

FILED

FEB - 2 2011

DEPARTMENT OF REAL ESTATE
BY: [Signature]

1 Department of Real Estate
320 W. 4TH Street, Suite 350
2 Los Angeles, CA 90013-1105

3 Telephone: (213) 576-6982
4

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11	In the Matter of the Accusation of	)	No. H-36611 LA
12)	
13	NEW HORIZON R E INC. doing business)	
14	as JL Funding, JL Mortgage and	)	<u>STIPULATION</u>
15	Levis Estates; and JOSUE LEVIS,	)	<u>AND</u>
16	individually and as designated	)	<u>AGREEMENT</u>
17	officer of New Horizons R E Inc.,)	
)	
	Respondents.)	
)	
)	

18 It is hereby stipulated by and between Respondents
19 NEW HORIZON R E INC., and JOSUE LEVIS, individually and as
20 designated officer of New Horizon R E Inc. (sometimes
21 collectively referred to as "Respondents"), and the Complainant,
22 acting by and through Elliott Mac Lennan, Counsel for the
23 Department of Real Estate, as follows for the purpose of settling
24 and disposing of the Accusation filed on April 27, 2010, in this
25 matter:

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1 1. All issues which were to be contested and all
2 evidence which was to be presented by Complainant and Respondents
3 at a formal hearing on the Accusation, which hearing was to be
4 held in accordance with the provisions of the Administrative
5 Procedure Act ("APA"), shall instead and in place thereof be
6 submitted solely on the basis of the provisions of this
7 Stipulation and Agreement ("Stipulation").

8 2. Respondents have received, read and understand the
9 Statement to Respondent, the Discovery Provisions of the APA and
10 the Accusation filed by the Department of Real Estate in this
11 proceeding.

12 3. Respondents filed a Notice of Defense pursuant to
13 Section 11506 of the Government Code for the purpose of
14 requesting a hearing on the allegations in the Accusation.
15 Respondents hereby freely and voluntarily withdraw said Notice of
16 Defense. Respondents acknowledge that they understand that by
17 withdrawing said Notice of Defense they thereby waive their right
18 to require the Commissioner to prove the allegations in the
19 Accusation at a contested hearing held in accordance with the
20 provisions of the APA and that they will waive other rights
21 afforded to them in connection with the hearing such as the right
22 to present evidence in their defense the right to cross-examine
23 witnesses.
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1 4. This Stipulation is based on the factual
2 allegations contained in the Accusation. In the interest of
3 expedience and economy, Respondents choose not to contest these
4 allegations, but to remain silent and understand that, as a
5 result thereof, these factual allegations, without being admitted
6 or denied, will serve as a prima facie basis for the disciplinary
7 action stipulated to herein. The Real Estate Commissioner shall
8 not be required to provide further evidence to prove said factual
9 allegations.

10 5. This Stipulation is made for the purpose of
11 reaching an agreed disposition of this proceeding and is
12 expressly limited to this proceeding and any other proceeding or
13 case in which the Department of Real Estate ("Department"), or
14 another licensing agency of this state, another state or if the
15 federal government is involved, and otherwise shall not be
16 admissible in any other criminal or civil proceeding.

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

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2 7. The Order or any subsequent Order of the Real
3 Estate Commissioner made pursuant to this Stipulation shall not
4 constitute an estoppel, merger or bar to any further
5 administrative or civil proceedings by the Department of Real
6 Estate with respect to any matters which were not specifically
7 alleged to be causes for accusation in this proceeding.

8 8. Respondents understand that by agreeing to this
9 Stipulation, Respondents agree to pay, pursuant to Business and
10 Professions Code Section 10148, the cost of the audit which led
11 to this disciplinary action. The amount of said cost is
12 \$3,899.25.

13 9. Respondents have received, read, and understand the
14 "Notice Concerning Costs of Subsequent Audit". Respondents
15 further understand that by agreeing to this Stipulation, the
16 findings set forth below in the Determination of Issues become
17 final, and the Commissioner may charge Respondents for the cost
18 of any subsequent audit conducted pursuant to Business and
19 Professions Code Section 10148 to determine if the violations
20 have been corrected. The maximum cost of the subsequent audit
21 will not exceed \$3,899.25.

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DETERMINATION OF ISSUES

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

I.

4
5 The conduct of NEW HORIZON R E INC. as described in
6 Paragraph 4, above, is in violation of Sections 10137, 10145,
7 10148, 10160, 10236.4 and 10240 of the Business and Professions
8 Code ("Code") and Sections 2726, 2753, 2831, 2831.1 and 2840 of
9 Title 10, Chapter 6 of the California Code of Regulations
10 ("Regulations") and is a basis for the suspension or revocation
11 of Respondent's license and license rights as violations of the
12 Real Estate Law pursuant to Code Section 10177(d).

