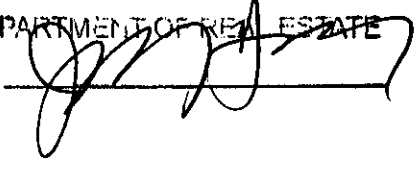


1200

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

FILED

NOV 04 2011

DEPARTMENT OF REAL ESTATE
BY: 

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11	In the Matter of the Accusation)	No. H-36859 LA
12)	L-2010110844
13	APARTMENT & COMMERCIAL)	<u>STIPULATION AND</u>
14	LENDING GROUP INC.; <u>FEI</u>)	<u>AGREEMENT</u>
15	<u>PHILIP HSU</u> , individually,)	
16	and as designated officer)	
17	for Apartment & Commercial)	
18	Lending Group Inc; WAN TIN,)	
	Respondents.)	

19 It is hereby stipulated by and between FEI PHILIP
20 HSU, individually, and Respondent's attorney, Frank Buda, and
21 the Complainant, acting by and through Cheryl Keily, Counsel
22 for the Department of Real Estate, as follows for the purpose
23 of settling and disposing of the Accusation filed on October
24 12, 2010, in this matter.

26 1. All issues which were to be contested and all
27 evidence which was to be presented by Complainant and
Respondents at a formal hearing on the Accusation, which hearing

1 was to be held in accordance with the provisions of the
2 Administrative Procedure Act (APA), shall instead and in place
3 thereof be submitted solely on the basis of the provisions of
4 this Stipulation and Agreement.
5

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

10 3. On October 27, 2010, Respondent filed a Notice of
11 Defense, pursuant to Section 11506 of the Government Code for
12 the purpose of requesting a hearing on the allegations in the
13 Accusation. Respondent hereby freely and voluntarily withdraws
14 said Notice of Defense. Respondent acknowledges that he
15 understands that by withdrawing said Notice of Defense he will
16 thereby waive his right to require the Commissioner to prove the
17 allegations in the Accusation at a contested hearing held in
18 accordance with the provisions of the APA and that he will waive
19 other rights afforded to him in connection with the hearing,
20 such as the right to present evidence in defense of the
21 allegations in the Accusation and the right to cross-examine
22 witnesses.
23
24

25 4. This Stipulation and Agreement is based on the
26 factual allegations contained in the Accusation filed in this
27 proceeding. In the interest of expedience and economy,

1 Respondent chooses not to litigate these allegations at a formal
2 administrative hearing, but to remain silent and understand
3 that, as a result thereof, these factual allegations, without
4 being admitted or denied, will serve as a prima facie basis for
5 the disciplinary action stipulated to herein. This Stipulation
6 and Agreement and Respondent's decision not to contest the
7 Accusation are hereby expressly limited to this proceeding and
8 made for the sole purpose of reaching an agreed disposition of
9 this proceeding. Respondent's decision not to contest the
10 factual allegations at a formal administrative hearing is made
11 solely for the purpose of effectuating this Stipulation and
12 Agreement and is intended to be non-binding upon Respondent in
13 any actions against him by third parties. The Real Estate
14 Commissioner shall not be required to provide further evidence
15 to prove said factual allegations.
16
17

18 5. It is understood by the parties that the Real
19 Estate Commissioner may adopt the Stipulation and Agreement as
20 his decision in this matter, thereby imposing the penalty and
21 sanctions on Respondent's real estate licenses and license
22 rights as set forth in the below "Order". In the event that
23 the Commissioner in his discretion does not adopt the
24 Stipulation and Agreement, it shall be void and of no effect,
25 and Respondent shall retain the right to a hearing and
26 proceeding on the Accusation under all the provisions of the
27

1 APA and shall not be bound by any admission or waiver made
2 herein.

3 6. The Order or any subsequent Order of the Real
4 Estate Commissioner made pursuant to this Stipulation and
5 Agreement shall not constitute an estoppel, merger or bar to any
6 further administrative or civil proceedings by the Department of
7 Real Estate with respect to any matters which were not
8 specifically alleged to be causes for accusation in this
9 proceeding.
10

