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FILED

AUG 25 2008

DEPARTMENT OF REAL ESTATE
BY: *[Signature]*

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	No. H-33155 LA
)	
BURROWS REALTY SERVICES INC.;)	
and DONNELL DEWAYNE BURROWS,)	
individually and as designated)	
officer of Burrows Realty)	
Service Inc.,)	
)	
Respondents)	

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 August 5, 2008, and the findings of fact set forth herein are based on one or more of the following: (1) Respondent BURROWS REALTY SERVICES INC.'s and DONNELL DEWAYNE BURROWS's express admissions; (2) affidavits; and (3) Department Audit Report LA 040348 and LA 050022 (4) other evidence.

FACTUAL FINDINGS

1.

On August 11, 2006, 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, to Respondents' last known mailing addresses on file with the Department on August 21, 2006, by certified mail and by regular mail on September 8, 2006, for DONNELL DEWAYNE BURROWS.

2.

On August 5, 2008, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondents BURROWS REALTY SERVICES INC.'s ("BRSI") and DONNELL DEWAYNE BURROWS'S ("BURROWS") default was entered herein.

LICENSE HISTORY

3.

A. At all times mentioned, BURROWS REALTY SERVICE INC. ("BRSI") was licensed or had license rights issued by the Department of Real Estate ("Department") as a real estate broker. On May 15, 2004, BRSI was originally licensed as a real estate broker by BURROW.

B. At all times mentioned, DONNELL DEWAYNE BURROW ("BURROW") was licensed or had license rights issued by the Department of Real Estate (Department) as a real estate broker. On May 18, 1995, BURROW was originally licensed as a real estate salesperson. On June 3, 1998, BURROW was originally licensed as a real estate broker. On May 15, 2004, BURROW was licensed as the designated officer of BRSI; and

C. At all times material herein, BRSI was licensed by the Department of Real Estate of the State of California (hereinafter "Department") as a corporate real estate broker by and through BURROW, as the designated officer and broker responsible, pursuant to Code Section 10159.2 of the Business and Professions Code for supervising the activities requiring a real estate license conducted on behalf BRSI of by BRSI's officers, agents and employees, including BURROWS.

BROKERAGE

4.

At all times mentioned, in the City of Culver City, County of Los Angeles, BRSI acted as a real estate broker and conducted licensed activities within the meaning of:

A. Code Section 10131(d). BRSI operated a mortgage and loan brokerage; and

B. In addition, BRSI conducted broker-controlled escrows through its escrow division, under the exemption set forth in California Financial Code Section 17006(a)(4) for real estate brokers performing escrows incidental to a real estate transaction where the broker is a party and where the broker is performing acts for which a real estate license is required.

AUDIT

5.

On October 17, 2005, the Department completed an audit examination of the books and records of BRSI pertaining to the mortgage and loan and broker-escrow activities described in Paragraph 4, which require a real estate license. The audit examination covered a period of time beginning on June 1, 2004 to May 31, 2005. The audit examination revealed violations of the Code and the Regulations as set forth in the following paragraphs, and more fully discussed in Audit Reports LA 040348 and LA 050022 and the exhibits and workpapers attached to said audit reports.

TRUST ACCOUNTS

6.

At all times mentioned, in connection with the activities described in Paragraph 4, above, BRSI accepted or received funds including funds in trust (hereinafter "trust funds") from or on behalf of actual or prospective parties to transactions handled by BRSI and thereafter made deposits and or disbursements of such funds. From time to time herein mentioned during the audit period, said trust funds were deposited and/or maintained by BRSI in the bank accounts as follows:

"Burrows Realty Services Inc.
726-778571"
Wells Fargo Bank
P.O. Box 6995
Portland, Oregon

("T/A #1")

"Burrows Realty Services Inc. - Tina Cole
85-901172"
Wells Fargo Bank
P.O. Box 6995
Portland, Oregon

("T/A #2")

"Tina F. Cole dba Burrows Realty Services Trust.
708-4452486"
Wells Fargo Bank
P.O. Box 6995
Portland, Oregon

("T/A #3")

VIOLATIONS

7.

In the course of activities described in Paragraphs 4 and 6, above, and during the examination period described in Paragraph 5; Respondents BRSI and BURROW, acted in violation of the Code and the Regulations in that they:

(a) Permitted, allowed or caused the disbursement of trust funds from the T/A #1, where the disbursement of funds reduced the total of aggregate funds in T/A #1, to an amount which, on May 31, 2005, was \$149,437.86, less than the existing aggregate trust fund liability of BRSI to every principal who was an owner of said funds, without first obtaining the prior written consent of the owners of said funds, as required by Code Section 10145 and Regulations 2832.1, 2950(d), 2950(g) and 2951.