II.

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14 The conduct of JOSUE LEVIS, as described in Paragraph
15 4, above, constitutes a failure to keep NEW HORIZON R E INC. in
16 compliance with the Real Estate Law during the time that he was
17 the officer designated by a corporate broker licensee in
18 violation of Section 10159.2 of the Code. This conduct is a
19 basis for the suspension or revocation of Respondent's license
20 pursuant to Code Section 10177(h).

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ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

I.

All licenses and licensing rights of Respondent NEW HORIZON R E INC. under the Real Estate Law are revoked.

II.

The real estate broker license of Respondent JOSUE LEVIS under the Real Estate Law is revoked; provided, however, a restricted real estate salesperson license shall be issued to Respondent, pursuant to Section 10156.5 of the Business and Professions Code, if Respondent:

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

B. Respondent shall, prior to and as a condition of the issuance of the restricted license, submit proof satisfactory to the Commissioner of having taken and successfully completed the continuing education course on trust fund accounting and handling specified in paragraph (3) of subdivision (a) of Section 10170.5 of the Business and Professions Code. Proof of satisfaction of this requirement includes evidence that respondent has successfully completed the trust fund account and handling continuing education course within 120 days prior to the effective date of the Decision in this matter.

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

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

10 2. The restricted license issued to Respondent may
11 be suspended prior to hearing by Order of the Real Estate
12 Commissioner on evidence satisfactory to the Commissioner that
13 Respondent has violated provisions of the California Real Estate
14 Law, the Subdivided Lands Law, Regulations of the Real Estate
15 Commissioner or conditions attaching to the restricted license.
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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 two (2) years has elapsed from the
21 effective date of the issuance of the restricted license.

22 4. Respondent shall submit with any application for
23 license under an employing broker, or any application for
24 transfer to a new employing broker, a statement signed by the
25 prospective employing real estate broker on a form approved by
26 the Department of Real Estate which shall certify:
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1 (a) That the employing broker has read the

2 Decision of the Commissioner which granted
3 the right to a restricted license; and

4 (b) That the employing broker will exercise

5 close supervision over the performance by the
6 restricted licensee relating to activities
7 for which a real estate license is required.

8
9 5. Respondent shall, within nine (9) months from the

10 effective date of this Decision, present evidence satisfactory to
11 the Real Estate Commissioner that Respondent has, since the most
12 recent issuance of an original or renewal real estate license,
13 taken and successfully completed the continuing education
14 requirements of Article 2.5 of Chapter 3 of the Real Estate Law
15 for renewal of a real estate license. If Respondent fails to
16 satisfy this condition, the Commissioner may order the suspension
17 of the restricted license until Respondent presents such
18 evidence. The Commissioner shall afford Respondent the
19 opportunity for a hearing pursuant to the Administrative
20 Procedure Act to present such evidence.

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III.

The restricted salesperson license of Respondent JOSUE LEVIS, under the Real Estate Law is suspended for a period of one hundred twenty (120) days from the date of issuance of the restricted salesperson license.

A. Provided, however, that if Respondent requests, the initial thirty (30) days of said suspension (or a portion thereof) shall be stayed for two (2) years upon condition that:

1. Respondent pays a monetary penalty pursuant to
Section 10175.2 of the Business and Professions Code at the rate of \$166.67 per day for each day of the suspension for a total monetary penalty of \$5,000.

2. Said payment shall be in the form of a cashier's
check or certified check made payable to the Recovery Account of the Real Estate Fund. Said check must be received by the Department prior to the effective date of the Decision in this matter.

3. No further cause for disciplinary action against
the real estate license of Respondent occurs within two (2) years from the effective date of the Decision in this matter.

4. If Respondent fails to pay the monetary penalty in
accordance with the terms of the Decision, the Commissioner may, without a hearing, order the immediate execution of all or any part of the stayed suspension, in which event the Respondent

1 shall not be entitled to any repayment nor credit, prorated or
2 otherwise, for money paid to the Department under the terms of
3 this Decision.

4 5. If Respondent pays the monetary penalty and if no
5 further cause for disciplinary action against the real estate
6 license of Respondent occurs within two (2) years from the
7 effective date of the Decision, the stay hereby granted shall
8 become permanent.

