

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA



* * * *

In the Matter of the Accusation of)
NIBLICK INVESTMENTS, INC.)
and FRED RAYMOND BROWN,)
individually and as)
designated officer of)
said corporation,)
Respondents.)

No. H-31241 LA

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 July 6, 2007 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.

This Decision suspends or revokes one or more real estate licenses.

The right to reinstatement of a revoked license is controlled by Section 11522 of the Government Code. A copy of the Commissioner's Criteria of Rehabilitation is attached hereto for the information of the Respondent.

FINDINGS OF FACT

I

On July 13, 2004, Maria Suarez 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, to Respondent's last known mailing address on file with the Department on August 27, 2004.

On July 6, 2007, Respondents NIBLICK INVESTMENTS, INC. and FRED RAYMOND BROWN having failed to file a notice of defense or otherwise appear in this matter, Respondents' default was entered herein.

II

NIBLICK INVESTMENTS, INC., and FRED RAYMOND BROWN, individually and as designated officer of said corporation (hereinafter referred to as "Respondents"), are presently licensed and/or have license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) (hereinafter Code).

III

Respondent NIBLICK INVESTMENTS, INC. was licensed as a real estate broker effective January 7, 1999. Respondent's license expired January 6, 2003, and has not been renewed.

IV

At all times herein mentioned, Respondents engaged in the business of, acted in the capacity of, advertised or assumed to act as a real estate broker in the State of California, within the meaning of Section 10131(d) of the Code, including soliciting borrowers and lenders and negotiating loans on real property.

V

On or about May 14, 2003, the Department completed an examination of Respondent's books and records, pertaining to the activities described in Paragraph IV above, covering a period from November 14, 2001, through June 14, 2002, which examination revealed violations of the Code and of Title 10, Chapter 6, California Code of Regulations (hereinafter Regulations) as set forth below.

VI

The examination described in Paragraph V, above, determined that, in connection with the activities described in Paragraph IV above, Respondents accepted or received funds, including funds in trust (hereinafter "trust funds") from or on behalf of principals, and thereafter made deposit or disbursement of such funds.

VII

In the course of activities described in Paragraphs IV and VI and during the examination period described in Paragraph V, Respondents acted in violation of the Code and the Regulations as follows, and as more specifically set forth in Audit Report No. LA 020291 and related exhibits:

(1) Violated Section 10232.2/Regulation 2846.7. Respondents did not file the required annual reports within 90 days after the end of Respondents' March 31, 2002 fiscal year.

(2) Violated Section 10232.25/Regulation 2846.8. Respondents did not file the required trust fund status reports within 30 days after the end of each of Respondent's first three fiscal quarters. The first trust fund status report should have been filed no later than January 31, 2002.

3. Violated Section 10236.5. Respondents failed to notify the Department that it would no longer be servicing or arranging loans subject to the reporting requirements of Section 10232. Respondents should have notified the Department no later than December 31, 2002.

4. Violated Regulation 2834. Respondent Brown was not a signatory on the trust account. A non-licensed employee was a signatory on the trust account without fidelity bond coverage.

5. Violated Regulation 2831.2. Respondents did not reconcile the balance of all separate beneficiary records with the control records of all trust funds received and disbursed.

6. Violated Section 10148. After given notice, Respondents failed to make available all documents in connection with its real estate activity.

DETERMINATION OF ISSUES

I

The conduct, acts and/or omissions of Respondents NIBLICK INVESTMENTS, INC., and FRED RAYMOND BROWN, as found above, subjects their real estate licenses and license rights to suspension or revocation pursuant to Code Sections 10177(d) and 10177(g) for violation of Code Sections 10232.2, 10232.25, 10236.5, and 10148, and Title 10, Chapter 6, California Code of Regulations, Section 2846.7, 2846.8, 2834, and 2831.2.

II

The conduct, acts and/or omissions of Respondent FRED RAYMOND BROWN, in failing to ensure full compliance with the Real Estate Law is in violation of Section 10159.2 of the Code and subjects his real estate licenses and license rights to suspension or revocation pursuant to Section 10177(h) of the Code.

