

BEFORE THE DEPARTMENT OF REAL ESTATE  
 STATE OF CALIFORNIA

**FILED**  
 APR 27 2004  
 DEPARTMENT OF REAL ESTATE

\* \* \*

In the Matter of the Accusation of )	)	NO. H-30681 LA
GREATER MORTGAGE CORPORATION, )	)	
a corporation, )	)	
Respondent. )	)	
_____ )	)	

DECISION

This Decision is being issued in accordance with the provisions of Section 11520 of the Government Code, on evidence of compliance with Section 11505 of the Government Code and pursuant to the Order of Default filed on April 7, 2004, and the findings of fact set forth herein are based on one or more of the following: (1) Respondent's express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

I

On January 28, 2004, Janice Waddell made the Accusation in her official capacity as a Deputy Real Estate Commissioner of the State of California. The Accusation, Statement to Respondent, and Notice of Defense were mailed, by certified mail return receipt requested and by regular mail to Respondent's last known mailing address on file with the Department on January 28, 2004.

On April 7, 2004, no Notice of Defense having been filed within the time prescribed by Section 11506 of the Government Code, Respondent's default was entered herein.

II

Respondent is presently licensed and/or has license rights under the Real Estate Law, Part I of Division 4 of the California Business and Professions Code (hereafter "Code") as a corporate real estate broker.

### III

In late 2000, Kyoko Taguchi (hereafter "Taguchi") and Randolph Stephen Bronte (hereafter "Bronte") and The Sakura Fund Ltd. (hereafter "SFL Fund") attempted to borrow approximately Nine Million Dollars (\$9,000,000.00). Mr. Eib of the World-X Inc. offered a 30-year loan in that amount due in 15 years at a fixed interest rate of 8 percent. As part of the terms of the loan, SFL Fund was to deposit One Million, One Hundred Thousand Dollars (\$1,100,000.00) into a 6-month term deposit account. In reliance on Mr. Eib's representations, SFL Fund made the deposit.

### IV

In early February 2001, Eib informed Bronte that World-X Inc. had been sold to Respondent. David J. Weems (hereafter "Weems"), on behalf of Respondent, represented to Bronte that the loan would be made. On March 7, 2001, Bronte received a Letter of Instruction, telling Bronte to move the deposit into Respondent's account at a Wells Fargo Bank in Las Vegas. In April 2001, Bronte received a Certificate of Deposit from Respondent instead of from Wells Fargo Bank. Bronte never agreed to permit Respondent to issue the Certificate of Deposit or to treat the deposit as its own. On May 14, 2001, Bronte demanded return of the deposit. On May 24, 2001, Bronte received notice of the bankruptcy petition filing of World-X Inc. Respondent did not return the deposit.

### V

On June 6, 2001, Taguchi, Bronte and SFL Fund filed Complaint No. CV012697 in the Marin County Superior Court, San Rafael, California. Fraud was explicitly listed as a cause of action in the complaint. On September 4, 2001, a request was made in the civil case to enter a default against Respondent and Weems. On November 20, 2001, Judgment by Default was entered against Respondent and Weems.

### VI

The current main office and mailing address for Respondent, registered with the Department, is 10 Almond Tree Lane, Irvine, CA 92612. On or about October 28, 2003 and November 17, 2003, Department representatives went to Respondent's address which was on file with the Department. The representatives discovered that Respondent did not conduct business there. Respondent has abandoned its address; has not informed the Department of its new

address; and has failed to maintain an office in California for the transaction of business.

DETERMINATION OF ISSUES

I

Respondent's conduct, acts and omissions, as alleged above in Findings III, IV and V, is cause pursuant to Business and Professions Code Sections 10177.5 and 10177(j), for the suspension or revocation of all licenses and license rights of Respondent under Real Estate Law.

II

Respondent's conduct, acts and omissions, as alleged above in Finding VI, is in violation of Business and Professions Code Section 10162 and Title 10, Chapter 6, California Code of Regulations, Section 2715. Said conduct is cause pursuant to Code Sections 10165 and 10177(d) for the suspension or revocation of all licenses and license rights of Respondent under Real Estate Law.

III

The standard of proof applied was clear and convincing proof to a reasonable certainty.


