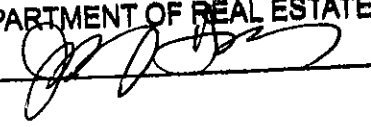


FILED

MAY - 2 2007

DEPARTMENT OF REAL ESTATE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

BY: 

* * * * *

In the Matter of the Accusation of)
)
GERARD PAUL CURRENT,)
)
Respondent.)
_____)

No. H-33278 LA
L-2006100710

DECISION

The Proposed Decision dated March 26, 2007, 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.

Pursuant to Section 11517(c)(2)(c) of the Government Code, the following corrections are made:

Factual Findings, page 2, paragraph No. 8,
line 9, "December 5, 2005" is amended to read "December
5, 2006".

Factual Findings, page 2, paragraph No. 8,
line 12, "On February 7, 2007" is amended to read
"February 2, 2007".

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

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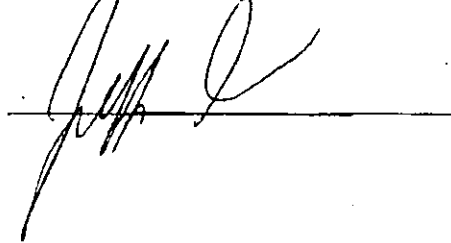
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The right to reinstatement of a revoked real estate license or to the reduction of a suspension is controlled by Section 11522 of the Government Code. A copy of Section 11522 and a copy of the Commissioner's Criteria of Rehabilitation are attached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

This Decision shall become effective at 12 o'clock noon on May 22, 2007.

IT IS SO ORDERED 4-22-07

JEFF DAVI
Real Estate Commissioner

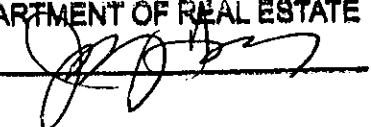
A handwritten signature in black ink, appearing to read 'Jeff Davi', is written over a horizontal line.

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

FILED

APR 27 2007

DEPARTMENT OF REAL ESTATE

BY: 

In the Matter of the Accusation of:

Case No.: H-33278 LA

GERARD PAUL CURRENT,

OAH No.: L2006100710

Respondent.

PROPOSED DECISION

This matter came on for hearing before Richard J. Lopez, Administrative Law Judge of the Office of Administrative Hearings, at Los Angeles, California, on March 1, 2007.

Cheryl D. Keily, Staff Counsel, represented the Complainant.

Respondent appeared in person and was represented by Robert Dennis Rentzer, Attorney at Law.

Oral and documentary evidence and evidence by way of official notice was received and the matter then argued and thereafter submitted.

The Administrative Law Judge now finds, concludes and orders as follows:

FACTUAL FINDINGS

1. The Complainant, Janice Waddell, a Deputy Real Estate Commissioner of the State of California, brought the Accusation in her official capacity.
2. Respondent is presently licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the Business and Professions Code, as a real estate broker.
3. From, time to time, during a period of time from October, 1996 to August, 1999, Respondent, as a partner with others, made false statements to the Department of Housing and Urban Development. The false statements consisted of forged and fraudulent documents, including W-2 forms and pay-stubs, used to secure real estate loans and to qualify borrowers who were not legitimately qualified. After a number of foreclosures on properties in which the forged documents were used to secure HUD monies, the scheme was

uncovered and Respondent and his partners were subjected to criminal proceedings. After a delay, caused by the circumstances referenced in Findings 6 and 7, on May 16, 2005, in the United States District Court for the Central District of California, in Case No. CR02-00113, Respondent was convicted of violating Title 18, U.S.C. sections 371, 1010, and 2, subdivision (b) (Conspiracy; False Statements to the Department of Housing and Urban Development; Causing an Act to be Done), felonies.

4. The crimes set forth in Finding 3, by the facts and circumstances, are crimes of moral turpitude.

5. Respondent's conduct set forth in Finding 3, constitutes the appropriating of funds belonging to another person; the employment of fraud and deceit to achieve an end; the doing of an unlawful act of conferring a financial benefit upon the perpetrator; and the forging or altering of instruments.

6. Respondent accepted responsibility for his criminality and agreed to be debriefed by Federal officials. Following the debriefing, a Plea Agreement was entered into on April 24, 2001 and filed January 31, 2002. A Statute of Limitations Waiver was executed February 6, 2002, and Respondent entered a Guilty Plea resulting in the conviction. Sentencing was thereafter continued from time to time while companion cases were pending against those with whom Respondent had conspired and against whom Respondent agreed to testify.

