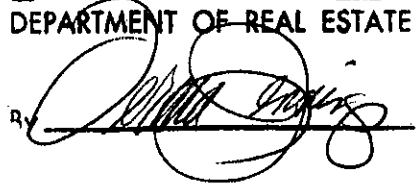


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SEP 29 2010
DEPARTMENT OF REAL ESTATE

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of

JACOB HSU,

Respondent.

No. H-34048 LA

ORDER DENYING REINSTATEMENT OF LICENSE

On November 6, 2007, a Decision was rendered revoking the real estate broker license of Respondent, but providing Respondent the right to apply for and be issued a restricted real estate broker license. Respondent was issued a restricted license on December 28, 2007.

On or about March 13, 2009, Respondent petitioned for reinstatement of said real estate broker license, and the Attorney General of the State of California has been given notice of the filing of said petition.

I have considered the petition of Respondent and the evidence submitted in support thereof. Respondent has failed to demonstrate to my satisfaction that Respondent has undergone sufficient rehabilitation to warrant the reinstatement of Respondent's real estate broker license at this time.

The burden of proving rehabilitation rests with the petitioner (*Feinstein v. State Bar* (1952) 39 Cal. 2d 541). A petitioner is required to show greater proof of honesty and

1 integrity than an applicant for first time licensure. The proof must be sufficient to overcome the
2 prior adverse judgment on the applicant's character (*Tardiff v. State Bar* (1980) 27 Cal. 3d 395).

3 The Department has developed criteria in Section 2911 of Title 10, California
4 Code of Regulations (Regulations) to assist in evaluating the rehabilitation of an applicant for
5 reinstatement of a license. Among the criteria relevant in this proceeding are:

6 Regulation 2911(i) – formal educational or vocational training courses for
7 economic self-improvement

8 Respondent has not provided proof that he has taken and completed such courses.

9 Regulation 2911(k)-correction of business practices resulting in injury to others

10 Respondent has not provided proof that previous business practices of this nature
11 have been corrected.

12 Regulation 2911(l) – Significant or conscientious involvement in community,
13 church or social programs:

14 Respondent has not provided proof of being involved in such community
15 activities.

16 Given the violations found and the fact that Respondent has not established that
17 Respondent has complied with Regulations 2911 (i), (k) and (l), I am not satisfied that
18 Respondent is sufficiently rehabilitated to receive an unrestricted real estate license.

19 NOW, THEREFORE, IT IS ORDERED that Respondent's petition for
20 reinstatement of Respondent's real estate license is denied.

21 This Order shall become effective at 12 o'clock noon on OCT 19 2010

22 IT IS SO ORDERED CJ/25/2010

23 JEFF DAV
24 Real Estate Commissioner

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FILED

DEC 13 2007

BEFORE THE DEPARTMENT OF REAL ESTATE ~~DEPARTMENT OF REAL ESTATE~~

STATE OF CALIFORNIA

BY: *[Signature]*

* * *

In the Matter of the Accusation of)	H-34048 LA
)	
WINGS REALTY INC.,)	L-2007070519
)	
Respondent.)	
_____)	

DECISION

The Proposed Decision dated November 8, 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.

Proposed Decision, Page 1, FACTUAL FINDINGS Paragraph 1, "Statement of Issues" shall read "Accusation".

Proposed Decision, Page 2, FACTUAL FINDINGS Paragraph 4, line 3, "produce" shall read produced".

Proposed Decision, Page 2, LEGAL CONCLUSIONS, Paragraph 1, line 3 "10177 subdivision (b)" shall read "10177 subdivision (d)".

This Decision shall become effective at 12 o'clock noon on January 2, 2008.

IT IS SO ORDERED 12-6 , 2007

JEFF DAVI
Real Estate Commissioner

[Signature]

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation Against:

WINGS REALTY, INC.

Respondent.

Case No. H-34048 LA

OAH No. L2007070519

PROPOSED DECISION

This matter was heard on October 16, 2007, in Los Angeles, by Chris Ruiz, Administrative Law Judge (ALJ), Office of Administrative Hearings.

Steven Altamirano, President of Wings Realty, Inc., was present on behalf of Wings Realty, Inc. (Respondent).

Complainant Maria Suarez, Deputy Real Estate Commissioner (Complainant), was represented by Elliott MacLennan, Counsel for the Department of Real Estate (Department).

Prior to hearing, the designated officer of Respondent, Jacob Hsu, and the Department resolved the Accusation as it applied to Mr. Hsu.