9 B. The remaining ninety (90) days of the one hundred
10 twenty (120) day suspension shall be stayed for two (2) years
11 upon the following terms and conditions:

12 1. Respondent shall obey all laws, rules and
13 regulations governing the rights, duties and responsibilities of
14 a real estate licensee in the State of California; and

15 2. That no final subsequent determination be made
16 after hearing or upon stipulation, which cause for disciplinary
17 action occurred within two (2) years from the effective date of
18 this Decision. Should such a determination be made, the
19 Commissioner may, in his discretion, vacate and set aside the
20 stay order and reimpose all or a portion of the stayed
21 suspension. Should no such determination be made, the stay
22 imposed herein shall become permanent.

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II.

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2 Pursuant to Section 10148 of the Business and
3 Professions Code, Respondents shall pay the Commissioner's
4 reasonable cost for (a) the audits which led to this
5 disciplinary action and (b) a subsequent audits to determine if
6 Respondents NEW HORIZON R E INC. and JOSUE LEVIS are now in
7 compliance with the Real Estate Law. The cost of the audit
8 which led to this disciplinary action is \$3,899.25. In
9 calculating the amount of the Commissioner's reasonable cost,
10 the Commissioner may use the estimated average hourly salary for
11 all persons performing audits of real estate brokers, and shall
12 include an allocation for travel time to and from the auditor's
13 place of work. Said amount for the prior and subsequent audits
14 shall not exceed \$7,798.50. Respondents are jointly and
15 severally liable for the cost of the audits.

16
17 Respondents shall pay such cost within 60 days of
18 receiving an invoice from the Commissioner detailing the
19 activities performed during the audit and the amount of time
20 spent performing those activities.

21 The Commissioner may suspend the license of Respondents
22 pending a hearing held in accordance with Section 11500, et seq.,
23 of the Government Code, if payment is not timely made as provided
24 for herein, or as provided for in a subsequent agreement between
25 the Respondents and the Commissioner. The suspension shall
26 remain in effect until payment is made in full or until a
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1 Respondent enters into an agreement satisfactory to the
2 Commissioner to provide for payment, or until a decision
3 providing otherwise is adopted following a hearing held pursuant
4 to this condition.

5
6 DATED: 12-14-10

EJL
ELLIOTT MAC LENNAN, Counsel for
the Department of Real Estate

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9 * * *

10 EXECUTION OF THE STIPULATION

11 We have read the Stipulation. Its terms are understood
12 by us and are agreeable and acceptable to us. We understand that
13 we are waiving rights given to us by the California
14 Administrative Procedure Act (including but not limited to
15 Sections 11506, 11508, 11509 and 11513 of the Government Code),
16 and we willingly, intelligently and voluntarily waive those
17 rights, including the right of requiring the Commissioner to
18 prove the allegations in the Accusation at a hearing at which we
19 would have the right to cross-examine witnesses against us and to
20 present evidence in defense and mitigation of the charges.

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MAILING AND FACSIMILE

1 Respondents (1) shall mail the original signed
2 signature page of the stipulation herein to Elliott Mac Lennan:
3 Attention: Legal Section, Department of Real Estate, 320 W.
4 Fourth St., Suite 350, Los Angeles, California 90013-1105.

5 Respondents shall also (2) facsimile a copy of signed signature
6 page, to the Department at the following telephone/fax number:
7 (213) 576-6917, Attention: Elliott Mac Lennan.

8
9 A facsimile constitutes acceptance and approval of the
10 terms and conditions of this stipulation. Respondents agree,
11 acknowledge and understand that by electronically sending to the
12 Department a facsimile copy of Respondents' actual signature as
13 it appears on the stipulation that receipt of the facsimile copy
14 by the Department shall be as binding on Respondents as if the
15 Department had received the original signed stipulation.
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20 DATED: 12/10/10

Josue Levis
NEW HORIZON R E INC.,
BY: JOSUE LEVIS,
Respondent

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25 DATED: 12/10/10

Josue Levis
JOSUE LEVIS, individually and as
designated officer of New Horizon
R E Inc., Respondent

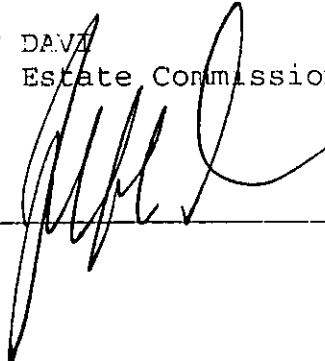
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The foregoing Stipulation and Agreement is hereby
adopted as my Decision as to Respondents NEW HORIZON R E INC. and
JOSUE LEVIS, individually and as designated officer of NEW
HORIZON R E INC. and shall become effective at 12 o'clock noon on
March 4, 2011.

IT IS SO ORDERED 1-20, 2011.