11 DETERMINATION OF ISSUES

12 By reason of the foregoing stipulations, admissions
13 and waivers and solely for the purpose of settlement of the
14 pending Accusation without a hearing, it is stipulated and
15 agreed that the following determination of issues shall be
16 made:
17

18 The conduct of Respondent, FEI PHILIP HSU, as
19 described in the Accusation, is in violation of Code Section
20 10159.2, and is grounds for the suspension or revocation of all
21 the real estate licenses and license rights of Respondent under
22 the provisions of Business & Professions Code sections 10177(d)
23 and 10177(g).
24

25 ///

26 ///

27

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

1. ALL licenses and licensing rights of Respondent
FEI PHILIP HSU under the Real Estate Law are suspended for a
period of sixty (60) days from the effective date of this
decision. The entire period of the sixty (60) day suspension
shall be stayed for one (1) year upon the following terms and
conditions:

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

b. That no final subsequent determination be made,
after hearing or upon stipulation, that cause for disciplinary
action occurred within one (1) year of the effective date of
this Decision. Should such a determination be made, the
Commissioner may, in his discretion, vacate and set aside the
stay order and reimpose all or a portion of the stayed
suspension. Should no such determination be made, the stay
imposed herein shall become permanent.

2. Respondent shall, within six months from the
effective date of this Decision, take and pass the Professional
Responsibility Examination administered by the Department
including the payment of the appropriate examination fee.

1 If Respondent fails to satisfy this condition, the Commissioner
2 may order suspension of Respondent's license until Respondent
3 passes the examination.
4

5
6 DATED: Oct 12, 2011


Cheryl Keily
7 CHERYL D. KEILY, Counsel
8 DEPARTMENT OF REAL ESTATE

9 * * *

10 I have read the Stipulation and Agreement, and its
11 terms are understood by me and are agreeable and acceptable to
12 me. I understand that I am waiving rights given to me by the
13 California Administrative Procedure Act (including but not
14 limited to Sections 11506, 11508, 11509 and 11513 of the
15 Government Code), and I willingly, intelligently and
16 voluntarily waive those rights, including the right of
17 requiring the Commissioner to prove the allegations in the
18 Accusation at a hearing at which I would have the right to
19 cross-examine witnesses against me and to present evidence in
20 defense and mitigation of the charges.
21

22
23 ///
24 ///
25 ///
26 ///
27

1 Respondent can signify acceptance and approval of the
2 terms and conditions of this Stipulation and Agreement by faxing
3 a copy of its signature page, as actually signed by Respondent,
4 to the Department at the following telephone/fax number (213)
5 576-6917. Respondent agrees, acknowledges, and understands that
6 by electronically sending to the Department a fax copy of his
7 actual signature as it appears on the Stipulation and Agreement,
8 that receipt of the faxed copy by the Department shall be as
9 binding on Respondent as if the Department had received the
10 original signed Stipulation and Agreement.

11 DATED: 10/06/2011 
12
13 PHILIP HSU
Respondent

14 *I have reviewed the Stipulation and Agreement as to form and content and have*
15 *advised my clients accordingly.*

16 DATED: 10-6-11 
17 Frank Buda
Attorney for Respondent

18 * * *

19
20 The foregoing Stipulation and Agreement is hereby
21 adopted as my Decision in this matter and shall become effective
22 at 12 o'clock noon on NOV. 28, 2011, 2011.

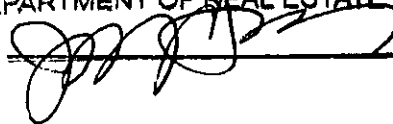
23 IT IS SO ORDERED 11/1, 2011.

24
25 
26 BARBARA BIGBY
Acting Real Estate Commissioner
27

1 CHERYL D. KEILY, SNB# 94008
2 Department of Real Estate
3 320 West Fourth Street, Ste. 350
4 Los Angeles, California 90013
5 Telephone: (213) 576-6982
6 (Direct) (213) 576-6905

FILED

OCT 12 2010

DEPARTMENT OF REAL ESTATE
BY: 

9 DEPARTMENT OF REAL ESTATE
10 STATE OF CALIFORNIA

11 * * * * *

12 In the Matter of the Accusation No. H-36859 LA

13 APARTMENT & COMMERCIAL) A C C U S A T I O N
14 LENDING GROUP INC.; FEI)
15 PHILIP HSU, individually,)
16 and as designated officer)
17 for Apartment & Commercial)
18 Lending Group Inc; WAN TIN,)
19 Respondents.)