7. Respondent provided the Government with substantial assistance on no less than thirty occasions, wore a "wire" at Government request, engaged others in government recorded conversations both face to face and on the phone and thereafter testified, which information and testimony resulted in the convictions of six individuals. On April 29, 2004, the Government filed a motion for downward departure under seal of sentencing guidelines and Respondent was sentenced on May 16, 2005.

8. At the time of sentencing the Government recommended one year of probation and sought a restitution order in the amount of \$510,708.00. The court then imposed a noncustodial sentence of two years probation and set restitution at the figure the Government recommended. Subsequent to the foregoing, the Government, with the consent of HUD and its counsel, agreed to accept the sum of \$400,000.00 as full and complete restitution, that sum representing "new money," (i.e., without credit for monthly payments Respondent was making). On November 8, 2005, the Court signed the order approving the reduced restitution and in accord with the terms of that order, Respondent made payment in full. On December 5, 2006, the Government executed a Satisfaction of Judgment. Respondent did comply with all rules and regulations of probation and his probation officer determined that Respondent was no longer in need of supervision. Accordingly, the probation officer recommended that Respondent be discharged from supervision. On February 2, 2007, the Court ordered that Respondent be discharged from supervision and that the proceedings in the case be terminated.

9. Respondent was transparent with the Department during its investigation of Respondent's wrongdoing. He was at all times open and honest during the Department's review. Respondent is remorseful. Respondent was open, honest and candid in his testimony. Respondent's testimony demonstrated a change in attitude from that which existed at the time of wrongful conduct. That change was brought about by the impact of the criminal proceeding and by the shame to himself and his family. Respondent no longer associates with any of his former partners and now has new and different business relationships formed while working for his wife's business, Urban Mortgage, where he performs the duties of a sales manager.

10. Respondent has been married for sixteen years and he and his wife have two daughters, a seventh grader, age thirteen and a fourth grader, age ten. Both children perform well in school. Respondent has stability of family life and fulfills parental and familial responsibilities.

11. Respondent is an active parishioner of Holy Family Church in South Pasadena where he regularly attends services. Additionally, he volunteers his time to assist at church fund-raisers for the needy, and assists in raising monies for a new church school. He, therefore, has significant and conscientious involvement in church programs designed to provide social benefits or to ameliorate social problems.

12. The conviction is relatively recent but the conduct giving rise to the conviction is remote. In sum, in that interim, Respondent has demonstrated social responsibility by cooperating with his prosecutor, the Government, and in engaging in rehabilitative activities. Respondent is articulate, intelligent and well-educated (a possessor of an aeronautical engineering degree from the University of Illinois). Respondent has been a licensee of the Department for years. He has suffered no other conviction and no discipline of his license. At present he is a professionally and socially responsible person.

LEGAL CONCLUSIONS

Applicable Statutes and Regulations

1. Business and Professions Code section 490 provides in pertinent part:

A board may suspend or revoke a license on the ground that the licensee has been convicted of a crime, if the crime is substantially related to the qualifications, functions or duties of the business or profession for which the license was issued. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere. . . .

2. Business and Professions Code section 10177, subdivision (b) provides:

The commissioner may suspend or revoke the license of a real estate licensee, or may deny the issuance of a license to an applicant, who has done any of the following. . . .

- (b) Entered a plea of guilty or nolo contendere to, or been found guilty of, or been convicted of, a felony or a crime involving moral turpitude, and the time for appeal has elapsed or the judgment of conviction has been affirmed on appeal, irrespective of an order granting probation following that conviction, suspending the imposition of sentence, or of a subsequent order under section 1203.4 of the Penal Code allowing that licensee to withdraw his or her plea of guilty and to enter a plea of not guilty, or dismissing the accusation or information.

3. California Code of Regulations, title 10, section 2910 provides in pertinent part:

- (a) When considering whether a license should be denied, suspended or revoked on the basis of the conviction of a crime, or on the basis of an act described in section 480(a)(2) or 480(a)(3) of the Code, the crime or act shall be deemed to be substantially related to the qualifications, functions or duties of a licensee of the Department within the meaning of sections 480 and 490 of the Code if it involves:

- (1) The fraudulent taking, obtaining, appropriating or retaining of funds or property belonging to another person.

- - -

- (2) Counterfeiting, forging or altering of an instrument or the uttering of a false statement.

- - -

- (4) The employment of bribery, fraud, deceit, falsehood or misrepresentation to achieve an end.