JEFF DAVIS
Real Estate Commissioner



1 Department of Real Estate
2 320 W. 4TH Street, Suite 350
3 Los Angeles, CA 90013-1105

4 Telephone: (213) 576-6982

FILED

FEB - 2 2011

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-36611 LA
)	
12 NEW HORIZON R E INC. doing business)	
13 as JL Funding, JL Mortgage and	)	<u>STIPULATION</u>
14 Levis Estates; and JOSUE LEVIS,	)	<u>AND</u>
15 individually and as designated	)	<u>AGREEMENT</u>
16 officer of New Horizons R E Inc.,)	
)	
17 Respondents.)	
)	
)	

18 It is hereby stipulated by and between Respondents
19 NEW HORIZON R E INC., and JOSUE LEVIS, individually and as
20 designated officer of New Horizon R E Inc. (sometimes
21 collectively referred to as "Respondents"), and the Complainant,
22 acting by and through Elliott Mac Lennan, Counsel for the
23 Department of Real Estate, as follows for the purpose of settling
24 and disposing of the Accusation filed on April 27, 2010, in this
25 matter:

26 ///

1 1. All issues which were to be contested and all
2 evidence which was to be presented by Complainant and Respondents
3 at a formal hearing on the Accusation, which hearing was to be
4 held in accordance with the provisions of the Administrative
5 Procedure Act ("APA"), shall instead and in place thereof be
6 submitted solely on the basis of the provisions of this
7 Stipulation and Agreement ("Stipulation").

8 2. Respondents have received, read and understand the
9 Statement to Respondent, the Discovery Provisions of the APA and
10 the Accusation filed by the Department of Real Estate in this
11 proceeding.

12 3. Respondents filed a Notice of Defense pursuant to
13 Section 11506 of the Government Code for the purpose of
14 requesting a hearing on the allegations in the Accusation.
15 Respondents hereby freely and voluntarily withdraw said Notice of
16 Defense. Respondents acknowledge that they understand that by
17 withdrawing said Notice of Defense they thereby waive their right
18 to require the Commissioner to prove the allegations in the
19 Accusation at a contested hearing held in accordance with the
20 provisions of the APA and that they will waive other rights
21 afforded to them in connection with the hearing such as the right
22 to present evidence in their defense the right to cross-examine
23 witnesses.
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1 4. This Stipulation is based on the factual
2 allegations contained in the Accusation. In the interest of
3 expedience and economy, Respondents choose not to contest these
4 allegations, but to remain silent and understand that, as a
5 result thereof, these factual allegations, without being admitted
6 or denied, will serve as a prima facie basis for the disciplinary
7 action stipulated to herein. The Real Estate Commissioner shall
8 not be required to provide further evidence to prove said factual
9 allegations.

10 5. This Stipulation is made for the purpose of
11 reaching an agreed disposition of this proceeding and is
12 expressly limited to this proceeding and any other proceeding or
13 case in which the Department of Real Estate ("Department"), or
14 another licensing agency of this state, another state or if the
15 federal government is involved, and otherwise shall not be
16 admissible in any other criminal or civil proceeding.

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

2 7. The Order or any subsequent Order of the Real
3 Estate Commissioner made pursuant to this Stipulation shall not
4 constitute an estoppel, merger or bar to any further
5 administrative or civil proceedings by the Department of Real
6 Estate with respect to any matters which were not specifically
7 alleged to be causes for accusation in this proceeding.

8 8. Respondents understand that by agreeing to this
9 Stipulation, Respondents agree to pay, pursuant to Business and
10 Professions Code Section 10148, the cost of the audit which led
11 to this disciplinary action. The amount of said cost is
12 \$3,899.25.

13 9. Respondents have received, read, and understand the
14 "Notice Concerning Costs of Subsequent Audit". Respondents
15 further understand that by agreeing to this Stipulation, the
16 findings set forth below in the Determination of Issues become
17 final, and the Commissioner may charge Respondents for the cost
18 of any subsequent audit conducted pursuant to Business and
19 Professions Code Section 10148 to determine if the violations
20 have been corrected. The maximum cost of the subsequent audit
21 will not exceed \$3,899.25.

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DETERMINATION OF ISSUES

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

I.

The conduct of NEW HORIZON R E INC. as described in Paragraph 4, above, is in violation of Sections 10137, 10145, 10148, 10160, 10236.4 and 10240 of the Business and Professions Code ("Code") and Sections 2726, 2753, 2831, 2831.1 and 2840 of Title 10, Chapter 6 of the California Code of Regulations ("Regulations") and is a basis for the suspension or revocation of Respondent's license and license rights as violations of the Real Estate Law pursuant to Code Section 10177(d).

II.

