 11522 and a copy of the Commissioner's Criteria of Rehabilitation are attached hereto for the information of respondent.

This Decision shall become effective at 12 o'clock noon on February 10, 2004.

IT IS SO ORDERED

January 20, 2004

JOHN R. LIBERATOR
 Chief Deputy Commissioner



BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation Against:

MARIA GUADALUPE OLMOS,

Respondent.

Case No. H-30178 LA

OAH No. L2003070317

PROPOSED DECISION

Administrative Law Judge Michael A. Scarlett, Office of Administrative Hearings, State of California, heard this matter in Los Angeles, California on November 17, 2003.

Martha J. Rosett, Staff Counsel, represented Complainant Department of Real Estate.

D.W. Duke, Attorney at Law, represented Respondent Maria Guadalupe Olmos, who was present at the hearing.

Oral and documentary evidence was taken and the matter was submitted on November 17, 2003.

FACTUAL FINDINGS

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

2. On March 3, 1987, Respondent was issued a real estate salesperson's license, license number 00956497. Respondent is presently licensed and has license rights until March 29, 2007, unless revoked pursuant to these proceedings.

3. On October 22, 2001, in the United States District Court, Central District of California, in Case No. 00-CR-44-ALL, Respondent was convicted on her plea of guilty to one count of wire fraud, in violation of 18 U.S.C. § 1343, a felony; and one count of using others to cause an act (wire fraud) to be done, in violation of 18 U.S.C. § 2(b), also a felony. Respondent was sentenced to five years probation on each count to be served concurrently; ordered to perform 250 hours of community service; ordered to pay \$500,000.00 in restitution to the Department of Housing and Urban Development ("HUD") jointly and severally with co-defendant David Sazegar, her husband; and ordered to immediately forfeit

\$300,000.00 to the United States Government. Respondent was ordered to make her first payment of \$40,000.00 within 60 days of her conviction and to make \$2,500.00 payments monthly thereafter, until the \$500,000.00 in restitution is paid. Respondent has completed the community service ordered by the court and is making her scheduled restitution payments as of the date of this hearing. Respondent and Sazegar have paid approximately \$250,000.00 in restitution as of the date of hearing.

4. The facts and circumstances underlying Respondent's conviction are that from 1996 through 1999, in Los Angeles and Orange Counties, Respondent intentionally engaged in a scheme to defraud HUD. As part of the scheme, Respondent and others acting in concert with her: (a) purchased residential properties for resale; (b) recruited buyers to apply for HUD-insured mortgages to purchase the properties from Respondent at substantially higher than the prices at which Respondent had purchased the properties; (c) paid the buyers' downpayments; (d) signed or authorized others to sign loan documents falsely certifying that they had not paid the buyers' downpayments; (e) prepared false gift letters purporting to show that the buyers' relatives had paid the buyers' downpayments; and (f) submitted loan packages, containing the false certifications and gift letters, to commercial lenders in Los Angeles and Orange counties. Based on Respondent's fraudulent acts, commercial lenders would fund the buyers' loans and would wire insurance premiums to HUD's account at Mellon Bank in Pittsburg, Pennsylvania. In September 1998 and February 1999, for the purpose of executing the scheme to defraud, Respondent caused to be transmitted in interstate commerce by wire communications two wire transfers from lenders in California to HUD's account at Mellon Bank in Pittsburg, Pennsylvania: one for a FHA insurance premium for National Pacific Mortgage Corporation's loan for the purchase of 4522-4524 Gilbert Place, Los Angeles, California; and one for a FHA insurance premium for the FTM Mortgage Company's loan for the purchase of 2379 West 30th Street, Los Angeles, California.

5. Respondent's criminal offenses are crimes of moral turpitude that are substantially related to the qualifications, functions, or duties of a real estate salesperson.