(b) Failed to maintain an accurate and complete control record in the form of a columnar record in chronological order of all trust funds received, deposited and disbursed by the trust accounts T/A #1, T/A #2 and T/A #3, in violation of Code Section 10145 and Regulations 2831, 2950(d) and 2951.

(c) Failed to maintain a separate record for each beneficiary or transaction, thereby failing to account for all trust funds received, deposited into and disbursed from T/A #1, T/A #2 and T/A #3, as required by Code Section 10145 and Regulation 2831.1, 2950(d) and 2951.

(d) Failed to perform a monthly reconciliation of the balance of all separate beneficiary or transaction records maintained pursuant to Regulation 2831.1, with the control record of all trust funds received, deposited and disbursed by T/A #1, T/A #2 and T/A #3, as required by Regulation 2831, in violation of Code Section 10145 and Regulations 2831.2, 2950(d) and 2951.

(e) Failed to place trust funds, accepted on behalf of another into the hands of the owner of the funds, a neutral

escrow depository or into a trust fund account in the name of the trustee, as required by Code Section 10145 and Regulation 2832.

(f) Permitted an unlicensed and unbonded person, Veronica Love, to be an authorized signatory on the T/A #1, T/A #2, and T/A #3, in violation of Code Section 10145 and Regulation 2834.

(g) Had no system in place for regularly monitoring his compliance with the Real Estate Law especially in regard to establishing policies to review trust fund handling, in violation of Code Section 10159.2 and Regulation 2725; and

(h) Failed to provide or retain a true and correct copy of a Department of Real Estate approved Mortgage Loan Disclosure Statement signed by the broker for borrower Nancy Driver, in violation of Code Section 10240 and 10241 and Regulation 2840.

8.

The overall conduct of Respondents BRSI and BURROW constitutes negligence or incompetence. This conduct and violation are cause for the suspension or revocation of the real estate license and license rights of Respondents BRSI and BURROW pursuant to Code Section 10177(g).

DETERMINATION OF ISSUES

1.

The conduct of Respondents BURROWS REALTY SERVICES INC. and DONNELL DEWAYNE BURROWS, as described in Finding 7, herein above, is in violation of Business and Professions Code ("Code") Sections 10145, 10240 and 10241 and Title 10, Chapter 6, California Code of Regulations ("Regulations") 2831, 2831.1, 2831.2, 2832.1, 2832, 2834, 2950(d), 2950(g) and 2951, and is cause for disciplinary action pursuant to Code Sections 10177(d) and 10177(g).

2.

The conduct of Respondents BURROWS REALTY SERVICES INC. and DONNELL DEWAYNE BURROWS, as described in Findings 7 and 8, herein above, constitutes negligence and is cause for disciplinary action pursuant to Code Section 10177(g).

3.

The conduct of Respondent DONNELL DEWAYNE BURROWS, as described in Finding 7(g) above, is in violation of Code Section 10159.2 and Regulation 2725, and is cause for disciplinary action against DONNELL DEWAYNE BURROWS pursuant to Code Sections 10177(d), 10177(g) and 10177(h).

4.

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

ORDER

The real estate broker license and license rights of Respondent BURROWS REALTY SERVICES INC. and DONNELL DEWAYNE BURROWS, 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 on September 15, 2008

DATED: 8/17, 2008

JEFF DAVI
Real Estate Commissioner



BY: Barbara J. Blgby
Chief Deputy Commissioner

1 Department of Real Estate
2 320 West 4th Street, Ste. 350
3 Los Angeles, California 90013-1105

4 (213) 576-6982

FILED

AUG - 5 2008

DEPARTMENT OF REAL ESTATE

BY: *Hendry*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

10 In the Matter of the Accusation of)

No. H-33155 LA

11 BURROWS REALTY SERVICES INC.)
12 and, DONNELL DEWAYNE BURROW,)
13 individually and as designated)
14 officer of Burrows Realty)
15 Services Inc.,)

Respondents)

DEFAULT ORDER

17 Respondents BURROWS REALTY SERVICES INC. and DONNELL
18 DEWAYNE BURROW, individually and as designated officer of
19 Burrows Realty Services Inc., having failed to file a Notice of
20 Defense within the time required by Section 11506 of the
21 Government Code, are now in default. It is, therefore, ordered
22 that a default be entered on the record in this matter.

