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DEPARTMENT OF REAL ESTATE  
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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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11 In the Matter of the Accusation of )  
12 UNION REAL ESTATE INC )  
13 and FRANCISCO LICEA JR, )  
14 individually, and as former )  
15 designated officer of Union Real )  
16 Estate Inc, )  
Respondents. )

No. H-38682 LA

A C C U S A T I O N

17 The Complainant, Maria Suarez, a Deputy Real Estate  
18 Commissioner of the State of California, for cause of Accusation  
19 against UNION REAL ESTATE INC and FRANCISCO LICEA JR,  
20 individually, and as former designated officer of Union Real  
21 Real Estate Inc, alleges as follows:  
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23 1.

24 The Complainant, Maria Suarez, acting in her official  
25 capacity as a Deputy Real Estate Commissioner of the State of  
26  
27

1 California, makes this Accusation against UNION REAL ESTATE INC  
2 and FRANCISCO LICEA JR.

3 2.

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

7 LICENSE HISTORY

8 3.

9 A. At all times mentioned, UNION REAL ESTATE INC  
10 ("UNION") was licensed and/or has license rights issued by the  
11 Department of Real Estate ("Department") as a corporate real  
12 estate broker. On July 11, 2011, UNION's license expired.  
13 Pursuant to Code Section 10201, UNION retains renewal rights for  
14 two years. The Department of Real Estate holds jurisdiction over  
15 the lapsed license, pursuant to Code Section 10103.

16 B. At all times mentioned, FRANCISCO LICEA JR  
17 ("LICEA") was licensed and/or had license rights issued by the  
18 Department as a real estate broker. LICEA was originally  
19 licensed as a real estate broker on May 1, 2002.

20 C. From March 7, 2003 through July 11, 2011, UNION was  
21 licensed by the Department as a corporate real estate broker by  
22 and through LICEA, as the designated officer and broker  
23 responsible, pursuant to Code Section 10159.2, for supervising  
24 the activities requiring a real estate license conducted on  
25 behalf of UNION, or by UNION's officers, agents and employees.

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1 BROKERAGE

2 UNION REAL ESTATE INC

3 4.

4 At all times mentioned, in the city of San Bernardino,  
5 County of San Bernardino, UNION and LICEA acted as real estate  
6 brokers, conducting licensed activities within the meaning of  
7 Code Section 10131(a):selling or offering to sell, buying or  
8 offering to buy, real property for others.

9 AUDIT

10 UNION REAL ESTATE INC

11 5.

12 On May 14, 2012, the Department completed an audit  
13 examination of the books and records of UNION pertaining to the  
14 activities described in Paragraph 4 which require a real estate  
15 license. The audit examination covered a period of time from  
16 February 1, 2009 to February 29, 2012. The audit examination  
17 revealed violations of the Code and the Regulations as set forth  
18 in the following paragraphs, and as more fully discussed in Audit  
19 Report LA110166 and the exhibits and workpapers attached to said  
20 audit report.

21 VIOLATIONS OF THE REAL ESTATE LAW

22 6.

23 In the course of activities described in Paragraph 4  
24 above and during the examination period described in Paragraph 5,  
25 Respondents UNION and LICEA acted in violation of the Code and  
26 the Regulations in that:  
27

1 (a) UNION represented that it held earnest money  
2 deposits in two sales transactions, when it had not yet received  
3 the earnest money deposits, in violation of Code Section  
4 10176(a).

5 (b) UNION conducted licensed activities between July  
6 12, 2011 and February 14, 2012, when its license had expired, in  
7 violation of Code Section 10130.

8 (c) UNION failed to disclose the commission it charged  
9 to the seller in a Residential Listing Agreement, in violation of  
10 Code Section 10176(g).

11 (d) UNION failed to disclose the definite specified  
12 date of the final and complete termination of the contract on one  
13 Residential Listing Agreement, in violation of Code Section  
14 10176(f).

15 (e) UNION failed to disclose its license number on  
16 solicitation materials intended to be by the first point of contact  
17 with consumers, in violation of Code Section 10140.6(b) and  
18 Regulation 2773.

19 (f) UNION conducted real estate activities using the  
20 unlicensed fictitious business name "The Union Group", in  
21 violation of Code Section 10159.5 and Regulation 2731.

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1 7.

2 The conduct of Respondents UNION and LICEA, as  
3 described in Paragraph 6, above, violated the Code and the  
4 Regulations as set forth below:

5	<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
6	6(a)	Code Section 10176(a)
7	6(b)	Code Section 10130
8	6(c)	Code Section 10176(g)
9	6(d)	Code Section 10176(f)
10	6(e)	Code Section 10140.6(b) and
11		Regulation 2773
12	6(f)	Code Section 10159.5 and Regulation
13		2731

14  
15 The foregoing violations constitute cause for the  
16 suspension or revocation of the real estate license and license  
17 rights of UNION and LICEA, under the provisions of Code Sections  
18 10176(a), 10176(g), 10176(f), 10177(d) and/or 10177(g).

19  
20 SUPERVISION AND COMPLIANCE

21 8.

22 The overall conduct of Respondents LICEA constituted a  
23 failure on his part, as an officer designated by a corporate  
24 broker licensee, to exercise reasonable supervision and control  
25 over the licensed activities of UNION as required by Code Section  
26 10159.2, and to keep UNION in compliance with the Real Estate  
27 Law, and is cause for the suspension or revocation of the real

1 estate license and license rights of LICEA pursuant to the  
2 provisions of Code Sections 10177(d), 10177(g) and 10177(h).

3 9.

4 Code Section 10106, provides, in pertinent part, that  
5 in any order issued in resolution of a disciplinary proceeding  
6 before the Department, the Commissioner may request the  
7 administrative law judge to direct a licensee found to have  
8 committed a violation of this part to pay a sum not to exceed the  
9 reasonable costs of the investigation and enforcement of the  
10 case.

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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 all licenses and license rights of Respondents  
5 UNION REAL ESTATE INC and FRANCISCO LICEA JR, individually, and  
6 as former designated officer of Union Real Estate Inc, under the  
7 Real Estate Law, that Complainant be awarded its costs of  
8 investigation and prosecution of this case, and for such other  
9 and further relief as may be proper under the provisions of law.

11 Dated at Los Angeles, California

12  
13 this 3/18<sup>th</sup> day of January, 2013

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16   
17 Maria Suarez  
18 Deputy Real Estate Commissioner

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21  
22 cc: UNION REAL ESTATE INC  
23 FRANCISCO LICEA JR, JR  
24 Maria Suarez  
25 Sacto  
26 Audits  
27