At hearing, the Accusation was amended as follows: page 3, line 18, "Professions Code Section 10148" was changed to "Professions Code Section 10148 and 10177, subdivision (d)."

At hearing, Respondent's motion and request for a continuance was denied for the reasons set forth on the record.

Oral and documentary evidence was received, and the matter was argued and submitted for decision on October 16, 2007. This decision is due by November 15, 2007.

FACTUAL FINDINGS

Accusation

1. Complainant brought the ~~Statement of Issues~~ in her official capacity.
2. Respondent was initially licensed as a real estate broker in September 2003. The license was to set to expire on September 2, 2007, unless renewed.
3. Respondent was in the real estate business and engaged in the business of a real estate broker at all relevant times.

4. In March 2007, the Department issued a subpoena duces tecum to Respondent and requested documents for the period of April 1, 2004, to March 20, 2007. Respondent's response to the subpoena was due by April 3, 2007. No documents were produced in April 2007. Thereafter, the Accusation was filed on June 12, 2007. Two months later, in August 2007, Respondent provided some documents, but did not respond fully and completely to the subpoena. Specifically, the subpoena (Exhibit 3 of the record) had an addendum which listed 22 separate categories. Respondent failed to provide responsive documents for category numbers 6, 9, 17, 19, 20, and 21. Some of the missing documents involve a transaction between Respondent and Socorro Vasquez. Ms. Vasquez filed a complaint against Respondent with the Department, alleging Respondent processed her real estate mortgage loan, but kept the funds from that loan. Respondent has not produced any documents regarding the Socorro transaction to the Department.

5. Steven Altamirano testified that he was willing to provide any and all documentation the Department requires. However, Respondent has not done so for many months and his attempt to blame his former attorneys for his failure to respond to the subpoena was not convincing. Respondent also did not bring any documents to the administrative hearing. If Respondent truly wanted to produce the documents, he could have produced them to the Department at, or before, the hearing. Respondent did not establish any valid basis for not fully and completely responding to the Department's subpoena.

LEGAL CONCLUSIONS AND DISCUSSION

1. Cause exists to suspend or revoke Respondent's real estate broker license pursuant to Business and Professions Code sections 10148 and 10177, subdivision (d) ~~(b)~~, based on Respondent's failure to fully comply with the subpoena duces tecum. (Factual Findings 1-5.) The Department has the power and authority to investigate and regulate its licensees. The failure of Respondent to cooperate in the Department's investigation completely frustrates the Department's role in monitoring its licensees. Holding a real estate broker's license is a privilege, not a right. The privilege comes with responsibility. That is, Respondent was required to comply with the Department's subpoena. By not doing so, Respondent established that it should not retain its privilege of holding a license.

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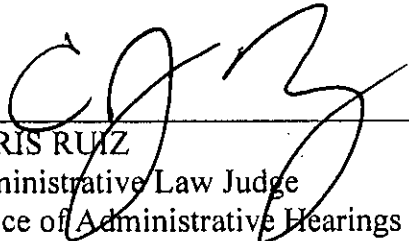
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ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

All licenses and licensing rights of Respondent Wings Realty, Inc., under the Real Estate Law are revoked.

DATED: November 8, 2007.



CHRIS RUIZ
Administrative Law Judge
Office of Administrative Hearings

1 Procedure Act ("APA"), shall instead and in place thereof be
2 submitted solely on the basis of the provisions of this
3 Stipulation and Agreement ("Stipulation").

4 2. Respondent has received, read and understands the
5 Statement to Respondent, the Discovery Provisions of the APA and
6 the Accusation filed by the Department of Real Estate in this
7 proceeding.

8 3. Respondent timely filed a Notice of Defense
9 pursuant to Section 11506 of the Government Code for the purpose
10 of requesting a hearing on the allegations in the Accusation.
11 Respondent hereby freely and voluntarily withdraws said Notice of
12 Defense. Respondent acknowledges that he understands that by
13 withdrawing said Notice of Defense he thereby waives his right to
14 require the Commissioner to prove the allegations in the
15 Accusation at a contested hearing held in accordance with the
16 provisions of the APA and that he will waive other rights
17 afforded to him in connection with the hearing such as the right
18 to present evidence in his defense and the right to cross-examine
19 witnesses.
20

21 4. This Stipulation is based on the factual
22 allegations contained in the Accusation. In the interest of
23 expedience and economy, Respondent chooses not to contest these
24 allegations, but to remain silent and understands that, as a
25 result thereof, these factual allegations, without being admitted
26 or denied, will serve as a prima facie basis for the disciplinary
27

1 action stipulated to herein. The Real Estate Commissioner shall
2 not be required to provide further evidence to prove said factual
3 allegations.