ORDER

The licenses and license rights of Respondent, GREATER MORTGAGE CORPORATION, a corporation, under the Business and Professions Code are revoked.

This Decision shall become effective at 12 o'clock noon on May 17, 2004.

DATED: April 22, 2004.

JOHN R. LIBERATOR  
Acting Real Estate Commissioner

  
\_\_\_\_\_

1 Department of Real Estate  
320 West Fourth Street, Suite 350  
2 Los Angeles, California 90013-1105  
(213) 576-6982

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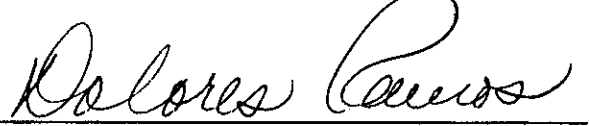
\* \* \* \*

11 In the Matter of the Accusation of )  
12 GREATER MORTGAGE CORPORATION, ) NO. H-30681 LA  
13 a corporation, ) DEFAULT ORDER  
14 Respondent. )

15 Respondent, GREATER MORTGAGE CORPORATION,  
16 a corporation, having failed to file a Notice of Defense  
17 within the time required by Section 11506 of the Government Code,  
18 is now in default. It is, therefore, ordered that a default be  
19 entered on the record in this matter.

20 IT IS SO ORDERED April 7, 2004.

22 JOHN R. LIBERATOR  
Acting Real Estate Commissioner

23   
24  
25 By: DOLORES RAMOS  
Regional Manager

1 CHRIS LEONG, Counsel (SBN 141079)  
Department of Real Estate  
2 320 West Fourth Street, Suite 350  
Los Angeles, CA 90013-1105

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

**FILED**  
JAN 28 2004  
DEPARTMENT OF REAL ESTATE

*CA*

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \*

11	In the Matter of the Accusation of	)	No. H-30681 LA
12	GREATER MORTGAGE CORPORATION,	)	<u>A C C U S A T I O N</u>
13	a corporation,	)	
14	Respondent.	)	

15 The Complainant, Janice Waddell, a Deputy Real Estate  
16 Commissioner of the State of California, for cause of Accusation  
17 against GREATER MORTGAGE CORPORATION, a corporation (hereafter  
18 "Respondent"), alleges as follows:

19 1.

20 The Complainant, Janice Waddell, a Deputy Real  
21 Estate Commissioner of the State of California, makes this  
22 Accusation in her official capacity.

23 2.

24 At all times material herein, Respondent is  
25 presently licensed and/or has license rights under the Real  
26 Estate Law, Part 1 of Division 4 of the Business and

27

1 Professions Code (hereafter "Code"), by the State of  
2 California, Department of Real Estate (hereafter "Department")  
3 as a corporate real estate broker.

4 3.

5 At all times material herein, Respondent engaged in  
6 the business of, acted in the capacity of, advertised or  
7 assumed to act as a real estate broker in the State of  
8 California, for another or others, and for or in expectation  
9 of compensation, within the meaning of Code Section 10131(d).  
10 Said activity included the operation and conduct of a real  
11 estate mortgage loan business with the public wherein  
12 Respondent solicited borrowers and lenders of loans secured by  
13 interest in real property or negotiated loans secured by  
14 interest in real property.

15 FIRST CAUSE OF ACCUSATION

16 4.

17 In late 2000, Kyoko Taguchi (hereafter "Taguchi") and  
18 Randolph Stephen Bronte (hereafter "Bronte") and The Sakura  
19 Fund Ltd. (hereafter "SFL") attempted to borrow about  
20 \$9,000,000.00. Mr. Eib of the World-X Inc. (hereafter "WXI")  
21 offered a 30-year loan in that amount due in 15 years at a  
22 fixed interest rate of 8 percent. As part of the terms of the  
23 loan, SFL was to deposit \$1,100,000.00 into a 6-month term  
24 deposit account. In reliance on Mr. Eib's representations, SFL  
25 made the deposit.

26 ///

5.

