

**FILED**  
FEB 18 2011  
DEPARTMENT OF REAL ESTATE

By \_\_\_\_\_

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \* \*

In the Matter of the Accusation of )  
  ) NO. H-36916 LA  
    JOHN RICHARD VARNER,                  )  
  )  
                                  Respondent. )  
\_\_\_\_\_ )

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 February 8, 2011, and the findings of fact set forth herein are based on one or more of the following: (1) Respondent's express admissions; (2) affidavits; and (3) other evidence.

This Decision revokes a real estate license on grounds of the conviction of a crime.

The right to reinstatement of a revoked real estate license or to the reduction of a suspension is controlled by Section 11522 of the Government Code. A copy of Section 11522 and a copy of the Commissioner's Criteria of Rehabilitation are attached hereto for the information of Respondent.

FINDINGS OF FACT

1.

On November 15, 2010, Maria Suarez made the Accusation in her official capacity as a Deputy Real Estate Commissioner of the State of California. The Accusation, Statement to

Respondent, and Notice of Defense were mailed by certified mail, return receipt requested, to Respondent on November 17, 2010. On December 15, 2010 service was made by regular mail.

On February 8, 2011, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondent's default was entered herein.

2.

Respondent is presently licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code ("Code"), as a real estate broker. Respondent was originally issued a real estate broker license by the Department of Real Estate of the State of California on August 29, 1989. Respondent's license expired on April 29, 2010. The Department retains jurisdiction pursuant to Code Section 10103.

3.

On or about February 1, 2010, in the United States District Court, Central District of California, Case No. ED CR 07-28(A) VAP, Respondent was convicted of violating one count of 18 U.S.C. § 371: conspiracy, one count of 18 U.S.C. §1344(1): bank fraud; one count of 18 U.S.C. § 2: aiding and abetting and causing act to be done; and two counts of 26 U.S.C. § 7206(1): subscribing to false income tax return, all felonies.

4.

The evidence established that the crimes of which Respondent was convicted, as set forth in Paragraph 3, is substantially related to the qualifications, functions and duties of a real estate licensee.

#### DETERMINATION OF ISSUES

1.

Cause for disciplinary action against Respondent exists pursuant to Business and Professions Code Sections 490 and 10177(b).

2.

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

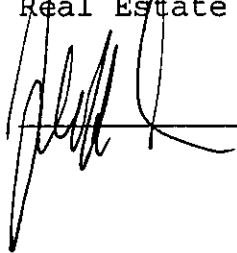
ORDER

The license and license rights of Respondent, JOHN RICHARD VARNER, 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: 2/16, 2011.

JEFF DAVI  
Real Estate Commissioner



A handwritten signature in black ink, appearing to read 'Jeff Davi', is written over a horizontal line. The signature is stylized and cursive.

1 Department of Real Estate  
2 320 West Fourth Street, Suite 350  
3 Los Angeles, California 90013-1105

**FILED**  
FFR - 8 2011  
DEPARTMENT OF REAL ESTATE

By \_\_\_\_\_

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8 BEFORE THE DEPARTMENT OF REAL ESTATE  
9 STATE OF CALIFORNIA

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11 In the Matter of the Accusation of )  
12 JOHN RICHARD VARNER, ) NO. H-36916 LA  
13 Respondent. ) DEFAULT ORDER  
14 )

15 Respondent, JOHN RICHARD VARNER, having failed to file  
16 a Notice of Defense within the time required by Section 11506  
17 of the Government Code, is now in default. It is, therefore,  
18 ordered that a default be entered on the record in this matter.

19 IT IS SO ORDERED February 8, 2011.

20 JEFF DAVI  
21 Real Estate Commissioner

22 Dolores Weeks  
23 By: DOLORES WEEKS  
24 Regional Manager  
25  
26  
27

1 LISSETE GARCIA, Counsel (SBN 211552)  
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4 Los Angeles, California 90013-1105

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5 (Direct) (213) 576-6914

**FILED**  
NOV 17 2010  
DEPARTMENT OF REAL ESTATE

By C.S.

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

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11			
12	In the Matter of the Accusation of	)	NO. H-36916 LA
		)	
13	JOHN RICHARD VARNER,	)	<u>A C C U S A T I O N</u>
		)	
14	Respondent.	)	
		)	

16 The Complainant, Maria Suarez, a Deputy Real Estate  
17 Commissioner of the State of California, for cause of  
18 Accusation against JOHN RICHARD VARNER ("Respondent"), is  
19 informed and alleges as follows:

20 I

21 The Complainant, Maria Suarez, a Deputy Real Estate  
22 Commissioner of the State of California, makes this Accusation  
23 in her official capacity.

24 II

25 At all times herein mentioned, Respondent was  
26 licensed and/or has license rights under the Real Estate Law  
27

1 (Part 1 of Division 4 of the California Business and  
2 Professions Code, "Code") as a real estate broker. Respondent  
3 was first licensed as a real estate broker on August 14, 1989.  
4 Respondent's license expired on April 29, 2010. Respondent has  
5 renewal rights under Code Section 10201. The Department  
6 retains jurisdiction pursuant Code Section 10103.

7 III

8 On or about February 1, 2010, in the United States  
9 District Court, Central District of California, in Case No.  
10 ED CR 07-28(A) VAP, Respondent was convicted of violating one  
11 count of 18 U.S.C. §371: conspiracy; one count of 18 U.S.C.  
12 §1344(1):bank fraud; one count of 18 U.S.C. §2: aiding and  
13 abetting and causing act to be done; and two counts of 26  
14 U.S.C. §7206(1): subscribing to false income tax return), all  
15 felonies. Said crimes bear a substantial relationship to the  
16 qualifications, functions or duties of a real estate licensee  
17 under Section 2910, Title 10, Chapter 6, California Code of  
18 Regulations.

19 IV

20 The crimes of which Respondent was convicted, as  
21 alleged in Paragraph III, above, constitute cause under Code  
22 Sections 490 and 10177(b) for the suspension or revocation of  
23 all licenses and license rights of Respondent under the Real  
24 Estate Law.

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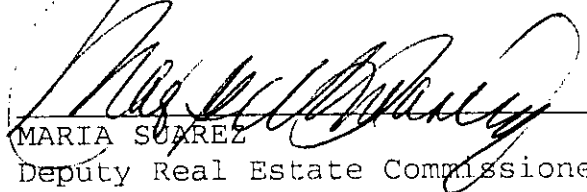
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WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action against all licenses and/or license rights of Respondent, JOHN RICHARD VARNER, under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Los Angeles, California  
this 15<sup>th</sup> day of November, 2010.

  
MARIA SUAREZ  
Deputy Real Estate Commissioner

cc: John Richard Varner  
Maria Suarez  
Sacto.