4 5. This Stipulation and Respondent's decision not to
5 contest the Accusation is made for the purpose of reaching an
6 agreed disposition of this proceeding and is expressly limited to
7 this proceeding and any other proceeding or case in which the
8 Department of Real Estate ("Department"), the state or federal
9 government, or any agency of this state, another state or federal
10 government is involved, and otherwise shall not be admissible in
11 any other criminal or civil proceedings.

12 6. It is understood by the parties that the Real
13 Estate Commissioner may adopt this Stipulation as his Decision in
14 this matter thereby imposing the penalty and sanctions on
15 Respondent's real estate licenses and license rights as set forth
16 in the "Order" herein below. In the event that the Commissioner
17 in his discretion does not adopt the Stipulation, it shall be
18 void and of no effect and Respondent shall retain the right to a
19 hearing and proceeding on the Accusation under the provisions of
20 the APA and shall not be bound by any stipulation or waiver made
21 herein.
22

23 7. The Order or any subsequent Order of the Real
24 Estate Commissioner made pursuant to this Stipulation shall not
25 constitute an estoppel, merger or bar to any further
26 administrative or civil proceedings by the Department of Real
27

1 Estate with respect to any matters which were not specifically
2 alleged to be causes for Accusation in this proceeding but do
3 constitute a bar, estoppel and merger as to any allegations
4 actually contained in the Accusations against Respondent herein.

5 DETERMINATION OF ISSUES

6 By reason of the foregoing, it is stipulated and agreed
7 that the following determination of issues shall be made:

8 I.

9 The conduct of JACOB HSU as described in Paragraph 4,
10 above, is in violation of Business and Professions Code ("Code")
11 Section 10148 and is a basis for the discipline of Respondent's
12 license and license rights pursuant to Code Section 10177(d).

13 ORDER

14 WHEREFORE, THE FOLLOWING ORDER is hereby made:

15 I. The real estate broker license of Respondent JACOB
16 HSU, under the Real Estate Law is revoked; provided, however, a
17 restricted real estate broker license shall be issued to said
18 Respondent, pursuant to Section 10156.5 of the Business and
19 Professions Code if Respondent:

20 (A) Makes application thereof and pays to the
21 Department of Real Estate the appropriate fee for the restricted
22 license within ninety (90) days from the effective date of this
23 Decision.
24

25 ///

1 The restricted license issued to Respondent shall be
2 subject to all of the provisions of Section 10156.7 of the
3 Business and Professions Code and to the followings limitations,
4 conditions and restrictions imposed under authority of Section
5 10156.6 of that Code:

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

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

17 3. Respondent shall not be eligible to apply for the
18 issuance of an unrestricted real estate license nor for the
19 removal of any of the conditions, limitations or restrictions of
20 a restricted license until one (1) year have elapsed from the
21 effective date of this Decision.

22 4. During the one year period set forth above,
23 Respondent JACOB HSU shall not serve as the designated officer
24 for any corporate real estate broker unless and until Respondent
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1 is the owner of record of the controlling shares of the
2 corporation.

3 5. Respondent shall within six months from the
4 effective date of the restricted license, take and pass the
5 Professional Responsibility Examination administered by the
6 Department including the payment of the appropriate examination
7 fee. If Respondent fails to satisfy this condition, the
8 Commissioner may order suspension of the restricted license until
9 Respondent passes the examination.

10
11
12 DATED: 10-15-07

E. J. L.
ELLIOTT MAC LENNAN, Counsel for
the Department of Real Estate

13
14 * * *

15 EXECUTION OF THE STIPULATION

16 I have read the Stipulation. Its terms are understood
17 by me and are agreeable and acceptable to me. I understand that
18 I am waiving rights given to me by the California Administrative
19 Procedure Act (including but not limited to Sections 11506,
20 11508, 11509 and 11513 of the Government Code), and I willingly,
21 intelligently and voluntarily waive those rights, including the

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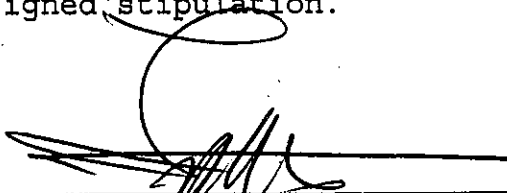
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1 right of requiring the Commissioner to prove the allegations in
2 the Accusation at a hearing at which I would have the right to
3 cross-examine witnesses against me and to present evidence in
4 defense and mitigation of the charges.