- (8) Doing of any unlawful act with the intent of conferring a financial or economic benefit upon the perpetrator or with the intent or threat of doing substantial injury to the person or property of another.

Violations

4. Cause exists for discipline of Respondent's license for violation of Business and Professions Code section 10177, subdivision (b), by reason of Findings 3 and 4.

5. The crime set forth in Finding 3, is substantially related to the qualifications, functions and duties of a real estate licensee pursuant to the California Code of Regulations, title 10, section 2910, by reason of Finding 5.

6. Respondent's conviction for a substantially related crime, as set forth in Findings 3 and 5, constitutes grounds to discipline his real estate salesperson license pursuant to Business and Professions Code section 490.

Penalty Considerations

7. The Department has issued Criteria of Rehabilitation set forth in California Code of Regulations, title 10, section 2912. According to that regulation, the Guidelines are to be considered in evaluating the rehabilitation of a licensee who is subjected to disciplinary action as a result of a crime. Applying the Guidelines to this case Respondent, by reason of Findings 7 through 12, has met most of the criteria. The conviction is two years ago and the wrongful conduct leading to the conviction occurred approximately ten years ago. Respondent's rehabilitation to date is sufficient to allow licensure on a restricted status.

ORDER

All licenses and licensing rights of Respondent Gerard Paul Current under the Real Estate Law are revoked; provided, however, a restricted real estate broker license shall be issued to Respondent pursuant to section 10156.5 of the Business and Professions Code if Respondent makes application therefor and pays to the Department of Real Estate the appropriate fee for the restricted license within 90 days from the effective date of this Decision. The restricted license issued to Respondent shall be subject to all of the provisions of section 10156.7 of the Business and Professions Code and to the following limitations, conditions and restrictions imposed under authority of section 10156.6 of that Code:

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

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

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 years have lapsed from the effective date of this Decision.

4. Respondent shall, within nine months from the effective date of this Decision, present evidence satisfactory to the Real Estate Commissioner that Respondent has, since the most recent issuance of an original or renewal real estate license, taken and successfully completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a real estate license. If Respondent fails to satisfy this condition, the Commissioner may order the suspension of the restricted license until the Respondent presents such evidence. The Commissioner shall afford Respondent the opportunity for a hearing pursuant to the Administrative Procedure Act to present such evidence.

Dated: March 26, 2007


RICHARD J. LOPEZ
Administrative Law Judge
Office of Administrative Hearings

RJL:rfm

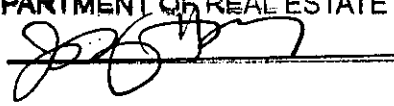
now
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Department of Real Estate
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Los Angeles, California 90013-1105

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(Direct) (213) 576-5770

FILED

SEP 27 2006

DEPARTMENT OF REAL ESTATE

BY: 

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	No. H- 33278 LA
GERARD PAUL CURRENT,)	<u>A C C U S A T I O N</u>
Respondent.)	

The Complainant, Janice Waddell, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against GERARD PAUL CURRENT aka Gerard Current ("Respondent") alleges as follows:

1.

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

2.

Respondent is presently licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the

1 California Business and Professions Code ("Code"), as a real
2 estate broker.

3.

4 (CRIMINAL CONVICTION)

5 On or about May 16, 2005, in the United States
6 District Court for the Central District of California, in Case
7 NO. CR02-00113, Respondent was convicted of violating Title 18
8 U.S.C. Sections 371, 1010, and 2(b) (Conspiracy; False
9 Statements to the Department of Housing and Urban Development;
10 Causing an Act to be Done), felonies. The underlying facts of
11 these crimes involve moral turpitude, which bears a substantial
12 relationship under Section 2910, Title 10, Chapter 6, California
13 Code of Regulations to the qualifications, functions or duties
14 of a real estate licensee.

15 4.

16 The crimes of which Respondent was convicted, as
17 described in Paragraph 3, above, constitute cause under Sections
18 490 and 10177(b) of the Code for the suspension or revocation of
19 the license and license rights of Respondent under the Real
20 Estate Law.
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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 all the licenses and license rights of
5 Respondent, GERARD PAUL CURRENT, under the Real Estate Law (Part
6 1 of Division 4 of the Business and Professions Code) and for
7 such other and further relief as may be proper under other
8 applicable provisions of law.

9 Dated at Los Angeles, California
10 this 22 day of September, 2006.

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14 Janice Waddell
15 Deputy Real Estate Commissioner
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26 cc: GERARD PAUL CURRENT
27 Janice Waddell
Sacto.