The conduct of JOSUE LEVIS, as described in Paragraph 4, above, constitutes a failure to keep NEW HORIZON R E INC. in compliance with the Real Estate Law during the time that he was the officer designated by a corporate broker licensee in violation of Section 10159.2 of the Code. This conduct is a basis for the suspension or revocation of Respondent's license pursuant to Code Section 10177(h).

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ORDER

1 WHEREFORE, THE FOLLOWING ORDER is hereby made:
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3 I.

4 All licenses and licensing rights of Respondent NEW
5 HORIZON R E INC. under the Real Estate Law are revoked.

6 II.

7 The real estate broker license of Respondent
8 JOSUE LEVIS under the Real Estate Law is revoked; provided,
9 however, a restricted real estate salesperson license shall be
10 issued to Respondent, pursuant to Section 10156.5 of the Business
11 and Professions Code, if Respondent:

12 A. Makes application therefor and pays to the
13 Department of Real Estate the appropriate fee for the restricted
14 license within ninety (90) days from the effective date of this
15 Decision.

16 B. Respondent shall, prior to and as a condition of
17 the issuance of the restricted license, submit proof satisfactory
18 to the Commissioner of having taken and successfully completed
19 the continuing education course on trust fund accounting and
20 handling specified in paragraph (3) of subdivision (a) of Section
21 10170.5 of the Business and Professions Code. Proof of
22 satisfaction of this requirement includes evidence that
23 respondent has successfully completed the trust fund account and
24 handling continuing education course within 120 days prior to the
25 effective date of the Decision in this matter.
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1 The restricted license issued to Respondent shall be
2 subject to all of the provisions of Section 10156.7 of the Code
3 and the following limitations, conditions and restrictions
4 imposed under authority of Section 10156.6 of that Code.

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

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

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 two (2) years has elapsed from the
21 effective date of the issuance of the restricted license.

22 4. Respondent shall submit with any application for
23 license under an employing broker, or any application for
24 transfer to a new employing broker, a statement signed by the
25 prospective employing real estate broker on a form approved by
26 the Department of Real Estate which shall certify:
27

- 1 (a) That the employing broker has read the
2 Decision of the Commissioner which granted
3 the right to a restricted license; and
4 (b) That the employing broker will exercise
5 close supervision over the performance by the
6 restricted licensee relating to activities
7 for which a real estate license is required.
8

9 5. Respondent shall, within nine (9) months from the
10 effective date of this Decision, present evidence satisfactory to
11 the Real Estate Commissioner that Respondent has, since the most
12 recent issuance of an original or renewal real estate license,
13 taken and successfully completed the continuing education
14 requirements of Article 2.5 of Chapter 3 of the Real Estate Law
15 for renewal of a real estate license. If Respondent fails to
16 satisfy this condition, the Commissioner may order the suspension
17 of the restricted license until Respondent presents such
18 evidence. The Commissioner shall afford Respondent the
19 opportunity for a hearing pursuant to the Administrative
20 Procedure Act to present such evidence.
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III.

The restricted salesperson license of Respondent JOSUE LEVIS, under the Real Estate Law is suspended for a period of one hundred twenty (120) days from the date of issuance of the restricted salesperson license.

A. Provided, however, that if Respondent requests, the initial thirty (30) days of said suspension (or a portion thereof) shall be stayed for two (2) years upon condition that:

1. Respondent pays a monetary penalty pursuant to Section 10175.2 of the Business and Professions Code at the rate of \$166.67 per day for each day of the suspension for a total monetary penalty of \$5,000.

2. Said payment shall be in the form of a cashier's check or certified check made payable to the Recovery Account of the Real Estate Fund. Said check must be received by the Department prior to the effective date of the Decision in this matter.

3. No further cause for disciplinary action against the real estate license of Respondent occurs within two (2) years from the effective date of the Decision in this matter.

4. If Respondent fails to pay the monetary penalty in accordance with the terms of the Decision, the Commissioner may, without a hearing, order the immediate execution of all or any part of the stayed suspension, in which event the Respondent

1 shall not be entitled to any repayment nor credit, prorated or
2 otherwise, for money paid to the Department under the terms of
3 this Decision.

4 5. If Respondent pays the monetary penalty and if no
5 further cause for disciplinary action against the real estate
6 license of Respondent occurs within two (2) years from the
7 effective date of the Decision, the stay hereby granted shall
8 become permanent.

9 B. The remaining ninety (90) days of the one hundred
10 twenty (120) day suspension shall be stayed for two (2) years
11 upon the following terms and conditions:

12 1. Respondent shall obey all laws, rules and
13 regulations governing the rights, duties and responsibilities of
14 a real estate licensee in the State of California; and

15 2. That no final subsequent determination be made
16 after hearing or upon stipulation, which cause for disciplinary
17 action occurred within two (2) years from the effective date of
18 this Decision. Should such a determination be made, the
19 Commissioner may, in his discretion, vacate and set aside the
20 stay order and reimpose all or a portion of the stayed
21 suspension. Should no such determination be made, the stay
22 imposed herein shall become permanent.
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II.

