

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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In the Matter of the Accusation of)

RUDOLPH W. REYES)
and SANDRA LYNN FAVATA,
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 October 28, 2009, 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.

FINDINGS OF FACT

Ι

On December 8, 2008, Robin L. Trujillo 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 address on file with the Department on December 9, 2008.

On October 28, 2009, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondents' default was entered herein.

ΙI

RUDOLPH W REYES and SANDRA LYNN FAVATA (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 At all times herein mentioned, Respondent FAVATA was licensed by the Department of Real Estate as a real estate salesperson employed by Respondent REYES, a licensed real estate broker. TV During 2005 through 2008, Respondent FAVATA arranged or caused the arrangement of one or more loans totaling approximately \$700,000 on behalf of Mr. and Mrs. Nava ("Lender"). Respondent FAVATA assured the Lender that the loans were secured by real properties. V loans were never secured by real properties. VI

Subject transactions were a sham in that the

The conduct of Respondent FAVATA caused the Lender to be defrauded of their entire investment funds.

VII

During 2005 through 2008, Respondent FAVATA arranged or caused the arrangement of one or more loans totaling approximately \$150,000 on behalf of Ernesto Vera ("Lender").

VIII

Subject transactions were a sham in that the loans were never secured by real properties.

TX

The conduct of Respondent FAVATA caused the Lender to be defrauded of his entire investment funds.

Х

During 2005 through 2008, Respondent FAVATA arranged or caused the arrangement of one or more loans totaling \$575,000 on behalf of Melissa Miller ("Lender"). XI

Subject transactions were a sham in that the loans were never secured by real properties.

XII

The conduct of Respondent FAVATA caused the Lender to be defrauded of her entire investment funds.

DETERMINATION OF ISSUES

I

The conduct of Respondent <u>FAVATA</u>, as alleged above, subjects her real estate license and license rights to suspension or revocation pursuant to Sections <u>10177(f)</u> and 10177(j) of the Code.

II

The conduct of Respondent <u>REYES</u> in allowing and permitting the above activities subjects his real estate license and license rights to suspension or revocation pursuant to Sections 10177(g) and 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 RUDOLPH W. REYES and SANDRA LYNN FAVATA are revoked.

	This Decision	shall become effective at	_
12	o'clock noon on	MAR 1 5 2010	
	DATED:	11-12-09	

JEFF DAVI Real Estate Commissioner

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JAMES R. PEEL, Counsel (SBN 47055) Department of Real Estate 320 West Fourth Street, Suite 350 Los Angeles, CA 90013-1105

Telephone:

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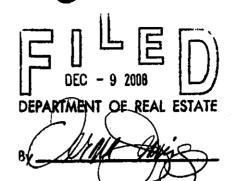
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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

In the Matter of the Accusation of

RUDOLPH W. REYES and SANDRA LYNN FAVATA,

Respondents.

No. H-35523 LA

ACCUSATION

The Complainant, Robin L. Trujillo, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against RUDOLPH W. REYES and SANDRA LYNN FAVATA, alleges as follows:

Ι

The Complainant, Robin L. Trujillo, acting in her official capacity as a Deputy Real Estate Commissioner of the State of California, makes this Accusation against RUDOLPH W. REYES and SANDRA LYNN FAVATA.

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II

RUDOLPH W. REYES and SANDRA LYNN FAVATA (hereinafter

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license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code, hereinafter Code).

III

At all times herein mentioned, Respondent FAVATA was

referred to as "Respondents") are presently licensed and/or have

At all times herein mentioned, Respondent FAVATA was licensed by the Department of Real Estate of the State of California as a real estate salesperson employed by Respondent REYES, a licensed real estate broker.

IV

During 2005 through 2008, Respondent FAVATA arranged or caused the arrangement of one or more loans totaling approximately \$700,000 on behalf of Mr. and Mrs. Nava ("Lender"). Respondent FAVATA assured the Lender that the loans were secured by real properties.

v

Subject transactions were a sham in that the loans were never secured by real properties.

VI

The conduct of Respondent FAVATA caused the Lender to be defrauded of their entire investment funds.

VII

During 2005 through 2008, Respondent FAVATA arranged or caused the arrangement of one or more loans totaling approximately \$150,000 on behalf of Ernesto Vera ("Lender").

VIII

Subject transactions were a sham in that the loans were never secured by real properties.

IX

The conduct of Respondent FAVATA caused the Lender to be defrauded of his entire investment funds.

Х

During 2005 through 2008, Respondent FAVATA arranged or caused the arrangement of one or more loans totaling \$575,000 on behalf of Melissa Miller ("Lender").

XI

Subject transactions were a sham in that the loans were never secured by real properties.

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The conduct of Respondent FAVATA caused the Lender to be defrauded of her entire investment funds.

XIII

The conduct of Respondent FAVATA, as alleged above, subjects her real estate license and license rights to suspension or revocation pursuant to Sections 10177(f) and 10177(j) of the Code

XIV

The conduct of Respondent REYES in allowing and permitting the above activities subjects his real estate licenses and license rights to suspension or revocation pursuant to Sections 10177(g) and 10177(h) of the Code.

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1 WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary 3 action against all licenses and license rights of respondents RUDOLPH W. REYES and SANDRA LYNN FAVATA under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) and for such other and further relief as may be proper under other 7 8 applicable provisions of law. Dated at Los Angeles, California recember, 2008. this & day of_ 10 11 12 13 Deputy Real Estate Commissioner 14

cc: Rudolph W. Reyes
Sandra Lynn Favata
Robin L. Trujillo
'Sacto.

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