1  
2 In early February 2001, Eib informed Bronte that WXI  
3 had been sold to Respondent. David J. Weems (hereafter  
4 "Weems") on behalf of Respondent represented to Bronte that the  
5 loan would be made. On March 7, 2001, Bronte received a Letter  
6 of Instruction, telling Bronte to move the deposit into  
7 Respondent's account at a Wells Fargo Bank in Las Vegas. On  
8 April 2001, Bronte received a Certificate of Deposit (hereafter  
9 "COD") from Respondent instead of Wells Fargo Bank. Bronte  
10 never agreed to permit Respondent to issue the COD or to treat  
11 the deposit as its own. On May 14, 2001, Bronte demanded  
12 return of the deposit. On May 24, 2001, Bronte received notice  
13 of the bankruptcy petition filing of WXI. Respondent did not  
14 return the deposit.

6.

15  
16 On June 6, 2001, Taguchi, Bronte and SFL filed  
17 Complaint No. CV012697 in the Marin County Superior Court, San  
18 Rafael, California. Fraud was explicitly listed as a cause of  
19 action in the complaint. On September 4, 2001, a request was  
20 made in the civil case to enter a default against Respondent  
21 and Weems. On November 20, 2001, Judgment by Default was  
22 entered against Respondent and Weems.

7.

23  
24 The conduct, acts and/or omissions of Respondent, as  
25 described herein above in Paragraphs 1 through 6, constitutes  
26 making a substantial misrepresentation, the making of false  
27 promise(s) of a character likely to influence, persuade or

1 induce, and/or fraud or dishonest dealing, and/or negligence,  
2 and is cause for the suspension or revocation of all real  
3 estate licenses and license rights of Respondent under the  
4 provisions of Code Sections 10177.5, 10177(j) and/or 10177(g).

5 SECOND CAUSE OF ACCUSATION

6 (Violation by Respondent of Code Sections 10162, 10165 and  
7 10177(d) and Section 2715 of the Regulations)

8 8.

9 As a Second Cause of Accusation, Complainant  
10 incorporates herein by this reference the Preamble and each of  
11 the allegations in Paragraphs 1 through 7, herein above.

12 9.

13 The current main office and mailing address for  
14 Respondent, registered with the Department, is 10 Almond Tree  
15 Lane, Irvine, CA 92612. On or about October 28, 2003 and  
16 November 17, 2003, Department representatives went to  
17 Respondent's address (on file with the Department). The  
18 representatives discovered that Respondent did not conduct  
19 business there. Respondent has abandoned its address; has not  
20 informed the Department of its new address; and has failed to  
21 maintain an office in California for the transaction of  
22 business.

23 10.

24 The conduct of Respondent in abandoning its office, as  
25 alleged in Paragraph 9, constitutes violations under Code Section  
26 10162 and Title 10, Chapter 6, California Code of Regulations,  
27 Section 2715. Said conduct is cause pursuant to Code Sections

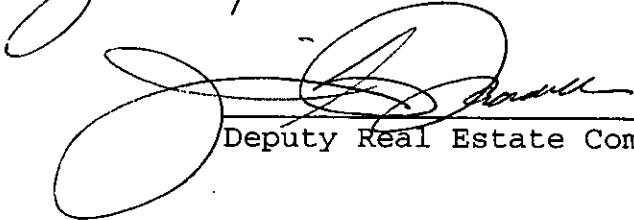


1 10165 and 10177(d) for the suspension or revocation of all  
2 licenses and license rights of Respondent under Real Estate Law.

3 WHEREFORE, Complainant prays that a hearing be  
4 conducted on the allegations of this Accusation and that upon  
5 proof thereof, a decision be rendered imposing disciplinary  
6 action against all licenses and/or license rights of Respondent  
7 GREATER MORTGAGE CORPORATION, a corporation, under the Real  
8 Estate Law (Part 1 of Division 4 of the Business and  
9 Professions Code), and for such other and further relief as may  
10 be proper under other applicable provisions of law.

11 Dated at Los Angeles, California

12 this 21<sup>st</sup> day of January, 2004.

13   
14 \_\_\_\_\_  
15 Deputy Real Estate Commissioner  
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17  
18  
19  
20  
21  
22

23 cc: Greater Mortgage Corporation  
24 Janice Waddell  
25 Sacto  
26 AK  
27