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2 Pursuant to Section 10148 of the Business and
3 Professions Code, Respondents shall pay the Commissioner's
4 reasonable cost for (a) the audits which led to this
5 disciplinary action and (b) a subsequent audits to determine if
6 Respondents NEW HORIZON R E INC. and JOSUE LEVIS are now in
7 compliance with the Real Estate Law. The cost of the audit
8 which led to this disciplinary action is \$3,899.25. In
9 calculating the amount of the Commissioner's reasonable cost,
10 the Commissioner may use the estimated average hourly salary for
11 all persons performing audits of real estate brokers, and shall
12 include an allocation for travel time to and from the auditor's
13 place of work. Said amount for the prior and subsequent audits
14 shall not exceed \$7,798.50. Respondents are jointly and
15 severally liable for the cost of the audits.

16
17 Respondents shall pay such cost within 60 days of
18 receiving an invoice from the Commissioner detailing the
19 activities performed during the audit and the amount of time
20 spent performing those activities.

21 The Commissioner may suspend the license of Respondents
22 pending a hearing held in accordance with Section 11500, et seq.,
23 of the Government Code, if payment is not timely made as provided
24 for herein, or as provided for in a subsequent agreement between
25 the Respondents and the Commissioner. The suspension shall
26 remain in effect until payment is made in full or until a
27

1 Respondent enters into an agreement satisfactory to the
2 Commissioner to provide for payment, or until a decision
3 providing otherwise is adopted following a hearing held pursuant
4 to this condition.

5
6 DATED: 12-14-10 egl
7 ELLIOTT MAC LENNAN, Counsel for
8 the Department of Real Estate

9 * * *

10 EXECUTION OF THE STIPULATION

11 We have read the Stipulation. Its terms are understood
12 by us and are agreeable and acceptable to us. We understand that
13 we are waiving rights given to us by the California
14 Administrative Procedure Act (including but not limited to
15 Sections 11506, 11508, 11509 and 11513 of the Government Code),
16 and we willingly, intelligently and voluntarily waive those
17 rights, including the right of requiring the Commissioner to
18 prove the allegations in the Accusation at a hearing at which we
19 would have the right to cross-examine witnesses against us and to
20 present evidence in defense and mitigation of the charges.

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MAILING AND FACSIMILE

1 Respondents (1) shall mail the original signed
2 signature page of the stipulation herein to Elliott Mac Lennan:
3 Attention: Legal Section, Department of Real Estate, 320 W.
4 Fourth St., Suite 350, Los Angeles, California 90013-1105.

5 Respondents shall also (2) facsimile a copy of signed signature
6 page, to the Department at the following telephone/fax number:
7 (213) 576-6917, Attention: Elliott Mac Lennan.

8
9 A facsimile constitutes acceptance and approval of the
10 terms and conditions of this stipulation. Respondents agree,
11 acknowledge and understand that by electronically sending to the
12 Department a facsimile copy of Respondents' actual signature as
13 it appears on the stipulation that receipt of the facsimile copy
14 by the Department shall be as binding on Respondents as if the
15 Department had received the original signed stipulation.
16

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19
20 DATED: 12/10/10

Josue Levis
NEW HORIZON R E INC.,
BY: JOSUE LEVIS,
Respondent

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24
25 DATED: 12/10/10

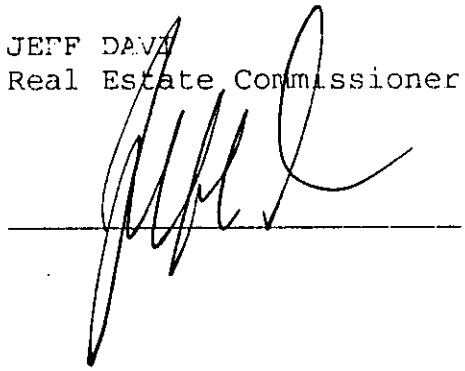
Josue Levis
JOSUE LEVIS, individually and as
designated officer of New Horizon
R E Inc., Respondent

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The foregoing Stipulation and Agreement is hereby
adopted as my Decision as to Respondents NEW HORIZON R E INC. and
JOSUE LEVIS, individually and as designated officer of NEW
HORIZON R E INC. and shall become effective at 12 o'clock noon on
March 4, 2011.

IT IS SO ORDERED 1-20, 2011.