6. Respondent began working as a real estate agent in 1991. As a real estate agent, Respondent sold properties for several investors who regularly provided the down payment for buyers of their properties. Respondent also invested in numerous properties herself. The properties were usually purchased in conjunction with her husband, David Sazegar, who handled most of the details related to these transactions. Respondent sold over 40 properties for one specific investor between 1996 and 1999. In almost every one of these transactions, the investor provided the buyer's downpayment. Prior to close of escrow, the investor coordinated with Respondent as to how the downpayment money would get into escrow. The investor usually gave Respondent a personal check made payable to her, Sazegar, and/or her sons, Pascual Gomez and Jorge Gomez. These personal checks were then cashed and used to purchase cashier's checks or money orders that were deposited into escrow by Respondent as the downpayment for the buyers. Occasionally the investors did not have enough cash to put into the deal for the buyer's downpayment and Respondent

would use her own funds for downpayments and the investors would reimburse her at the close of escrow.

7. David Sazegar managed and/or supervised Respondent's participation in the commission of the offenses charged in Respondent's October 2001 conviction. Although Respondent admitted at hearing that she committed the unlawful acts alleged in her indictment, she continued to aver that her husband encouraged the fraudulent deals and she did not appear to fully accept responsibility for her criminal actions.

8. Respondent and Sazegar became aware of the Federal Bureau of Investigation ("FBI") investigation of the fraudulent scheme involving the HUD properties because they read about several indictments in the newspapers that involved persons they had dealt with in real estate transactions. Respondent and Sazegar contacted the FBI and voluntarily offered to provide information about the downpayment scheme which resulted in their plea agreements with the government.

9. David Sazegar was sentenced to prison for 4 months, ordered to served 250 hours of community service, and placed on one year supervised release. He was also ordered to forfeit \$300,000.00, and pay restitution in the amount of \$500,000.00 jointly and severally with Respondent. Respondent's sons were also prosecuted and convicted as a result of their participation in Respondent's criminal offense.

10. Only a portion of the properties involved in Respondent's criminal scheme have gone into default and required HUD to pay off the loans. Respondent and the United States government agreed that the loss caused by her and Sazegar's criminal conduct is \$500,000.00. From January 1998 to October 2001, Respondent earned approximately \$25,000.00 per month working as a real estate salesperson for Remax Real Estate Company.

11. Respondent was born in Mexicali, Mexico and is 45 years old. Respondent was married when she was 16 years old and had two sons, Pascual and Gomez, who are now approximately 28 and 27 years old. Respondent's first marriage was an abusive one which resulted in divorce in 1990. She married David Sazegar in December 1995.

12. Respondent has always worked hard and helped to support her family. Prior to working in real estate, Respondent worked as a bank teller. She also operated various businesses selling pizza and pies, and providing child care and house cleaning services.

13. Respondent is currently working as a salesperson for ReMax Real Estate Specialist in Long Beach, California. Her broker is Robert Lee Stallings. Respondent has worked for Stallings since January 21, 1998. Stallings became aware of Respondent's involvement in the criminal scheme and her conviction in April 2002, when he received a copy of the judgment in the criminal case. However, Stallings was not aware that Respondent's criminal conduct in September 1998 and February 1999 occurred while she worked for Stallings. Stallings testified that Respondent never disclosed to him that her criminal conduct occurred while she worked for him.

14. Since Respondent's conviction, she has taken numerous ethics classes through the Department of Real Estate and has attended real estate seminars to better herself generally. Respondent has also been speaking about her criminal conviction with real estate agents at organized speaking engagements in other real estate offices.

15. Respondent has volunteered at the Crystal Cathedral in Garden Grove, California since 1991 by answering telephone calls at the New Hope Suicide Crisis phone line. Respondent has also volunteered at the American Cancer Society Discovery Shop since December 2000, donating hundreds of hours volunteer time at that charity.

16. Respondent has had no prior disciplinary action taken against her license by the Department of Real Estate.

LEGAL CONCLUSIONS

1. Cause exists to revoke Respondent Maria Guadalupe Olmos' real estate salesperson's license pursuant to Business and Professions Code Sections 490 and 10177(b), in that Respondent was convicted of wire fraud and causing an act (wire fraud) to be done, crimes of moral turpitude that are substantially related to the qualifications, functions, or duties of a real estate salesperson, as is set forth in Factual Findings 3, 4, 5, and 6.

