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FILED

AUG 31 2015

BUREAU OF REAL ESTATE

By 

BEFORE THE BUREAU OF REAL ESTATE

STATE OF CALIFORNIA

In the Matter of the Accusation of)	No. H-39564 LA
)	
OSHANA REAL ESTATE AND ESCROW INC.,)	
doing business as Oshana Escrow, A Non)	
Independent Broker Escrow;)	
)	
ARMANDO VALDEZ LARA,)	
individually and as former designated officer of)	
Oshana Real Estate and Escrow Inc.)	
)	
Respondents.)	

DECISION

This Decision is being issued in accordance with the provisions of Section 11520 of the Government Code, on evidence of compliance with Section 11506 of the Government Code and pursuant to the Orders of Default filed on July 22, 2015, and the findings of fact set forth herein are based on one or more of the following: 1) Respondents' OSHANA REAL ESTATE AND ESCROW's ("OSHANA") and ARMANDO VALDEZ LARA's ("LARA") express admissions; (2) affidavits; (3) Bureau Audit Report LA120160 and (4) other evidence.

Accusation: Default Decision H39564 LA
Oshana Real Estate and Escrow Inc., and Armando Valdez Lara

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FINDINGS OF FACT

1.

On July 30, 2014, Deputy Real Estate Commissioner 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, and by regular mail to Respondent's last known mailing address on file with the Bureau of Real Estate on August 6, 2014. Respondent has not submitted a Notice of Defense to date.

2.

On July 22, 2015, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondents' defaults were entered herein.

INDIVIDUALS AND ENTITIES

3. a

From May 25, 2011 to date, Respondent OSHANA has been licensed as a real estate corporation. At all times relevant herein, OSHANA was acting by and through Respondent LARA, as its then designated broker-officer as described in the Table in Paragraph 4 below, pursuant to Code Section 10159.2 to be responsible for ensuring compliance with the Real Estate Law. On January 29, 2013, OSHANA became Non Broker Affiliated upon the cancellation of LARA's tenure as its designated officer.

3. b

LARA was originally licensed as a real estate broker on April 24, 2004, and previously as a real estate salesperson. From January 27, 2012, until January 28, 2013 LARA

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1 was the designated officer of OSHANA.

2
3 4.

4 Table: Oshana Real Estate and Escrow Inc. Management Structure and Wnership

5

Name	Licensee	Ownership/Title
Armando Valdez Lara	Broker	Former Designated Officer
Sharon Dawn Behdjou	Broker	Former Designated Officer
Nora Yefima	Salesperson	100% owner

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8 AUDIT OF OSHANA REAL ESTATE AND ESCROW INC.

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10 5.

11 At all times mentioned, in the City of Encino, County of Los Angeles,
12 Respondents OSHANA and LARA acted as real estate brokers wherein they conducted broker-
13 controlled escrows requiring a real estate license through OSHANA's escrow division under the
14 exemption set forth in California Financial Code Section 17006(a)(4) for real estate brokers
15 performing escrows incidental to a real estate transaction where the broker is a party and where
16 the broker is performing acts for which a real estate license is required.

17 6.

18 On September 9, 2013, the Bureau completed an audit examination of the books
19 and records of Respondent OSHANA pertaining to the residential resale and broker-controlled
20 escrow activities, which require a real estate license. The audit examination covered a period of
21 time beginning on August 1, 2011 and ending on January 28, 2013. The audit examination
22 revealed violations of the Code and Regulations as set forth in the following paragraphs, and
23 more fully set forth in said Audit Report LA120160 and the exhibits and work papers attached
24 thereto.

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TRUST ACCOUNT

7.

At all times mentioned, in connection with the residential resale and broker-controlled escrow activities, which require a real estate license, OSHANA accepted or received funds including funds in trust (hereinafter "trust funds") from or on behalf of actual or prospective parties to real estate transactions, including escrow services provided in-house by OSHANA's escrow division. Thereafter OSHANA made deposits and or disbursements of such trust funds. From time to time herein mentioned during the audit period, said trust funds were deposited and/or maintained by OSHANA in the trust account herein set forth.