23 IT IS SO ORDERED

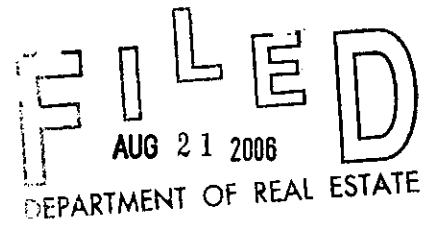
August 5, 2008
JEFF DAVI

Real Estate Commissioner

25 *Dolores Weeks*
26 By: DOLORES WEEKS
27 Regional Manager

ELLIOTT MAC LENNAN, SBN 66674
Department of Real Estate
320 West 4th Street, Ste. 350
Los Angeles, California 90013-1105

Telephone: (213) 576-6911 (direct)
-or- (213) 576-6982 (office)



By K. M. Decker

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of

No. H-33155 LA

BURROWS REALTY SERVICES INC.
and DONNELL DEWAYNE BURROW,
individually and as
designated officer of
Burrows Realty Services Inc.,

A C C U S A T I O N

Respondents.

The Complainant, Janice Waddell, a Deputy Real Estate
Commissioner of the State of California, for cause of Accusation
against BURROWS REALTY SERVICES INC. and DONNELL DEWAYNE BURROW,
individually and as designated officer of Burrows Realty Services
Inc., alleges as follows:

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///

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1.

The Complainant, Janice Waddell, acting in her official capacity as a Deputy Real Estate Commissioner of the State of California, makes this Accusation against BURROWS REALTY SERVICES INC. and DONNELL DEWAYNE BURROW.

2.

All references to the "Code" are to the California Business and Professions Code and all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

LICENSE HISTORY

3.

A. At all times mentioned, BURROWS REALTY SERVICES INC. ("BRSI") was licensed or had license rights issued by the Department of Real Estate ("Department") as a real estate broker. On May 15, 2004, BRSI was originally licensed as a real estate broker by BURROW.

B. At all times mentioned, DONNELL DEWAYNE BURROW ("BURROW") was licensed or had license rights issued by the Department of Real Estate (Department) as a real estate broker. On May 18, 1995, BURROW was originally licensed as a real estate salesperson. On June 3, 1998, BURROW was originally licensed as a real estate broker. On May 15, 2004, BURROW was licensed as the designated officer of BRSI.

C. At all times material herein, BRSI was licensed by the Department of Real Estate of the State of California (hereinafter "Department") as a corporate real estate broker by

1 and through BURROW, as the designated officer and broker
2 responsible, pursuant to Code Section 10159.2 of the Business and
3 Professions Code for supervising the activities requiring a real
4 estate license conducted on behalf BRSI of by BRSI's officers,
5 agents and employees, including BURROWS.

6 BROKERAGE

7 4.

8 At all times mentioned, in the City of Culver City,
9 County of Los Angeles, BRSI acted as a real estate broker and
10 conducted licensed activities within the meaning of:

11 A. Code Section 10131(d). BRSI operated a mortgage and
12 loan brokerage; and

13 B. In addition, BRSI conducted broker-controlled
14 escrows through its escrow division, under the exemption set
15 forth in California Financial Code Section 17006(a)(4) for real
16 estate brokers performing escrows incidental to a real estate
17 transaction where the broker is a party and where the broker is
18 performing acts for which a real estate license is required.
19

20 AUDIT EXAMINATION

21 5.

22 On October 17, 2005, the Department completed an audit
23 examination of the books and records of BRSI pertaining to the
24 mortgage and loan and broker-escrow activities described in
25 Paragraph 4, that require a real estate license. The audit
26 examination covered a period of time beginning on June 1, 2004 to
27

1 May 31, 2005. The audit examination revealed violations of the
2 Code and the Regulations as set forth in the following
3 paragraphs, and more fully discussed in Audit Reports LA 040348
4 and LA 050022 and the exhibits and workpapers attached to said
5 audit reports.

6 TRUST ACCOUNTS

7 6.

8 At all times mentioned, in connection with the activities
9 described in Paragraph 4, above, BRSI accepted or received funds
10 including funds in trust (hereinafter "trust funds") from or on
11 behalf of actual or prospective parties to transactions handled
12 by BRSI and thereafter made deposits and or disbursements of such
13 funds. From time to time herein mentioned during the audit
14 period, said trust funds were deposited and/or maintained by BRSI
15 in the bank accounts as follows:

17 "Burrows Realty Services Inc. . .
18 726-778571"
19 Wells Fargo Bank
20 P.O. Box 6995
21 Portland, Oregon ("T/A #1")

22 "Burrows Realty Services Inc. - Tina Cole
23 85-901172"
24 Wells Fargo Bank
25 P.O. Box 6995
26 Portland, Oregon ("T/A #2")

27 "Tina F. Cole dba Burrows Realty Services Trust.
708-4452486"
Wells Fargo Bank
P.O. Box 6995
Portland, Oregon ("T/A #2")

1
2 VIOLATIONS

3 7.