JEFF DAVIS
Real Estate Commissioner


last

FILED

1 ELLIOTT MAC LENNAN, SBN 66674
2 Department of Real Estate
3 320 West 4th Street, Ste. 350
4 Los Angeles, California 90013-1105

APR 27 2010

5 Telephone: (213) 576-6911 (direct)
6 -or- (213) 576-6982 (office)

DEPARTMENT OF REAL ESTATE
BY: 

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * * * *

11	In the Matter of the Accusation of	)	No. H-36611 LA
12)	
13	NEW HORIZON R E INC. doing business	)	<u>A C C U S A T I O N</u>
14	as JL Funding, JL Mortgage and)	
15	Levis Estates; and JOSUE LEVIS,)	
16	individually and as designated)	
17	officer of New Horizons R E Inc.,)	
18)	
19)	
20)	
21	Respondents.)	
22)	
23)	
24)	
25)	
26)	
27)	

20 The Complainant, Maria Suarez, a Deputy Real Estate
21 Commissioner of the State of California, for cause of Accusation
22 against NEW HORIZON R E INC. dba JL Funding, JL Mortgage and
23 Levis Estates, and JOSUE LEVIS, individually and as designated
24 officer of New Horizons R E Inc., alleges as follows:

25 ///

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1.

1 The Complainant, Maria Suarez, acting in her official
2 capacity as a Deputy Real Estate Commissioner of the State of
3 California, makes this Accusation against NEW HORIZON R E INC.
4 (NEREI) and JOSUE LEVIS (LEVIS).
5

2.

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

10 Licensing

3.

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

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

21 Brokerage

4.

22 At all times mentioned, in the City of Canoga Park and
23 County of Los Angeles, Respondents CMC, GIMBEL and BARLEY, acted
24 as real estate brokers conducting licensed activities within the
25 meaning of Code Sections 10131(d) and 10131.2, dba JL Funding, JL
26
27

1 Mortgage and Levis Estates. Respondents, pursuant to Code
2 Section 10131(d), engaged in the business of:

3 a. Mortgage Loan Brokerage: Respondents engaged in
4 activities with the public wherein lenders and borrowers were
5 solicited for loans secured directly or collaterally by liens on
6 real property, wherein such loans were arranged, negotiated,
7 processed and consummated on behalf of others for compensation or
8 in expectation of compensation and for fees often collected in
9 advance; and

10 b. Loan Modification Brokerage. Respondents solicited
11 and offered to provide loan modification services to economically
12 distressed homeowners seeking adjustments of the terms of their
13 home loans including, but not limited to, repayment plans,
14 forbearance, partial claims, and principal/interest, foreclosure
15 prevention and short sales.

16 c. Advance Fee Brokerage. In addition, Respondents
17 demanded, charged and collected advance fees including "up front
18 fees" for processing loan modifications and for negotiating with
19 lenders.
20

21 Audit

22 5.

23 On August 17, 2009, the Department completed an audit
24 examination of the books and records of NEREI pertaining to the
25 mortgage loan activities described in Paragraph 4 that require a
26 real estate license. The audit examination covered a period of
27

1 time beginning on May 1, 2006 to May 31, 2009. The audit
2 examination revealed violations of the Code and the Regulations
3 as set forth in the following paragraphs, and more fully
4 discussed in Audit Report LA 080300 and the exhibits and work
5 papers attached to said audit report.

6 Trust Account

7 6.

8 During the audit period no trust account was maintained

9 Violations

10 7.

11 In the course of activities described in Paragraphs 4
12 and 6, above, and during the examination period described in
13 Paragraph 5, Respondents NEREI and LEVIS, acted in violation of
14 the Code and the Regulations in that Respondents:

15 (a) Commingled trust funds in the form of borrower
16 payments by depositing credit report and appraisal fees into
17 NHREI's general account instead of depositing them into a trust
18 account designated for that purpose in the name of the broker as
19 trustee at a bank or other financial institution, in violation of
20 Code Sections 10145 and 10176(e) and Regulation 2832.

21 (b) Failed to maintain an adequate control record in
22 the form of a columnar record in chronological order of trust
23 funds received, in violation of Code Section 10145 and Regulation
24 2831.

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1 (c) Failed to maintain an adequate separate record of
2 trust funds received, in violation of Code Section 10145 and
3 Regulation 2831.1.

