

*facto Jao*

Department of Real Estate  
320 West Fourth St., Suite 350  
Los Angeles, CA 90013

**FILED**  
SEP 12 2005  
DEPARTMENT OF REAL ESTATE

Telephone: (213) 576-6982

*Jana B. Orma*

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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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To:	)	H-32182 LA
	)	
BRIDGECREEK REALTY INVESTMENT	)	
CORP, a corporate real	)	<u>ORDER TO DESIST</u>
estate Broker and FRANK JAO, as	)	<u>AND REFRAIN</u>
Designated officer of	)	
Bridgocreek Realty Investment	)	
Corp.	)	

The Real Estate Commissioner of the State of California (hereinafter "Commissioner") has caused an investigation to be made of your activities as real estate brokers and based upon the findings of that investigation, as set forth below, is of the opinion that you, BRIDGECREEK REALTY INVESTMENT CORP, have violated Sections 10130 and 10145 of the Business and Professions Code (hereinafter "Code") and Sections 2831, 2832 and 2834 of Title 10, Chapter 6, California Code of Regulations (hereinafter "Regulations") and that you, FRANK JAO, as designated officer of Bridgocreek Realty Investment Corp have violated Code Section 10159.2.

I

I

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2 At all times material herein, you, BRIDGECREEK REALTY  
3 INVESTMENT CORP (hereafter BRIC) were, except as found below,  
4 and now are licensed by the Department of Real Estate of the  
5 State of California (hereinafter "Department") as a corporate  
6 real estate broker through FRANK JAO as the designated officer  
7 and broker responsible, pursuant to the provisions of Code  
8 Section 10159.2, for supervising the activities requiring a real  
9 estate license conducted on behalf of BRIC by its officers,  
10 agents and employees. Between April 18, 1998 through September  
11 22, 2002, your corporate real estate license was expired until  
12 it was renewed effective September 23, 2002.

13 II

14 At all times material herein, you, FRANK JAO, were and  
15 now are licensed by the Department as a real estate broker,  
16 individually and as the designated officer of BRIC. As its  
17 designated broker-officer, you, FRANK JAO, are and at all times  
18 material herein were responsible for the supervision and control  
19 of the activities of the officers and employees of BRIC for  
20 which a license is required pursuant to Code Section 10159.2.

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III

All further references to "you" include the parties identified in Paragraphs I and II, 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 or operations of said parties and who were acting within the course and scope of their authority and employment.

IV

At all times material herein mentioned, you, BRIC, 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 Code Section 10131(b), which, for another or others, all for or in expectation of compensation, solicited and negotiated with tenants on behalf of owners of real property, collected rents from tenants on behalf of owners, collected funds in trust from owners for repairs and other expenses of the properties (hereafter collectively "property management activities").

V

On or about December 11, 2002, the Department completed an examination of BRIC's books and records, pertaining to the activities described in Paragraph IV, above, covering a period from January 1, 2001 through October 31, 2002, which examination revealed violations of the Code and of the Regulations as set forth below.

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1 VI

2 Between April 18, 1998 through September 22, 2002,  
3 you, BRIC, performed property management activities while your  
4 corporate real estate license was expired, in violation of Code  
5 Section 10130.

6 VII

7 The examination described in Paragraph V, above,  
8 determined that, in connection with the activities described in  
9 Paragraph IV, above, you, BRIC, accepted or received funds,  
10 including funds in trust (hereinafter "trust funds") from or on  
11 behalf of real property owners, and thereafter made deposit or  
12 disbursement of such funds. Said trust funds were deposited  
13 and/or maintained by you, BRIC in Account Number 163800679058,  
14 entitled "Bridgecreek Realty Investment Corporation (Trust  
15 Account) for Asian Garden Ltd." at US Bank, Huntington Beach  
16 Branch, located at 9042 Garfield Avenue, Huntington Beach,  
17 California 92648 (hereinafter the trust account).

18 VIII

19 In the course of activities described in Paragraphs IV  
20 and VII, and during the examination period described in  
21 Paragraph V, you, BRIC, acted in violation of the Code and the  
22 Regulations in that:

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1 (a) You failed to maintain a complete columnar record  
2 of all trust funds received and disbursed by you, in violation  
3 of Code Section 10145 and Regulation 2831 in that when checks  
4 were received from tenants payable to the owners, you failed to  
5 record the dates the checks were received or the date he checks  
6 were deposited into the owners' accounts;

7 (b) You held rent checks more than three days before  
8 depositing same into the owners' bank accounts, and you held  
9 checks from owners more than three days before depositing same  
10 into the trust account, in violation of Code Section 10145 and  
11 Regulation 2832.

12 (c) You caused, permitted and/or allowed, the  
13 possible withdrawal of trust funds from the Trust Account by  
14 Catherine T. D. Jao who was not licensed by the Department and  
15 not covered by a fidelity bond, in violation of Code Section  
16 10145 and Regulation 2834.

17 IX

18 You, FRANK JAO, failed to exercise reasonable  
19 supervision over the activities of officers and employees of  
20 BRIC for which a real estate license was required so as to  
21 prevent the violations set forth above, in violation of Code  
22 Section 10159.2.

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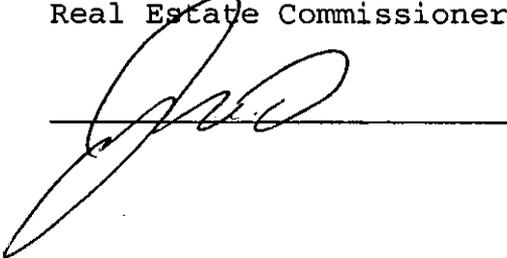
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NOW, THEREFORE, YOU, BRIDGECREEK REALTY INVESTMENT  
CORP, AND YOU, FRANK JAO, ARE ORDERED TO DESIST AND REFRAIN from  
performing any activity for which a real estate license is  
required, within the meaning of Code Section 10131 unless and  
until you are in compliance with Code Sections 10130 and 10145  
and Regulations 2831, 2832 and 2834.

DATED: 9-6-05

JEFF DAVI  
Real Estate Commissioner



cc: Bridgecreek Realty Investment Corp and Frank Jao  
8907 Warner Avenue, Suite 108  
Huntington Beach, CA 92647

Kelly Anderson  
LA Audit Section

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