5 MAILING AND FACSIMILE

6 Respondent (1) shall mail the original signed signature
7 page of the stipulation herein to Elliott Mac Lennan: Attention:
8 Legal Section, Department of Real Estate, 320 W. Fourth St.,
9 Suite 350, Los Angeles, California 90013-1105. Additionally,
10 Respondent shall also (2) facsimile a copy of signed signature
11 page, to the Department at the following telephone/fax number:
12 (213) 576-6917, Attention: Elliott Mac Lennan. A facsimile
13 constitutes acceptance and approval of the terms and conditions
14 of this stipulation. Respondent agrees, acknowledges and
15 understands that by electronically sending to the Department a
16 facsimile copy of Respondent's actual signature as it appears on
17 the stipulation, that receipt of the facsimile copy by the
18 Department shall be as binding on Respondent as if the Department
19 had received the original signed stipulation.
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23 DATED: OCT. 19, 2007


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27 JACOB HSU, Respondent

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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)

FILED
JUN 13 2007
DEPARTMENT OF REAL ESTATE

R. Wiedeholt

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	No. H-34048 LA
WINGS REALTY INC.; and)	<u>A C C U S A T I O N</u>
JACOB HSU, individually and as)	
designated officer of Wings)	
Realty Inc.,)	
Respondents.)	

The Complainant, Maria Suarez, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against WINGS REALTY INC. and JACOB HSU, individually and as designated officer of Wings Realty Inc., alleges as follows:

1.

The Complainant, Maria Suarez, acting in her official capacity as a Deputy Real Estate Commissioner of the State of California, makes this Accusation against WINGS REALTY INC. and JACOB HSU.

2.

1 All references to the "Code" are to the California
2 Business and Professions Code and all references to "Regulations"
3 are to Title 10, Chapter 6, California Code of Regulations,
4 except as specifically set forth.
5

6 LICENSE HISTORY

7 3.

8 A. At all times mentioned, WINGS REALTY INC. ("WRI")
9 and JACOB HSU ("HSU") were licensed or had license rights issued
10 by the Department of Real Estate ("Department") as real estate
11 brokers.
12

13 LICENSED ACTIVITIES AND BROKERAGE

14 4.

15 At all times mentioned, in the City of Montebello,
16 County of Los Angeles, WRI and HSU acted as real estate brokers
17 conducting licensed activities within the meaning of:

18 A. Code Section 10131(a). Respondents engaged in the
19 business of, acted in the capacity of, advertised or assumed to
20 act as real estate brokers, including the solicitation for
21 listings of and the negotiation of the sale of real property as
22 the agent of others.

23 B. Code Section 10131(d). Respondent's engaged in
24 activities with the public wherein lenders and borrowers were
25 solicited for loans secured directly or collaterally by liens on
26 real property, wherein such loans were arranged, negotiated,
27

1 processed and consummated on behalf of others for compensation or
2 in expectation of compensation and for fees collected in advance.

3 FIRST CAUSE OF ACTION

4 5.

5 On March 20, 2007, the Department issued a subpoena
6 duces tecum requesting documents pertaining to the licensed
7 activities of WRI for the period April 1, 2004 and March 20,
8 2007, including purchase contracts, trust funds records, loan
9 logs, loan applications and documentation, escrow instructions,
10 verification of employment and verification of deposits and bank
11 statements for licensed activity including loan and broker-
12 controlled escrow bank statements.

13 WRI was directed by the subpoena to appear at the
14 Department on April 3, 2007. On said date HSU appeared, without
15 the subpoenaed documentation. To date, none of the requested
16 documentation has been produced, in violation of Business and
17 Professions Code Section 10148.
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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 WINGS REALTY INC.. and JACOB HSU, individually and as designated
6 officer of Wings Realty Inc. under the Real Estate Law (Part 1 of
7 Division 4 of the Business and Professions Code) and for such
8 other and further relief as may be proper under other applicable
9 provisions of law.

10 Dated at Los Angeles, California

11 this 18th day of June 2007
12 
13 Deputy Real Estate Commissioner

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23 cc: Wings Realty Inc.
24 c/o Jacob Hsu D.O.
25 Maria Suarez
26 Sacto
27 Abraham Saucedo