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**FILED**

OCT 26 2009

DEPARTMENT OF REAL ESTATE  
BY: *[Signature]*

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

|                                      |   |                |
|--------------------------------------|---|----------------|
| In the Matter of the Accusation of   | ) | No. H-35925 LA |
|                                      | ) |                |
| SILVA FUNDING GROUP INC.             | ) |                |
| doing business as Preferred;         | ) |                |
| and <u>ROBERT HARRISON RHOADES</u> , | ) |                |
| individually and as designated       | ) |                |
| officer of Silva Lending Group Inc., | ) |                |
| Respondents.                         | ) |                |

DISMISSAL

The Accusation filed against ROBERT HARRISON RHOADES on May 5, 2009, is dismissed.

IT IS SO ORDERED this 21 day of October, 2009.

JEFF DAVI  
Real Estate Commissioner  
*[Signature]*

*Sachs*

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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**

OCT 14 2009

DEPARTMENT OF REAL ESTATE  
BY: *[Signature]*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \* \* \*

|                                     |   |                      |
|-------------------------------------|---|----------------------|
| In the Matter of the Accusation of  | ) | No. H-35925 LA       |
|                                     | ) |                      |
| SILVA FUNDING GROUP INC.            | ) | <u>FIRST AMENDED</u> |
| doing business as Preferred;        | ) | <u>ACCUSATION</u>    |
| ROBERT HARRISON RHOADES,            | ) |                      |
| individually and as designated      | ) |                      |
| officer of Silva Funding Group Inc. | ) |                      |
| and JO ANNE SILVA,                  | ) |                      |
|                                     | ) |                      |
| Respondents.                        | ) |                      |

The Accusation filed May 5, 2009, is amended in its entirety as follows:

The Complainant, Robin Trujillo, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against SILVA FUNDING GROUP INC. doing business as Preferred, ROBERT HARRISON RHOADES, individually and as designated officer of Silva Funding Group Inc., and JO ANNE SILVA, alleges as follows:

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1 1.

2 The Complainant, Robin Trujillo, acting in her official  
3 capacity as a Deputy Real Estate Commissioner of the State of  
4 California, makes this Accusation against SILVA FUNDING GROUP  
5 INC., (SFGI) ROBERT HARRISON RHOADES (RHOADES) and JO ANNE SILVA  
6 (SILVA).

7 2.

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

11 LICENSE HISTORY

12 3.

13 A. At all times mentioned, SFGI and RHOADES were  
14 licensed or had license rights issued by the Department of Real  
15 Estate (Department) as real estate brokers.

16 B. At all times material herein, SFGI was licensed by  
17 the Department as a corporate restricted real estate broker by  
18 and through RHOADES, pursuant to Code Sections 10211 and 10159.2  
19 for supervising the activities requiring a real estate license  
20 conducted on behalf of SFGI.

21 C. At all times mentioned, SILVA was licensed or had  
22 license rights issued by the Department of Real Estate  
23 (Department) as a real estate salesperson. On March 26, 2004,  
24 SILVA was originally licensed as a real estate salesperson. At  
25 all times material, SILVA was the President/Chief Executive  
26 Officer of SFGI.  
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BROKERAGE

4.

At all times mentioned, in the City of Norwalk County of Los Angeles, Respondents SFGI and RHOADES acted as real estate brokers and conducted licensed activities within the meaning of Code Section 10131(a). Respondents SFGI and RHOADES engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers, including the solicitation for listings of and the negotiation of the sale of real property as the agent of others.

AUDIT EXAMINATION

5.

On January 23, 2009, the Department completed an audit examination of the books and records of SFGI pertaining to the resale activities described in Paragraph 4 that require a real estate license. The audit examination covered a period of time beginning on August 1, 2006 to November 30, 2008. The audit examination revealed violations of the Code and the Regulations as set forth in the following paragraphs, and more fully discussed in Audit Report LA 080136 and the exhibits and work papers attached to said audit report.

TRUST ACCOUNT

6.

No trust account was maintained during the audit period.

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1  
2 VIOLATIONS OF THE REAL ESTATE LAW

3 7.