4 In the course of activities described in Paragraphs 4
5 and 6, above, and during the examination period described in
6 Paragraph 5, Respondents BRSI and BURROW, acted in violation of
7 the Code and the Regulations in that they:

8 (a) Permitted, allowed or caused the disbursement of
9 trust funds from the T/A #1, where the disbursement of funds
10 reduced the total of aggregate funds in T/A #1, to an amount
11 which, on May 31, 2005, was \$149,437.86, less than the existing
12 aggregate trust fund liability of BRSI to every principal who was
13 an owner of said funds, without first obtaining the prior written
14 consent of the owners of said funds, as required by Code Section
15 10145 and Regulations 2832.1, 2950(d), 2950(g) and 2951.

16
17 (b) Failed to maintain an accurate and complete control
18 record in the form of a columnar record in chronological order of
19 all trust funds received, deposited and disbursed by the trust
20 accounts T/A #1, T/A #2 and T/A #3, in violation of Code Section
21 10145 and Regulations 2831, 2950(d) and 2951.

22 (c) Failed to maintain a separate record for each
23 beneficiary or transaction, thereby failing to account for all
24 trust funds received, deposited into and disbursed from T/A #1,
25 T/A #2 and T/A #3, as required by Code Section 10145 and
26 Regulation 2831.1, 2950(d) and 2951.
27

1 (d) Failed to perform a monthly reconciliation of the
2 balance of all separate beneficiary or transaction records
3 maintained pursuant to Regulation 2831.1, with the control record
4 of all trust funds received, deposited and disbursed by T/A #1,
5 T/A #2 and T/A #3, as required by Regulation 2831, in violation
6 of Code Section 10145 and Regulations 2831.2, 2950(d) and 2951.

7 (e) Failed to place trust funds, accepted on behalf of
8 another into the hands of the owner of the funds, a neutral
9 escrow depository or into a trust fund account in the name of the
10 trustee, as required by Code Section 10145 and Regulation 2832.

11 (f) Permitted an unlicensed and unbonded person,
12 Veronica Love, to be an authorized signatory on the T/A #1, T/A
13 #2, and T/A #3, in violation of Code Section 10145 and Regulation
14 2834.

15 (g) Had no system in place for regularly monitoring his
16 compliance with the Real Estate Law especially in regard to
17 establishing policies to review trust fund handling, in violation
18 of Code Section 10159.2 and Regulation 2725; and
19

20 (h) Failed to provide or retain a true and correct copy
21 of a Department of Real Estate approved Mortgage Loan Disclosure
22 Statement signed by the broker for borrower Nancy Driver, in
23 violation of Code Section 10240 and 10241 and Regulation 2840.

24 ///

25 ///

26 ///

8.

The conduct of Respondents BRSI and BURROW, described in Paragraph 7, above, violated the Code and the Regulations as set forth below:

PARAGRAPH

PROVISIONS VIOLATED

7(a)

Code Section 10145 and Regulations 2832.1, 2950(d), 2950(g), and 2951

7(b)

Code Section 10145 and Regulations 2831, 2950(d) and 2951

7(c)

Code Section 10145 and Regulations 2831.1, 2950(d) and 2951

7(d)

Code Section 10145 and Regulations 2831.2, 2950(d) and 2951

7(e)

Code Section 10145 and Regulations 2832

7(f)

Code Section 10145 and Regulation 2834

7(g)

Code Section 10159.2 and Regulation 2725

7(h)

Code Section 10240 and 10241 and Regulation 2840

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

9.

The overall conduct of Respondents BRSI and BURROW constitutes negligence or incompetence. This conduct and violation are cause for the suspension or revocation of the real estate license and license rights of Respondents BRSI and BURROW pursuant to Code Section 10177(g).

10.

The overall conduct of Respondent BURROW constitutes a failure on his part, as officer designated by a corporate broker licensee, to exercise the reasonable supervision and control over the licensed activities of BRSI as required by Code Section 10159.2, and to keep BRSI in compliance with the Real Estate Law, and is cause for the suspension or revocation of the real estate license and license rights of BURROW pursuant to the provisions of Code Sections 10177(d), 10177(g) and 10177(h).

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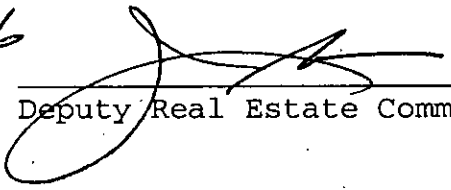
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1 WHEREFORE, Complainant prays that a hearing be
2 conducted on the allegations of this Accusation and that upon
3 proof thereof, a decision be rendered imposing disciplinary
4 action against the license and license rights of Respondents
5 BURROWS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

9 Dated at Los Angeles, California

10 this

11 August 2006


Deputy Real Estate Commissioner

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16
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18
19
20
21
22
23
24 cc: Burrows Real Estate Services Inc.
25 c/o Donnell Dewayne Burrow D.O.
26 Janice Waddell
27 Sacto
Audits - Darryl M. Thomas