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FILED

DEC 23 2011

DEPARTMENT OF REAL ESTATE
BY: 

7
8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA
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11 In the Matter of the Accusation of) No. H- 37765 LA
12)
13 WEST COAST CAPITAL FUNDING GROUP; and)
14 STEVEN PAUL BEYROOTY, individually) ACCUSATION
15 doing business as Great American Mortgage and)
16 Great American Realty, and as former designated)
17 officer of West Coast Capital Funding Group,)
18 Respondents.)

19 The Complainant, Maria Suarez, a Deputy Real Estate Commissioner of the State
20 of California, for cause of Accusation against WEST COAST CAPITAL FUNDING GROUP,
21 and STEVEN PAUL BEYROOTY, individually doing business as Great American Mortgage
22 and Great American Realty, and as former designated officer of West Coast Capital Funding
23 Group, alleges as follows:

24 1.

25 The Complainant, Maria Suarez, acting in his official capacity as a Deputy Real
26 Estate Commissioner of the State of California, makes this Accusation.
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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

3.

A. At all times mentioned, WEST COAST CAPITAL FUNDING GROUP ("WCCFG") was licensed or had license rights issued by the Department of Real Estate ("Department") as a corporate real estate broker by and through real estate broker STEVEN PAUL BEYROOTY ("BEYROOTY"). WCCFG was originally licensed on April 10, 2009. On September 1, 2010, WCCFG became Non Broker Affiliated upon the cancellation of BEYROOTY's tenure as designated officer.

B. At all times mentioned, BEYROOTY was originally licensed as a real estate broker on May 16, 1986. On September 1, 2010, BEYROOTY cancelled his tenure as designated officer of WCCFG.

C. At all times material herein, WCCFG was licensed by the Department as a corporate real estate broker by and through BEYROOTY, as designated officer and broker responsible, pursuant to Code Sections 10211 and 10159.2 of the Business and Professions Code for supervising the activities requiring a real estate license conducted on behalf said corporation's officers, agents and employees, including BEYROOTY.

Brokerage

4.

At all times mentioned, in the City of Corona, County of Riverside and City of Newport Beach, County of Orange, WCCFG and BEYROOTY engaged in the business of real estate brokers conducting licensed activities within the meaning of:

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1 (c) Mixed and commingled trust funds and personal funds by depositing trust
2 funds in the form of credit report fees and appraisal fees collected at the close of escrow from
3 lenders into BEYROOTY's general operating account, in violation of Code Sections 10145 and
4 10145 and Regulation 2832.

5 (d) Failed to provide and/or maintain a statement in writing, to wit, a Good Faith
6 Estimate, which precedes the Mortgage Loan Disclosure Statement provided to borrowers,
7 containing all the information required by Code Section 10241(c) to borrowers J. Agamalian, D.
8 Arrrias, J. Andersen, J. San Filippo, J. Botoglou and J. Fall, before the borrowers became
9 obligated to perform under the terms of their respective loans, in violation of Code Section
10 10240(c), including failing to state in a clear and conspicuous manner on the Good Faith
11 Estimates that it:

- 12 (i) does not constitute a loan commitment;
- 13 (ii) did not disclose BEYROOTY's license number;
- 14 (iii) did not provide Truth-In Lending Disclosure Statements; and
- 15 (iv) did not disclose yield spread premium rebates.

16 (e) Misrepresented that he held earnest money deposits from buyers J. Glickman,
17 M. Waggoner, A. Woode, S. Violette, J. Agamalian and G. Trimper, in violation of Code Section
18 10176(a).

19 (f) Failed to disclose his license identification number on solicitation materials
20 intended to be the first point of contact with consumers including BEYROOTY's business card,
21 in violation of Code Section 10140.60 and Regulation 2773.

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1 Discipline Statutes - Steven Paul Beyrooty

2 12.

3 The conduct of Respondent BEYROOTY described in Paragraph 11, above,
4 violated the Code and the Regulations as set forth below:

5 <u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
6 11(a)	Code Section 10145 and Regulation 2831
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8 11(b)	Code Section 10145 and Regulation 2831.1
9	
10 11(c)	Code Section 10145 and Regulation 2832
11	
12 11(d)	Code Section 10240(c)
13	
14 11(e)	Code Section 10176(a)
15	
16 11(f)	Code Section 10140.6 and Regulation 2773

16 The foregoing violations constitute cause for discipline of the real estate license and license
17 rights of BEYROOTY, under the provisions of Code Sections 10177(d) and/or 10177(g).

18 THIRD CAUSE OF ACCUSATION
19 (Negligence)

20 13.

21 The overall conduct of Respondent BEYROOTY constitutes negligence. This
22 conduct and violation is cause for discipline of the real estate license and license rights of said
23 Respondent pursuant to the provisions of Code Section 10177(g).

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FOURTH CAUSE OF ACCUSATION
(Fiduciary Duty)

14.

The conduct, acts and omissions of Respondents WCCFG and BEYROOTY constitute a breach of fiduciary duty, owed to WCCFG' clients, of good faith, trust, confidence and candor, within the scope of their contractual relationship with prospective purchasers. Respondents unnecessarily exposed funds held in trust by WCCFG to taxing authorities including but not limited to the (1) Internal Revenue Service and Franchise Tax Board; and (2) exposed prospective purchasers' trust funds to their general creditors of said trust funds, in violation of Code Section 10177(g) and constitutes cause for discipline of the real estate license and license rights of said Respondents pursuant to the provisions of Code Section 10177(g).

FIFTH CAUSE OF ACCUSATION
(Supervision)

15.

The overall conduct of Respondent BEYROOTY constitutes a failure on Respondent's part, as officer designated by a corporate broker licensee, to exercise the reasonable supervision and control over the licensed activities of WCCFG, as required by Code Sections 10159.2 and 10211, and to keep WCCFG, and also to keep his own individual brokerage in compliance with the Real Estate Law, requiring a real estate license and is cause for discipline of the real estate license and license rights of BEYROOTY pursuant to the provisions of Code Sections 10177(h), 10177(d) and 10177(g).

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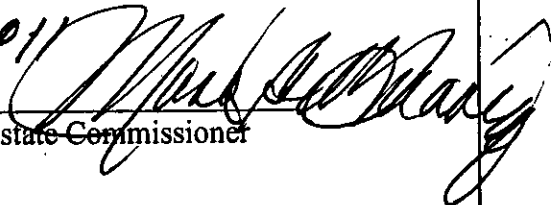
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1 WHEREFORE, Complainant prays that a hearing be conducted on the allegations
2 of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary
3 action against the license and license rights of Respondents WEST COAST CAPITAL
4 FUNDING GROUP and STEVEN PAUL BEYROOTY, individually doing business as Great
5 American Mortgage and Great American Realty, and as former designated officer of West Coast
6 Capital Funding Group, under the Real Estate Law (Part 1 of vision 4 of the Business and
7 Professions Code) and for such other and further relief as may be proper under other applicable
8 provisions of law including restitution and costs of audit.

9 Dated at Los Angeles, California

10 this

22nd December 2011


Deputy Real Estate Commissioner

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24 cc: West Coast Capital Funding Inc.
25 Steven Paul Beyrooty
26 Maria Suarez
27 Sacto
Audits - Zaky Wanis