

**FILED**

FEB 18 2011

DEPARTMENT OF REAL ESTATE

BY: *[Signature]*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \*

In the Matter 'of the Accusation of	)	No. H-36310 LA
	)	
PLATINUM REAL ESTATE GROUP INC.; and	)	
BRETT KEVIN MARS, individually and	)	
as designated officer of Platinum	)	
Real Estate Group 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 June 21, 2010, and the findings of fact set forth herein are based on one or more of the following:

(1) Respondent PLATINUM REAL ESTATE GROUP INC.'s and BRETT KEVIN MARS's express admissions; (2) affidavits; and (3) Department Audit Report LA 080087 (4) other evidence.

FACTUAL FINDINGS

1.

On October 19, 2009, Robin Trujillo made the Accusation in her official capacity as a Deputy Real Estate Commissioner of the State of California. The

Accusation, Statement to Respondent, Notice of Defense, and Provisions of APA Relating to Discovery were mailed by certified mail to Respondents' last known mailing addresses on file with the Department on October 20, 2009, by regular mail on October 29, 2009, and on November 9, 2009 by both certified and regular mail.

2.

On June 21, 2010, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondents PLATINUM REAL ESTATE GROUP INC.'s and BRETT KEVIN MARS's default was entered herein.

3.

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

4.

A. At all times mentioned, PLATINUM REAL ESTATE GROUP INC. ("PREGI") and BRETT KEVIN MARS ("MARS") were licensed or had license rights issued by the California Department of Real Estate ("Department") as real estate brokers.

B. At all times mentioned herein, PREGI was licensed by the Department as a corporate restricted real estate broker by and through MARS, pursuant to Code Sections 10211 and 10159.2 for supervising the activities requiring a real estate license conducted on behalf of PREGI.

C. MARS is the corporate President, Treasurer, and Secretary of PREGI and owns 100% of PREGI's stock.

#### LICENSED ACTIVITIES AND BROKERAGE PLATINUM REAL ESTATE GROUP INC.

5.

At all times mentioned, in the City of Pomona, County of Los Angeles, PREGI and MARS acted as real

estate brokers and conducted licensed activities within the meaning of Code Section 10131(a) by engaging in the business of, acting in the capacity of, advertising or assuming to act as real estate brokers, including the solicitation for listings of and the negotiation of the sale of real property as the agent for others.

AUDIT EXAMINATION  
PLATINUM REAL ESTATE GROUP INC.

6.

On December 15, 2008, the Department attempted to complete an audit examination of the books and records of PREGI pertaining to the residential resale activities described in Finding 5, that require a real estate license. The audit examination covered a period of time beginning on September 1, 2006 to September 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 080087 and the exhibits and work papers attached to said audit report.

TRUST ACCOUNT

7.

During the audit period it was not determined if a trust account was maintained for PREGI's real estate activities.

VIOLATIONS OF THE REAL ESTATE LAW

8.

In the course of activities described in Findings 5 and 7 above, and during the examination period described in Finding 6, Respondents PREGI and MARS acted in violation of the Code and the Regulations in that they:

(a) PREGI and MARS acted as the selling agent and conducted in-house escrow for sellers Josef/Marilyn Blunsch (Blunsch) for the property located at 4 Oak Cliff Drive, Phillips Ranch, California. On or about November 2006, Blunsch sale of their home was finalized. Proceeds in the amount of \$225,884.03 were due and payable to them. The Blunsch's, however, in process of dissolving their marriage, continued to maintain the

proceeds in PREGI's in-house escrow trust account until the final dissolution of their marriage was effected on December 10, 2008. The Blunschis' made numerous unsuccessful attempts to contact Respondents to secure the proceeds of the sale of their home. To date, Respondents have absconded with the Blunshi funds, in violation of Code Sections 10176(i) and/or 10177(g).

(b) Respondents failed to retain all records of PREGI's activities requiring a real estate broker license during the past three years including sales and loan transaction files for PREGI's real estate clients and further including listings, real estate contracts, canceled checks, escrow and trust records, as required by Code Section 10148; and

(c) Respondents abandoned PREGI's office located at 77 Quite Hills Road, Pomona, California, without notification to the Department, in violation of Code Section 10162 and Regulation 2715.

#### NEGLIGENCE

9.

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

#### SUPERVISION AND COMPLIANCE

10.

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

BREACH OF FIDUCIARY DUTY

11.

Respondent MARS's absconding with and conversion of the Blunschi proceeds is cause for revocation of the real estate license and license rights of MARS pursuant to Code Sections 10176(i) and 10177(g).

DETERMINATION OF ISSUES

1.