4 In the course of activities described in Paragraph 4,  
5 above, and during the examination period described in Paragraph  
6 5, Respondents SFGI, RHOADES and SILVA, acted in violation of the  
7 Code and the Regulations in that Respondents:

8 (a) SFGI and SILVA Negotiated the sale of Maria  
9 Walker's property located at 10210 McKinley Avenue, Los Angeles,  
10 California, between August 1, 2006 and January 24, 2008, prior to  
11 the time SFGI was licensed by the Department, in violation of  
12 Code Section 10130. SFGI, SILVA and/or Daniel Ibarra, Chief  
13 Financial Officer and shareholder of SFGI, purchased the McKinley  
14 property as an investment for SFGI, with an agreement to resell  
15 the property to Maria Walker, upon terms and conditions.  
16 Respondents charged and collected \$50,000 from Maria Walker as  
17 training and coaching fee. Ultimately, Maria Walker lost her  
18 home as a result of Respondent's fraudulent scheme. SFGI and  
19 SILVA's conduct is in violation of Code Sections 10130, 10176(a),  
20 10176(i), 10177(f) and/or 10177(j) and 10177(g).

21 (b) On or about January 25, 2008, SFGI's corporate  
22 status was suspended by the California Franchise Tax Board, yet  
23 SFGI continued to conduct operations from January 25, 2008 to  
24 November 30, 2008, in violation of Code Section 10177(f) and  
25 Regulation 2742(c); and

26 (c) SFGI and RHOADES failed to make available SFGI's  
27 license for inspection, in violation of Code Section 10160.

DISCIPLINARY STATUES AND REGULATIONS

8.

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

| <u>PARAGRAPH</u> | <u>PROVISIONS VIOLATED</u>   |
|------------------|--|
| 7(a)             | Code Section 10130, 10176(a), 10176(i), 10177(f) and/or 10177(j) and 10177(g) (SFGI/SILVA) |
| 7(b)             | Code Section 10177(f) and Regulation 2742(c) (SFGI/RHOADES)                                |
| 7(c)             | Code Section 10160 (SFGI/RHOADES)  |

The foregoing violations constitute cause for the suspension or revocation of the real estate license and license rights of SFGI, RHOADES and SILVA, under the provisions of Code Sections 10176(a), 10176(i), 10177(f) and/or 10177(j), 10177(d) and/or 10177(g).

9.

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

///



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 SILVA FUNDING GROUP INC., ROBERT HARRISON RHOADES and JO ANNE  
6 SILVA, under the Real Estate Law (Part 1 of Division 4 of the  
7 Business and Professions Code) and for such other and further  
8 relief as may be proper under other applicable provisions of law  
9 including disgorgement of Maria Walker's \$50,000 "coaching" fee  
10 and for other restitution pursuant to Government Code Section  
11 11519(d).

12 Dated at Los Angeles, California

13  
14 this 14 day of October 2009 Robin Trujillo  
15 Deputy Real Estate Commissioner  
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24 cc: Silva Funding Group Inc.  
25 c/o Robert Harrison Rhoades D.O.  
26 Jo Anne Silva  
27 Robin Trujillo  
Sacto  
Audits - Chona T. Soriano





1 1.

2 The Complainant, Robin Trujillo, acting in her official  
3 capacity as a Deputy Real Estate Commissioner of the State of  
4 California, makes this Accusation against SILVA FUNDING GROUP  
5 INC. and ROBERT HARRISON RHOADES.

6 2.

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

10 LICENSE HISTORY

11 3.

12 A. At all times mentioned, SILVA FUNDING GROUP (SFGI)  
13 was licensed or had license rights issued by the Department) as a  
14 real estate broker. On January 25, 2008, SFGI was originally  
15 licensed as a real estate broker by and through ROBERT HARRISON  
16 RHOADES as designated officer.

17 B. At all times mentioned, ROBERT HARRISON RHOADES  
18 (RHOADES) was licensed or had license rights issued by the  
19 Department of Real Estate (Department) as a real estate broker.  
20 On June 12, 2002, RHOADES was originally licensed as a real  
21 estate broker. At all times material, RHOADES was licensed as  
22 the designated officer of SFGI.

23 C. At all times material herein, SFGI were licensed by  
24 the Department as a corporate real estate broker by and through  
25 RHOADES, as the designated officer and broker responsible,  
26 pursuant to Code Sections 10159.2 and 10211 of the Business and  
27 Professions Code for supervising the activities requiring a real

1 estate license conducted on behalf of SFGI's officers, agents and  
2 employees, including RHOADES.

3 BROKERAGE

4 4.

5 At all times mentioned, in the City of Norwalk County  
6 of Los Angeles, SFGI and RHOADES acted as real estate brokers and  
7 conducted licensed activities within the meaning of Code Section  
8 10131(a). Respondents engaged in the business of, acted in the  
9 capacity of, advertised or assumed to act as a real estate  
10 broker, including the solicitation for listings of and the  
11 negotiation of the sale of real property as the agent of others.

