

FILED

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

DEPARTMENT OF REAL ESTATE
BY: 

8 BEFORE THE BUREAU OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 To:)
12)
12 REPUBLIC REALTY SERVICES INC.,) No. H- 39081 LA
13 doing business as RE/MAX Metro)
13 Real Estate Services; and)
14)
14 PAUL FLORES, individually and as)
15 designated officer of Republic Realty)
15 Services Inc.,)
16)
16)

ORDER TO DESIST
AND REFRAIN

(B&P Code Section 10086)

17
18 The Commissioner ("Commissioner") of the California Bureau of Real Estate
19 ("Bureau") caused an investigation to be made of the activities of REPUBLIC REALTY
20 SERVICES INC. ("REPUBLIC") and PAUL FLORES ("FLORES").

21 Based on that investigation, the Commissioner has determined that REPUBLIC
22 and FLORES have engaged in or are engaging in acts or are attempting to engage in practices
23 constituting violations of the California Financial Code.

24 Based on the findings of that investigation, set forth below, the Commissioner
25 hereby issues the following Findings of Fact, Conclusions of Law, and Desist and Refrain Order
26 under the authority of Business and Professions Code ("Code") Section 10086.
27

1 FINDINGS OF FACT

2 1.

3 At all times mentioned, REPUBLIC and FLORES, were licensed or had license
4 rights issued by the Bureau of Real Estate (“Bureau”) as real estate brokers.

5 2

6 Whenever reference is made in a finding to an act or omission of REPUBLIC and
7 FLORES, such finding shall be deemed to mean that the officers, directors, employees, agents
8 and real estate licensees employed by or associated with REPUBLIC and FLORES committed
9 such act or omission while engaged in the furtherance of the business or operations of
10 REPUBLIC and while acting within the course and scope of their corporate authority and
11 employment..

12 3.

13 At all times mentioned, in City of Anaheim, County of Orange, Respondents
14 REPUBLIC and FLORES acted as real estate brokers and conducted licensed activities within
15 the meaning of:

16 A. Code Section 10131(a). Respondents engaged in the business of, acted in the
17 capacity of, advertised or assumed to act as real estate brokers, including the solicitation for
18 listings of and the negotiation of the sale of real property as the agent of others.

19 B. California Financial Code Section 17006(a) (4). In addition, Respondents’
20 conducted broker-controlled escrows through REPUBLIC’s escrow division, under the
21 exemption set forth in California Financial Code for real estate brokers performing escrows
22 incidental to a real estate transaction where the broker is a party and where the broker is
23 performing acts for which a real estate license is required.

24 4.

25 On August 20, 2012, the Department completed an audit examination of the
26 books and records of Respondent RRSI pertaining to the residential resale and broker-controlled
27

1 escrow activities described in Finding 6, which require a real estate license. The audit
2 examination covered a period of time beginning on June 1, 2010 and ending on March 31, 2012
3 (residential resale audit – LA 110182)), and beginning on June 1, 2010 and ending on April 30,
4 2012 (broker-escrow audit – LA110260). The audit examination revealed violations of the Code
5 and Title 10, Chapter 6, California Code of Regulations ("Regulations") as set forth in the
6 following findings, and more fully set forth in said Audit Reports and the exhibits and work
7 papers attached thereto.
8

9 5.

10 In the course of activities described in Paragraph 3B, above, and during the
11 examination period described in Paragraph 4, REPUBLIC and FLORES conducted third party
12 escrows for the sales escrows set forth in the table below wherein Respondents were not
13 performing acts in the course of or incidental to a real estate transaction in which they were an
14 agent or party to the transaction and in which they were performing acts for which a real estate
15 license is required:

16 Table: Republic Realty Services Inc. - Third Party Escrows:

17

	Buyer/Borrower Name	Escrow Date	Escrow Number
18			
19	1 Rory/Jayne T.	04/06/12	2124210
20	2 Gabriel C.	08.18.10	2104053
21	3 Z. LLC	03/28/11	2114114

22

23 CONCLUSIONS OF LAW

24 6.

25 The conduct of REPUBLIC and FLORES, as alleged and described in Finding 5,
26 violated California Financial Code Section 17006(a)(4) for performing third party escrows, in
27

1 that REPUBLIC and FLORES performed escrows in which REPUBLIC or FLORES, were not
2 performing acts in the course of or incidental to a real estate transaction in which REPUBLIC
3 and FLORES were an agent or a party to the transaction and in which REPUBLIC and FLORES
4 were performing an act for which a real estate license is required.

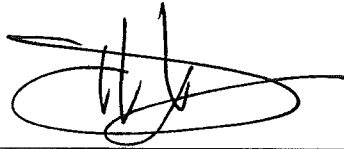
5
6 DESIST AND REFRAIN ORDER

7 Based upon the FINDINGS OF FACT and CONCLUSIONS OF LAW stated
8 herein, it is hereby ordered that:

9 REPUBLIC REALTY SERVICES INC. and PAUL FLORES desist and refrain
10 from performing any acts within the State of California, unless they are in compliance with the
11 law as set forth in this Order.

12 DATED: SEPTEMBER 26, 2013.

13
14 Real Estate Commissioner

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18 **By: JEFFREY MASON**
19 **Chief Deputy Commissioner**

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22
23 cc: Republic Realty Services Inc.
24 1815 E. Heim, Ste. 100
25 Orange, CA 92865
26
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