The conduct of Respondents PLATINUM REAL ESTATE GROUP INC. and BRETT KEVIN MARS, as described in Finding 8, herein above, is in violation of Code Sections 10148 and 10162, and Regulation 2715 and is cause for disciplinary action pursuant to Code Sections 10148, 10165, 10176(i), 10177(d) and 10177(g).

2.

The conduct of Respondents PLATINUM REAL ESTATE GROUP INC. and BRETT KEVIN MARS, as described in Finding 9, herein above, constitutes negligence or incompetence, and is cause for disciplinary action pursuant to Code Section 10177(g).

3.

The conduct of Respondent BRETT KEVIN MARS, as described in Finding 10, herein above, is in violation of Code Section 10159.2 and is cause for disciplinary action pursuant to Code Sections 10177(d), 10177(g) and 10177(h).

4.

The conduct of Respondent BRETT KEVIN MARS, as described in Finding 11, herein above, constitutes breach of fiduciary duty, and is cause for disciplinary action pursuant to Code Sections 10176(i) and 10177(g).

5.

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

ORDER

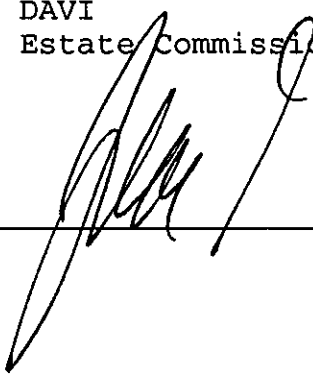
The real estate broker license and license rights  
of Respondents PLATINUM REAL ESTATE GROUP INC. and BRETT  
KEVIN MARS, under the provisions of Part I of Division 4  
of the Business and Professions Code are revoked.

This Decision shall become effective at 12 o'clock noon  
on March 10, 2011

DATED: \_\_\_\_\_

*1-19-2014*

JEFF DAVI  
Real Estate Commissioner



\_\_\_\_\_

1 Department of Real Estate  
2 320 West 4th Street, Ste. 350  
3 Los Angeles, California 90013-1105  
4 Telephone: (213) 576-6982 (office)

**FILED**

JUN 21 2010

DEPARTMENT OF REAL ESTATE  
BY: [Signature]

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \*

11	In the Matter of the Accusation of	)	No. H-36310 LA
12	<u>PLATINUM REAL ESTATE GROUP INC.;</u>	)	
13	and <u>BRETT KEVIN MARS, individually</u>	)	
14	and as designated officer of	)	
15	Platinum Real Estate Group Inc.,	)	
16	Respondents.	)	

17 DEFAULT ORDER

18 Respondents PLATNUM REAL ESTATE GROUP INC. and BRETT  
19 KEVIN MARS, having failed to file a Notice of Defense within the  
20 time required by Section 11506 of the Government Code, is now in  
21 default. It is, therefore, ordered that a default be entered on  
22 the record in this matter.

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IT IS SO ORDERED

June 21, 2010  
JEFF DAVI

Real Estate Commissioner

Dolores Weeks

By: DOLORES WEEKS  
Regional Manager

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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 20 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-36310 LA
	)	
PLATINUM REAL ESTATE GROUP INC.;	)	<u>A C C U S A T I O N</u>
and BRETT KEVIN MARS, individually	)	
and as designated officer of	)	
Platinum Real Estate Group Inc.,	)	
	)	
Respondents.	)	
	)	
	)	
	)	

The Complainant, Robin Trujillo, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against PLATINUM REAL ESTATE GROUP INC. and BRETT KEVIN MARS, individually and as designated officer of Platinum Real Estate Group Inc., alleges as follows:

1.

The Complainant, Robin Trujillo, acting in her official capacity as a Deputy Real Estate Commissioner of the State of

1 California, makes this Accusation against PLATINUM REAL ESTATE  
2 GROUP INC. (PREGI) and BRETT KEVIN MARS (MARS).

3 2.

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

7 3.

8 A. At all times mentioned, PREGI and MARS were  
9 licensed or had license rights issued by the Department of Real  
10 Estate (Department) as real estate brokers.

11 B. At all times material herein, PREGI was licensed by  
12 the Department as a corporate restricted real estate broker by  
13 and through MARS, pursuant to Code Sections 10211 and 10159.2 for  
14 supervising the activities requiring a real estate license  
15 conducted on behalf of PREGI.

16 C. MARS is the corporate President, Treasurer, and  
17 Secretary of PREGI and owns 100% of PREGI's stock.

18 Brokerage

19 4.