2. Title 10 of the California Code of Regulations, section 2912 contains the rehabilitation criteria to be considered by the Department in a Revocation or Suspension case. Section 2912, subdivision (a) provides that there should be a passage of not less than two years from the most recent conviction that is substantially related to the qualifications, functions and duties of a real estate broker. Respondent's criminal conviction occurred just over two years ago and would appear to satisfy this requirement. However, Respondent's conviction involved a fraudulent scheme in loan applications and misrepresentations to financial institution, crimes that are directly related to the qualifications, functions, or duties inherent in a real estate salesperson's license. Thus, the two-year guideline recommendation is inappropriate in this case.

Moreover, Respondent has only paid one half of the restitution ordered as a condition of her probation, has not completed probation as she remains on probation through October 2006, and has not had her conviction expunged, three other indicia of rehabilitation that respondent fails to meet under Section 2912, subdivision (b), (c), and (e) respectively. The evidence at hearing also established that Respondent utilized both of her sons to further her fraudulent scheme which resulted in both sons being convicted for their own criminal conduct. Respondent's willingness to enlist her sons, coupled with the involvement of her husband, David Sazegar, evidences instability of family life, another factor in determining whether Respondent has been rehabilitated.

Although Respondent admitted much of the criminal conduct charged in her conviction, at hearing she continued to claim that much of the responsibility of her criminal

conduct belonged to her husband, David Sazegar. To that end, Respondent has not fully accepted responsibility for her role in the fraudulent real estate scheme which resulted in her conviction, a denial which suggests that she has not started genuine efforts at rehabilitation. Additionally, the evidence showed that as of the day of hearing, Respondent had not told Robert Stallings, her current real estate broker at Remax, that her criminal conduct occurred while she worked for Stallings at Remax. Although Stallings was aware of Respondent's conviction, he was not aware the conviction resulted from conduct which occurred while Respondent worked for him. Respondent's failure to disclose these facts to her current employer and broker evidences an absence of rehabilitation as well.


There are positive facts supporting Respondent's claim that she has been rehabilitated under the Department's guidelines. Respondent is currently making her restitution payments as scheduled and has completed the 250 hours of community service ordered by the court. She has been involved in volunteer work since her conviction and has been taking real estate ethics courses and attending seminars to improve her knowledge of the real estate laws.

However, on balance, because Respondent's conviction is very recent and is directly related to her duties and functions as a real estate salesperson, she has over three years remaining on criminal probation, and she has not completed payment of restitution, there is insufficient evidence to establish Respondent has been sufficiently rehabilitated, as is set forth in Factual Findings 7 through 16. The public's interest would not be adequately protected if Respondent was allowed to retain his real estate broker's license.

ORDER

All licenses and licensing rights of Respondent Maria Guadalupe Olmos under the Real Estate Law are revoked.

DATED: December 19, 2003


MICHAEL A. SCARLETT
Administrative Law Judge
Office of Administrative Hearings

SAC

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

In the Matter of the Accusation of)
)
MARIA GUADALUPE OLMOS,)
)

Case No. H-30178 LA

OAH No. L-2003070317

Respondent(s)

FILED
AUG 20 2003
DEPARTMENT OF REAL ESTATE

NOTICE OF CONTINUED HEARING ON ACCUSATION

To the above-named Respondent(s):

You are hereby notified that a hearing will be held before the Department of Real Estate at the Office of Administrative Hearings, 320 West Fourth Street, Suite 630, Los Angeles, CA 90013-1105 on MONDAY, NOVEMBER 17, 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: August 20, 2003

By Martha J. Rosett
MARTHA J. ROSETT, Counsel

cc: Maria Guadalupe Olmos
John V. Giardinelli, Esq.
Robert Lee Stallings
sacto.
OAH

1 MARTHA J. ROSETT, Counsel (SBN 142072)
2 Department of Real Estate
3 320 West Fourth St., #350
4 Los Angeles, CA 90013-1105

4 (213) 576-6982
5 (213) 576-6914

FILED
JUL - 9 2003
DEPARTMENT OF REAL ESTATE

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * * *

11 In the Matter of the Accusation of) No. H-30178 LA.
12)
13 MARIA GUADALUPE OLMOS,) A C C U S A T I O N
14)
15 Respondent.)