4 (d) (1) Failed to retain a true and correct copy of a
5 Department of Real Estate approved Mortgage Loan Disclosure
6 Statement signed by the broker for borrowers Daniel Estrada,
7 Vincent English, Victor Puebla, M & L Velagomez and Gerardo
8 Travarez, in violation of Code Section 10240 and Regulation 2840;
9 and

10 (d) (2) Failed to make all applicable disclosures
11 including but not limited to, yield spread premiums rebates by
12 the lender and (2) failed to disclose to the aforesaid borrowers
13 the true loans fees paid to NHREI, instead of listing Fees paid
14 to broker as "Fees paid to others", in violation of Code Section
15 10240 and Regulation 2840.

16 (e) Failed to display the Department's license number
17 or the name of the corporation, NHREI, for the aforesaid
18 borrowers Margarita Corral, and the Robert and Patricia Beltran
19 CMLDS, as required by Code Section 10236.4.

20 (f) Employed and compensated Rene Solis, a real estate
21 salesperson, not licensed to NHREI or LEVIS, to solicit borrowers
22 for loans secured directly or collaterally by real property, in
23 violation of Code Section 10137.

24 (g) After notice, failed to retain all records of
25 NHREI's activity during the audit period requiring a real estate
26 broker license, in violation of Code Section 10148.

27

1 (h) Failed to retain the salesperson license
2 certificate for Mirna Garcia, Samir Hanna, Gedalia Levis, David
3 Lynn, Sally Samaris and Ozlem Alper, in violation of Code Section
4 10160 and Regulation 2753.

5 (i) Failed to maintain a signed broker salesperson
6 agreement with Mirna Garcia, Samir Hanna, Gedalia Levis, David
7 Lynn, Sally Samaris and Ozlem Alper's real estate licensees in
8 violation of Code Section 10160 and Regulations 2726; and

9 (j) LEVIS' had no system in place for regularly
10 monitoring his compliance with the Real Estate Law especially in
11 regard to establishing policies to review and handle:

12 (1) trust funding handling procedures

13 (2) mortgage loan disclosures; and

14 (3) unlicensed persons performing activities for
15 payment requiring a real estate license, in violation of Code
16 Sections 10159.2, 10176(i) and 10177(h) and Regulation 2725.

17 Disciplinary Statutes

18 8.

19 The conduct of Respondents NEREI and LEVIS described in
20 Paragraph 7, above, violated the Code and the Regulations as set
21 forth below:

22 <u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
23 7(a)	Code Sections 10145 and 10176(e) 24 and Regulation 2832
25 7(b)	Code Section 10145 and Regulation 26 2831
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7(c)

Code Section 10145 and Regulation
2831.1

7(d)

Code Section 10240 and Regulation
2840

7(e)

Code Section 10236.4

7(f)

Code Section 10137

7(g)

Code Section 10148

7(h)

Code Section 10160 and Regulation
2726

7(i)

Code Section 10160 and Regulation
2753

7(j)

Code Sections 10159.2, 10176(i),
10177(h) and Regulation 2725

The foregoing violations constitute cause for discipline of the
real estate license and license rights of NEREI and LEVIS, under
the provisions of Code Sections 10165, 10176(e), 10176(i),
10177(d) and/or 10177(g).

9.

1 The conduct of Respondents NEREI and LEVIS constitutes
2 negligence or incompetence and is cause for discipline of the
3 real estate license and license rights of Respondents NEREI and
4 LEVIS pursuant to Code Section 10177(g).
5

6 10.

7 The overall conduct of Respondent LEVIS constitutes a
8 failure on Respondent's part, as officer designated by a
9 corporate broker licensee, to exercise the reasonable supervision
10 and control over the licensed activities of NEREI as required by
11 Code Section 10159.2, and to keep NEREI in compliance with the
12 Real Estate Law, and is cause for discipline of the real estate
13 license and license rights of LEVIS pursuant to the provisions of
14 Code Sections 10177(h), 10177(d) and 10177(g).
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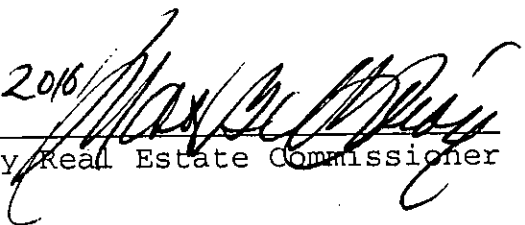
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1 WHEREFORE, Complainant prays that a hearing be
2 conducted on the allegations of this Accusation and that upon
3 proof thereof, a decision be rendered imposing disciplinary
4 action against the license and license rights of Respondents NEW
5 HORIZON R E INC. and JOSUE LEVIS, 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

30th day of March 2016


Deputy Real Estate Commissioner

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23 c: New Horizons R E Inc.
24 c/o Josue Levis D.O.
25 Maria Suarez
26 Sacto
27 Alyxander K. Canlas
Audits - Anna Hartoonian