III

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

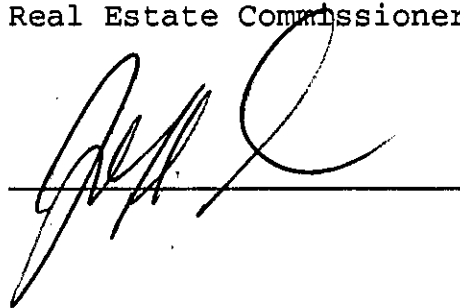
ORDER

All licenses and license rights of Respondents NIBLICK INVESTMENTS, INC. and FRED RAYMOND BROWN under the provisions of Part I of Division 4 of the Business and Professions Code are revoked.

This Decision shall become effective at 12 o'clock noon October 1, 2007.

DATED: 7 26, 2007.

JEFF DAVI
Real Estate Commissioner

A handwritten signature in black ink, appearing to read 'Jeff Davi', is written over a horizontal line. The signature is stylized and cursive.

*Hand
File*

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5 Telephone: (213) 576-6982
6 -or- (213) 576-6913 (Direct)
7

FILED
AUG 27 2004
DEPARTMENT OF REAL ESTATE
[Signature]

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

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11	In the Matter of the Accusation of)	No. H-31241 LA
12)	
13	NIBLICK INVESTMENTS, INC.)	A C C U S A T I O N
14	and FRED RAYMOND BROWN,)	
15	individually and as designated)	
	officer of said corporation,)	
)	
	Respondents.)	

16
17 The Complainant, Maria Suarez, a Deputy Real Estate
18 Commissioner of the State of California, for cause of Accusation
19 against NIBLICK INVESTMENTS, INC. and FRED RAYMOND BROWN, alleges
20 as follows:

21 I

22 The Complainant, Maria Suarez, acting in her official
23 capacity as a Deputy Real Estate Commissioner of the State of
24 California, makes this Accusation against NIBLICK INVESTMENTS,
25 INC. and FRED RAYMOND BROWN.
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II

NIBLICK INVESTMENTS, INC. and FRED RAYMOND BROWN, individually and as designated officer of said corporation (hereinafter referred to as "Respondents") are presently licensed and/or have license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) (hereinafter Code).

III

Respondent NIBLICK INVESTMENTS, INC. was licensed as a real estate broker from January 7, 1999 to January 6, 2003 when the license expired with Respondent FRED RAYMOND BROWN as its designated broker-officer.

IV

At all times material herein, Respondents engaged in the business of, acted in the capacity of, advertised or assumed to act as a real estate broker in the State of California, within the meaning of Section 10131(d) of the Code, including negotiating loans on real property.

V

On or about May 14, 2003, the Department completed an examination of Respondent's books and records, pertaining to the activities described in Paragraph IV above, covering a period from November 14, 2001, through June 14, 2002, which examination revealed violations of the Code and of the Regulations as set forth below.

1 VI

2 The examination described in Paragraph V above,
3 determined that, in connection with the activities described in
4 Paragraph IV above, Respondent accepted or received funds,
5 including funds in trust (hereinafter "trust funds") from or on
6 behalf of principals, and thereafter made deposit or disbursement
7 of such funds.

8 VII

9 In the course of activities described in Paragraphs IV
10 through VI and during the examination period described in
11 Paragraph V, Respondent acted in violation of the Code and the
12 Regulations as follows, and as more specifically set forth in
13 Audit Report No. LA 020291 and related exhibits.

14 1. Violated Section 10232.2/Regulation 2846.7.

15 Respondent did not file the required annual reports within 90
16 days after the end of Respondent's March 31, 2002 fiscal year.

17 2. Violated Section 10232.25/Regulation 2846.8.

18 Respondent did not file the required trust fund status reports
19 within 30 days after the end of each of Respondent's first three
20 fiscal quarters. The first trust fund status report should have
21 been filed no later than January 31, 2002.

22 3. Violated Section 10236.5. Respondent failed to

23 notify the Department that it would no longer be servicing or
24 arranging loans subject to the reporting requirements of Section
25 10232. Respondent should have notified the Department no later
26 than December 31, 2002.

27

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 all licenses and license rights of Respondents
5 NIBLICK INVESTMENTS, INC. and FRED RAYMOND BROWN 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 Dated at Los Angeles, California

10 this 13th day of July, 2004.

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14 
15 Deputy Real Estate Commissioner

14 cc: Niblick Investments, Inc.
15 Fred Raymond Brown
16 Maria Suarez
17 Audit Section/Eric Goff
18 Sacto
19 OA
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