16 The Complainant, Maria Suarez, a Deputy Real Estate
17 Commissioner of the State of California, for cause of Accusation
18 against MARIA GUADALUPE OLMOS, aka Maria Guadalupe Gomez
19 (hereinafter "Respondent"), is informed and alleges as follows:

20 1.

21 The Complainant, Maria Suarez, a Deputy Real Estate
22 Commissioner of the State of California, makes this Accusation in
23 her official capacity.

24 2.

25 At all times herein mentioned, Respondent was licensed
26 under the Real Estate Law (Part 1 of Division 4 of the Business
27 and Professions Code, hereinafter "Code"), as a real estate

1 salesperson. Respondent was originally licensed by the
2 Department of Real Estate on or about March 30, 1987.

3 3.

4 On or about October 22, 2001, in the United States
5 District Court, Central District of California, in Case Number
6 00-CR-44-ALL, Respondent was convicted on her plea of guilty to
7 two counts of violating 18 U.S.C. 1343, 2(b) (wire fraud, causing
8 an act to be done), a felony and crime of moral turpitude which
9 is substantially related to the qualifications, functions and
10 duties of a real estate licensee pursuant to Title 10, Chapter 6
11 of the California Code of Regulations, Regulation 2910.
12 Respondent was sentenced to five years formal probation, the
13 terms of which included performing 250 hours of community
14 service, forfeiting \$300,000 to the United States, and joint and
15 several liability with David Sazegar for restitution in the
16 amount of \$500,000.

17 4.

18 The facts and circumstances underlying the conviction
19 set forth in Paragraph 3 above are as follows:

20 From 1996 through 1999, in Los Angeles and Orange
21 Counties, Respondent intentionally engaged in a scheme to defraud
22 the United States Department of Housing and Urban Development
23 ("H.U.D"). As part of the scheme, Respondent, and others acting
24 in concert with her, purchased residential properties for resale;
25 recruited buyers to apply for H.U.D. insured mortgages to
26 purchase the properties from Respondent at prices substantially
27 higher than the prices at which defendant had purchased the

1 properties; paid the buyers' down payments; signed or authorized
2 others to sign loan documents falsely certifying that they had
3 not paid the buyers' down payments; prepared false gift letters
4 purporting to show that the buyers' relatives had paid the
5 buyers' down payments; and submitted loan packages containing the
6 false certifications and gift letters to commercial lenders in
7 Los Angeles and Orange Counties.

8 5.

9 Respondent's conviction as set forth in Paragraph 3
10 above constitutes grounds to suspend or revoke Respondent's real
11 estate license and license rights pursuant to Code Sections
12 10177(b) and 490.

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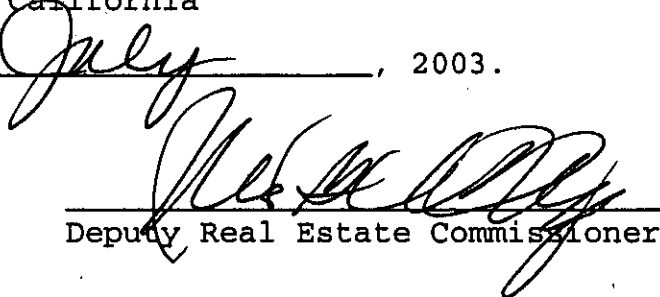
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WHEREFORE, the Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action against all licenses and/or license rights of Respondent MARIA GUADALUPE OLMOS under the Real Estate Law and for such other and further relief as may be proper under applicable provisions of law.

Dated at Los Angeles, California
this 3rd day of July, 2003.


Deputy Real Estate Commissioner

cc: Maria Guadalupe Olmos
Robert Lee Stallings
Sacto.
Maria Suarez
KA