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**FILED**

NOV 21 2011

DEPARTMENT OF REAL ESTATE  
BY: [Signature]

7 BEFORE THE DEPARTMENT OF REAL ESTATE

8 STATE OF CALIFORNIA

9 \* \* \*

10 In the Matter of the Accusation of )  
11 )  
12 PW CAPITAL CORP., doing business as )  
13 Pacific West Real Estate and Associates )  
14 and ADRIAN HERNANDEZ, )  
15 individually and as designated officer )  
16 of PW Capital Corp., and doing business as )  
17 Pacific West Real Estate and Associates, )  
18 Respondents. )  
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No. H- 37689 LA

ACCUSATION

16 The Complainant, Robin Trujillo, a Deputy Real Estate Commissioner of the State  
17 of California, for cause of Accusation against PW CAPITAL CORP., doing business as Pacific  
18 West Real Estate and Associates and ADRIAN HERNANDEZ, individually and as designated  
19 officer of PW Capital Corp., and doing business as Pacific West Real Estate and Associates,  
20 alleges as follows:

21 1. The Complainant, Robin Trujillo, acting in her official capacity as a Deputy  
22 Real Estate Commissioner of the State of California, makes this Accusation.

23 2. All references to the "Code" are to the California Business and Professions  
24 Code and all references to "Regulations" are to Title 10, Chapter 6, California Code of  
25 Regulations unless otherwise set forth.

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1           License History

2           3. PW CAPITAL CORP. (PWCC). At all times mentioned, PWCC was licensed  
3 or had license rights issued by the Department of Real Estate (Department) as a real estate  
4 broker. On June 13, 2009, PWCC was originally licensed as a corporate real estate broker.  
5 PWCC was authorized to act by and through ADRIAN HERNANDEZ, as PWCC's designated  
6 broker pursuant to Code Sections 10159.2 and 10211 responsible for ensuring compliance with  
7 the Real Estate Law. On March 11, 2011, PWCC's corporate status was suspended by the  
8 California Secretary of State pursuant to Revenue and Taxation Code Section 23302, although  
9 PWCC continued to conduct operations.

10           4. ADRIAN HERNANDEZ (HERNANDEZ). At all times mentioned,  
11 HERNANDEZ was licensed or had license rights issued by the Department as a real estate  
12 broker. On November 13, 2007, HERNANDEZ was originally licensed as a real estate broker.  
13 On June 13, 2009, HERNANDEZ became the designated officer of PWCC. HERNANDEZ was  
14 responsible for supervising PWCC's broker-controlled in-house escrow, to wit, PWCC Escrow  
15 Division a Non Independent Broker Escrow. On February 25, 2011, HERNANDEZ was  
16 cancelled as designated officer of PWCC.

17           5. At all times mentioned, in the City of Hermosa Beach, County of Orange,  
18 PWCC and HERNANDEZ acted as real estate brokers conducting licensed activities within the  
19 meaning of:

20           A. Code Section 10131(a). Respondents engaged in the business of, acted in the  
21 capacity of, advertised or assumed to act as real estate brokers including the operation and  
22 conduct of a residential resale brokerage and a short sale brokerage with the public wherein, for  
23 or in expectation of compensation, for another or others, including the solicitation for listings of  
24 and the negotiation of the sale of real property as the agent of others.

25           B. Code Section 10131(d). Respondents engaged in activities with the public  
26 wherein lenders and borrowers were solicited for loans secured directly or collaterally by liens on  
27 real property, wherein such loans were arranged, negotiated, processed and consummated on

1 behalf of others for compensation or in expectation of compensation and for fees often collected  
2 in advance including but not limited to short sales, short sale-repurchase and flash funder  
3 financing.

4 C. In addition, Respondents conducted broker-controlled in-house escrows  
5 through PWCC's escrow division, to wit, PWCC Escrow Division A Non-Independent Broker  
6 Escrow, (escrow division) under the exemption set forth in California Financial Code Section  
7 17006(a)(4) for real estate brokers performing escrows incidental to a real estate transaction  
8 where the broker is a party.

9 FIRST CAUSE OF ACCUSATION  
(Audit of PW Capital Corp.)

10 7. On September 30, 2100, the Department attempted to conduct an audit  
11 examination of the books and records of PWCC pertaining to the activities described in  
12 Paragraph 4 that require a real estate license. The audit examination covered a period of time  
13 beginning on April 5, 2011 to August 31, 2011. The audit examination revealed violations of  
14 the Code and the Regulations as set forth in the following paragraphs, and more fully discussed  
15 in Audit Report LA 110027 and the exhibits and work papers attached to said audit report.

16 8. In the course of activities described in Paragraph 7, above, Respondents  
17 PWCC and HERNANDEZ, acted in violation of the Code and the Regulations in that they:

18 Failed to retain all records of MCFI's activity during the audit period requiring a  
19 real estate broker license, in violation of Code Section 10148.

20 9. The conduct of Respondents PWCC and HERNANDEZ, described in  
21 Paragraph 7, above, violated the Code and the Regulations as set forth below:

22 PARAGRAPH

PROVISIONS VIOLATED

23 8

Code Section 10148

24 The foregoing violation constitutes cause for discipline of the real estate license and license  
25 rights of PWCC and HERNANDEZ under the provisions of Code Section 10148 and 10177(d)  
26 and/or 10177(g).  
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SECOND CAUSE OF ACCUSATION  
(Audit of Adrian Hernandez)

10. On September 30, 2100, the Department attempted to conduct an audit examination of the books and records of HERNANDEZ pertaining to the activities described in Paragraph 4 that require a real estate license. The audit examination covered a period of time beginning on April 5, 2011 to August 31, 2011. 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 110027 and the exhibits and work papers attached to said audit report.

11. In the course of activities described in Paragraph 7, above, Respondent HERNANDEZ, acted in violation of the Code and the Regulations in that they:

Failed to retain all records of HERNANDEZ' activity during the audit period requiring a real estate broker license, in violation of Code Section 10148.

12. The conduct of Respondent HERNANDEZ, described in Paragraph 7, above, violated the Code and the Regulations as set forth below:

PARAGRAPH

PROVISIONS VIOLATED

11

Code Section 10148

The foregoing violation constitutes cause for discipline of the real estate license and license rights of HERNANDEZ under the provisions of Code Section 10148 and 10177(d) and/or 10177(g).

THIRD CAUSE OF ACCUSATION  
(Negligence)

13. The overall conduct of Respondents PWCC and HERNANDEZ constitutes negligence and is cause for the suspension or revocation of the real estate license and license rights of said Respondents pursuant to the provisions of Code Section 10177(g).

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FOURTH CAUSE OF ACCUSATION  
(Supervision and Compliance)

14. The overall conduct of Respondent HERNANDEZ constitutes a failure on said Respondent's part, as former officer designated by a corporate broker licensee, to exercise reasonable supervision and control over the activities conducted by the corporation by its officers and employees of PWCC, including but not limited to Lopez, as required by Code Section 10159.2, and to keep PWCC in compliance with the Real Estate Law, and is cause for discipline of the real estate license and license rights of Respondent HERNANDEZ pursuant to the provisions of Code Sections 10177(d), 10177(g) and 10177(h).

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 the license and license rights of Respondents PW CAPITAL CORP. and ADRIAN HERNANDEZ, 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 14 day of November 2011.

  
Deputy Real Estate Commissioner

cc: PW Capital Corp.  
Adrian Hernandez, former D.O.  
Robin Trujillo  
Sacto  
Enforcement - Summer Bakotich  
Audits - Manijeh Khazrai  
Mary E. Work, Esq.