19 The Complainant, Robin Trujillo, a Deputy Real Estate
20 Commissioner of the State of California, for cause of Accusation
21 against APARTMENT & COMMERCIAL LENDING GROUP INC. ("APARTMENT");
22 FEI PHILIP HSU ("HSU"), individually, and as designated officer
23 for Apartment & Commercial Lending Group Inc.; and WAN TIN
24 ("TIN"), is informed and alleges as follows:

26 1.

27 The Complainant, Robin Trujillo, a Deputy Real Estate

1 Commissioner of the State of California, makes this Accusation in
2 her official capacity.

3 2.

4 Respondent APARTMENT is presently licensed and/or has
5 license rights under the Real Estate Law (Part 1 of Division 4 of
6 the Business and Professions Code, hereinafter "Code"), as a real
7 estate corporation. On or about July 4, 2010, the license of
8 APARTMENT expired.

9 3.

10 Respondent HSU is presently licensed and/or has license
11 rights under the Real Estate Law as a real estate broker. From
12 April 10, 2007, to November 28, 2007, HSU was the designated
13 broker-officer of Respondent APARTMENT.

14 4.

15 Thereafter, Respondent APARTMENT's license history
16 shows the following:

17 a. From November 29, 2007, to July 13, 2008,
18 APARTMENT had no designated officer.

19 b. From July 14, 2008, to December 16, 2008,
20 APARTMENT's designated officer was Chung Wei Wayne Yang, a
21 licensed real estate broker.

22 c. From December 17, 2008, to February 9, 2009,
23 APARTMENT had no designated officer.

24 d. From February 10, 2009, to July 28, 2009,
25 APARTMENT's designated officer was Lawrence Eberhart, a licensed
26 real estate broker.
27

1 e. From July 29, 2009, to July 3, 2010, APARTMENT had
2 no designated officer.

3 5.

4 From April 10, 2007, to November 28, 2007, Respondent
5 HSU, as the officer designated by Respondent APARTMENT pursuant
6 to Section 10211 of the Code, was responsible for the supervision
7 and control of the activities conducted on behalf of Respondent
8 APARTMENT by its officers and employees as necessary to secure
9 full compliance with the Real Estate Law as set forth in Section
10 10159.2 of the Code, including the supervision of salespersons
11 licensed to the corporation in the performance of acts for which
12 a real estate license is required.

13 6.

14 Respondent TIN is presently licensed and/or has license
15 rights under the Real Estate Law as a real estate salesperson.
16 At all times relevant herein Respondent TIN was the president of
17 Respondent APARTMENT, and was employed by Respondent APARTMENT
18 continuously from July 9, 2006, to and including July 27, 2009.

19 7.

20
21 At all times material herein, Respondent APARTMENT was
22 engaged in the business of, acted in the capacity of, advertised
23 or assumed to act as real estate broker and/or real estate
24 corporation in the State of California, within the meaning of
25 Code 10131(d) of the Code. Said activity included soliciting
26 borrowers and lenders and negotiating the terms of loans secured
27

1 by real property between borrowers and third party lenders for or
2 in expectation of compensation.

3 FIRST CAUSE OF ACCUSATION

4 (Code Section 10176(a), 10176(b), 10176(i) and/or 10177(j)
5 against Respondents TIN and APARTMENT)

6 8.

7 In or around July, 2007, Wu-sun Chia and Cecilia Chia
8 (the "Chias") were interested in refinancing their 16-unit
9 apartment building. The Chias were seeking a loan in the amount
10 of \$1,000,000 with an interest rate of 6% or less. The Chias
11 contacted TIN after they saw her newspaper advertisement which
12 advertised the availability of "apartment loans."

13 9.

14 TIN represented to the Chias that she could obtain a
15 loan for them at a fixed rate of 6% for ten years.

16 10.