12 AUDIT EXAMINATION

13 5.

14 On January 23, 2009, the Department completed an audit  
15 examination of the books and records of SFGI pertaining to the  
16 resale activities described in Paragraph 4 that require a real  
17 estate license. The audit examination covered a period of time  
18 beginning on August 1, 2006 to November 30, 2008. The audit  
19 examination revealed violations of the Code and the Regulations  
20 as set forth in the following paragraphs, and more fully  
21 discussed in Audit Report LA 080136 and the exhibits and work  
22 papers attached to said audit report.

23 TRUST ACCOUNT

24 6.

25 No trust account was maintained during the audit period.

26 ///

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1  
2 VIOLATIONS OF THE REAL ESTATE LAW

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 SFGI and RHOADES, acted in violation of  
7 the Code and the Regulations in that they:

8 (a) Negotiated the sale of Maria Walker's property  
9 located at 10210 McKinley Avenue, Los Angeles, California,  
10 between August 1, 2006 and January 24, 2008, prior to the time  
11 SFGI was licensed by the Department, in violation of Code Section  
12 10130. SFGI and/or Daniel Ibarra, Chief Financial Officer and  
13 shareholder of SFGI, purchased the McKinley property as an  
14 investment for SFGI, with an agreement to resell the property to  
15 Maria Walker, upon terms and conditions. Respondents charged and  
16 collected \$50,000 from Maria Walker as training and coaching fee.  
17 Ultimately, Maria Walker lost her home as a result of  
18 Respondent's fraudulent scheme. SFGI and RHOADES conduct is in  
19 violation of Code Sections 10130, 10176(a), 10176(i) and/or  
20 10177(j) and 10177(g).

21 (b) On or about January 25, 2008, SFGI's corporate  
22 status was suspended by the California Franchise Tax Board, yet  
23 SFGI continued to conduct operations from January 25, 2008 to  
24 November 30, 2008, in violation of Code Section 10177(f) and  
25 Regulation 2742(c); and

26 (c) SFGI failed to make available SFGI's broker license  
27 for inspection, in violation of Code Section 10160.

1 DISCIPLINARY STATUES AND REGULATIONS

2 8.

3 The conduct of Respondents SFGI and RHOADES described  
4 in Paragraph 7, above, violated the Code and the Regulations as  
5 set forth below:

| <u>PARAGRAPH</u> | <u>PROVISIONS VIOLATED</u>   |
|------------------|--|
| 7(a)             | Code Section 10130, 10176(a),<br>10176(i) and/or 10177(j) and<br>10177(g). |
| 7(b)             | Code Section 10177(f) and<br>Regulation 2742(c)                            |
| 7(c)             | Code Section 10160   |

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16 The foregoing violations constitute cause for the suspension or  
17 revocation of the real estate license and license rights of SFGI  
18 and RHOADES, under the provisions of Code Sections 10176(a),  
19 10176(i) and/or 10177(j), 10177(d) and/or 10177(g).

20 9.

21 The overall conduct of Respondents SFGI and RHOADES  
22 constitutes negligence. This conduct and violation are cause for  
23 the suspension or revocation of the real estate license and  
24 license rights of Respondents SFGI and RHOADES pursuant to Code  
25 Section 10177(g).

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2. The overall conduct of Respondent RHOADES constitutes a  
3 failure on Respondent's part, as officer designated by a  
4 corporate broker licensee, to exercise the reasonable supervision  
5 and control over the licensed activities of SFGI as required by  
6 Code Section 10159.2, and to keep SFGI in compliance with the  
7 Real Estate Law, and is cause for the suspension or revocation of  
8 the real estate license and license rights of RHOADES pursuant to  
9 the provisions of Code Section 10177(h).

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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 SILVA FUNDING GROUP INC. and ROBERT HARRISON RHOADES, under the  
6 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 including  
9 disgorgement of Maria Walker's \$50,000 fee and for other  
10 restitution pursuant to Government Code Section 11519(d).  
11 Dated at Los Angeles, California

12  
13 this *23 day of April 2009* *Rob Trujillo*  
14 Deputy Real Estate Commissioner  
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24 cc: Silva Funding Group Inc.  
25 c/o Robert Harrison Rhoades D.O.  
26 Robin Trujillo  
27 Sacto  
Audits - Chona T. Soriano  
Summer Bakotich