20 At all times mentioned, in the City of Pomona, County  
21 of Los Angeles, PREGI and MARS acted as real estate brokers and  
22 conducted licensed activities within the meaning of:  
23

24 A. Code Section 10131(a). Respondents' engaged in the  
25 business of, acted in the capacity of, advertised or assumed to  
26 act as a real estate broker, including the solicitation for  
27

1 listings of and the negotiation of the sale of real property as  
2 the agent of others.

3 Audit

4 5.

5 On December 15, 2008, the Department attempted to  
6 complete an audit examination of the books and records of PREGI  
7 pertaining to the residential resale activities described in  
8 Paragraph 4 that require a real estate license. The audit  
9 examination covered a period of time beginning on September 1,  
10 2006 to September 30, 2008. The audit examination revealed  
11 violations of the Code and the Regulations as set forth in the  
12 following paragraphs, and more fully discussed in Audit Report LA  
13 080087 and the exhibits and work papers attached to said audit  
14 report.

15 Trust Account

16 6.

17 During the audit period it was not determined if a  
18 trust account was maintained for PREGI's real estate activities.  
19

20 Violations of The Real Estate Law

21 7.

22 In the course of activities described in Paragraphs 4  
23 and 5, above, Respondents PREGI and MARS, acted in violation of  
24 the Code and the Regulations in that Respondents:  
25

26 (a) PREGI and MARS acted as the selling agent and  
27 conducted in-house escrow for sellers Josef/Marilyn Blunschi

1 (Blunschi) for the property located at 4 Oak Cliff Drive,  
2 Phillips Ranch, California. On or about November 2006, Blunschi  
3 sale of their home was finalized. Proceeds in the amount of  
4 \$225,884.03 were due and payable to them. The Blunschis',  
5 however, in process of dissolving their marriage, continued to  
6 maintain the proceeds in PREGI's in-house escrow trust account  
7 until the final dissolution of their marriage was effected on  
8 December 10, 2007. The Blunshcis' made numerous unsuccessful  
9 attempts to contact Respondents to secure the proceeds of the  
10 sale of their home. To date, Respondents have absconded with the  
11 Blunschi funds, in violation of Code Sections 10176(i) and/or  
12 10177(g).

13 (b) Respondents failed to retain all records of PREGI's  
14 activities requiring a real estate broker license during the  
15 past three years including sales and loan transaction files for  
16 PREGI's real estate clients and further including listings, real  
17 estate contracts, canceled checks, escrow and trust records, as  
18 required by Code Section 10148; and  
19

20 (c) Respondents abandoned PREGI's office located at 77  
21 Quiet Hills Road, Pomona, California, without notification to the  
22 Department, in violation of Code Section 10162 and Regulation  
23 2715.

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8.

The conduct of Respondents PREGI and MARS, described in Paragraph 7, violated the Code and the Regulations as set forth below:

PARAGRAPH

PROVISIONS VIOLATED

6(a)

Code Sections 10176(i) and/or  
10177(g)

6(b)

Code Section 10148

6(c)

Code Section 10162 and Regulation  
2715

The foregoing violations constitute cause for the suspension or revocation of the real estate license and license rights of Respondents PREGI and MARS under the provisions of Code Sections 10148, 10165, 10177(d) and/or 10177(g).

Negligence

9.

The overall conduct of Respondents PREGI and MARS in abandoning PREGI's office and including the absconding with and conversion of the Blunschis proceeds constitutes negligence. This conduct and violation are cause for the suspension or revocation of the real estate license and license rights of PREGI and MARS pursuant to Code Section 10177(g).

Supervision/Compliance

10.

The overall conduct of Respondent MARS constitutes a failure on his part, to exercise the reasonable supervision and control over the licensed activities of PREGI, in violation of Code Section 10159.2 and to keep PREGI within compliance with the Real Estate Law, and is cause for the suspension or revocation of the real estate license and license rights of MARS pursuant to Code Sections 10177(d), 10177(g) and/or 10177(h).

Breach of Fiduciary Duty

11.

Respondent MARS's absconding with and conversion of the Blunschis proceeds is cause for revocation of the real estate license and license rights of MARS pursuant Code Sections 10176(i) and/or 10177(g).

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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 PLATINUM REAL ESTATE GROUP INC. and BRETT KEVIN MARS, 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.

9 Dated at Los Angeles, California

10 this 19 day of October 2009.

11   
12 Deputy Real Estate Commissioner

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21  
22  
23  
24 cc: Platinum Real Estate Group Inc.  
25 Brett Kevin Mars  
26 Robin Trujillo  
27 Sacto  
Josef Blunschi  
Marilyn Blunschi