17 At the Chias' request TIN entered into a fee agreement
18 ("Fee Agreement") whereby the percentage amount of the fee
19 payable to the broker, APARTMENT, was dependent upon the interest
20 rate of the loan ultimately obtained for the Chias.

21 11.

22 On or about August 1, 2007, TIN directed the Chias to
23 provide her with a check in the amount of \$10,000 made payable to
24 APARTMENT. TIN falsely represented to the Chias that the \$10,000
25 would be delivered to their lender to be used for the appraisal,
26 loan processing and other miscellaneous items. TIN further
27

1 represented to the Chias that the lender would credit them with
2 any money left over through the loan escrow. The Chias believed
3 TIN's representations and relied upon them in delivering their
4 check in the amount of \$10,000 to her.

5 12.

6 TIN's representation to the Chias that the \$10,000
7 check made payable to APARTMENT would be delivered in its
8 entirety to their lender was false. The truth was that TIN
9 intended to and did deliver only \$5,000 of the total \$10,000 sum
10 to the Chias' lender, and retained the balance for herself. The
11 \$5,000 delivered to the lender was sufficient to cover all the
12 lender's charges for the Chia loan.

13 13.

14 On or about November 1, 2007, the Chias obtained a loan
15 in the amount of \$1,125,000 with an interest rate of 6.49%. Based
16 on the interest rate of the loan, the fee payable to APARTMENT
17 under the terms of the Fee Agreement was 0.5% of the loan amount,
18 or \$5,625.

19 14.

20 Without the Chias' knowledge or consent TIN, on behalf
21 of APARTMENT, demanded from the loan escrow a broker's fee which
22 was contrary to the terms of the Fee Agreement and, further, far
23 exceeded the amount due for the loan brokerage services rendered
24 on behalf of the Chias. Specifically, TIN demanded that
25 APARTMENT receive a sum equal to 1.0% of the loan amount, or
26 \$11,250, rather than the \$5,625 provided for by the terms of the
27

1 Fee Agreement. TIN also demanded that APARTMENT receive an
2 additional sum in the amount of \$1,610 from the loan escrow for
3 miscellaneous items. The total amount of APARTMENT's escrow
4 demand was \$12,860.

5 15.

6 In making the escrow demand set forth in Paragraph 14,
7 above, TIN knew that the amount of the broker demand was contrary
8 to the agreement with the Chias. TIN also knew that because TIN
9 continued to retain in her possession the sum of \$5,000 from the
10 Chias' initial payment, the escrow funds being withheld from the
11 Chias far exceeded the fee due under the terms of the Fee
12 Agreement. Despite this knowledge TIN continued to press her
13 wrongful demand, and refuses to permit the release of escrow
14 funds owed to the Chias.

15 16.

16 The conduct, acts and/or omissions of Respondents TIN
17 and APARTMENT as described herein above, constitute making a
18 substINTial misrepresentation, the making of false promise(s)
19 of a character likely to influence, persuade or induce, engaging
20 in fraud or dishonest dealing, and/or negligence or incompetence,
21 are cause for the suspension or revocation of all real estate
22 licenses and license rights of Respondents TIN and APARTMENT
23 under the provisions of Code Section 10176(a), 10176(b), 10176(i)
24 and/or 10177(g).

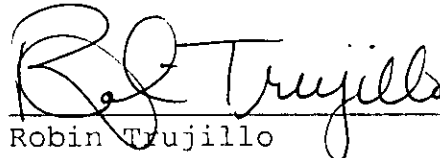
25 ///

26 ///

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 all the licenses and license rights of Respondent
5 APARTMENT & COMMERCIAL LENDING GROUP INC., WAN TIN and FEI PHILIP
6 HSU, 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 Dated at Los Angeles, California

10 this 7 day of October, 2010.

11
12
13 

14 Robin Trujillo
15 Deputy Real Estate Commissioner
16
17
18
19
20
21
22
23

24 CC: APARTMENT & COMMERCIAL LENDING GROUP INC.
25 FEI PHILIP HSU
26 WAN TIN
27 Robin Trujillo
Sacto.