1. TA

Bank Name:	Citi Bank
Bank Address:	Encino, CA 91436
Account No.:	xxxxx-2622
Account Name:	Oshana Real Estate and Escrow Inc. Escrow Trust Account
Signatory:	Nora Yefima

VIOLATIONS OF THE REAL ESTATE LAW

8.

In the course of residential resale and broker-controlled escrow activities, which require a real estate license and during the examination period described in paragraph 6 above, Respondents OSHANA and LARA acted in violation of the Code and the Regulations in which Respondents:

(a) LARA. Permitted, allowed or caused the disbursement of trust funds from TA where the disbursement of funds reduced the total of aggregate funds in TA to an amount which, on January 28, 2013, was \$1,380,599.00, less than the existing aggregate trust fund

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1 liability of OSHANA and LARA to every principal who was an owner of said funds, without
2 first obtaining the prior written consent of the owners of said funds, in violation of Code
3 Sections 10145 and 10176(i) and Regulations 2832.1, 2950(g) and 2951;

4 (b) Failed to maintain an accurate and complete control record in the form of a
5 columnar record in chronological order for TA, in violation of Code Section 10145 and
6 Regulation 2831.1, 2950(d) and 2951;

7 (c) Failed to maintain an accurate and complete separate record for each
8 beneficiary or transaction for TA, in violation of Code Section 10145 and Regulations 2831.1,
9 2950(d) and 2951;

10 (d) Failed to perform a monthly reconciliation of the balance of all separate
11 beneficiary or transaction records maintained pursuant to Regulation 2831.1 with the record of
12 all trust funds received and disbursed by the escrow trust account for TA, in violation of Code
13 Section 10145 and Regulations 2831.2, 2950(d) and 2951;

14 (e) While acting in the capacity of an escrow holder in three transactions
15 (escrow numbers #2016-MA and 2031-MA), OSHANA failed to place funds, including earnest
16 money deposits, accepted on behalf of another into the hands of the owner of the funds, a
17 neutral escrow depository or into a trust fund account in the name of the broker at a bank or
18 other financial institution not later than the next business day following receipt of the funds by
19 the broker or by the broker's salesperson, in violation of Code Section 10145 and Regulations
20 2832(e), 2950(f) and 2951;

21 (f)(1) Permitted Nora Yefima, OSHANA's president and owner, and although
22 licensed as a real estate salesperson, was not licensed to OSHANA, nor was she an unbonded
23 person, to be the sole signatory on TA, in violation of Code Section 10145 and Regulations
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1 2834(a), 2950(d) and 2951; and

2 (f)(2) LARA was not a signatory on TA, in violation of Code Section 10145 and
3 Regulations 2834(b), 2950(d) and 2951;

4 (g) Fraudulent Short Sale and Conversion of Trust Funds. Converted
5 \$1,380,599.00 in trust funds in connection with the real property located at 4465 Gould
6 Avenue, La Canada Flintridge, the ("Gould property") through the twin instrumentalities of
7 Nora Yefima's creating false documentation and fraudulent escrow which caused an
8 unauthorized disbursement of lender proceeds for purchase of the Gould property, in violation
9 of Code Sections 10145 and 10176(i)/10177(j) and Regulation 2950(g);

10 (h) Used the fictitious name of "Oshana Escrow," to conduct licensed activities
11 without first obtaining from the Bureau a license bearing said-fictitious business name, in
12 violation of Code Section 10159.5 and Regulation 2731;

13 (i) Failed to retain all records of Respondents OSHANA's activity during the
14 audit period requiring a real estate broker license, in violation of Code Section 10148.

15 (j) Respondent LARA failed to exercise reasonable control and supervision over
16 the activities conducted by OSHANA's employees and/or licensees and including Nora Yefima,
17 as necessary to secure full compliance with the Real Estate laws, as required under Code
18 Section 10159.2 and Regulation 2725, in violation of Code Section 10177(h).

19 9.

20 The conduct of Respondents OSHANA and LARA, described in Paragraph 8,
21 above, violated the Code and the Regulations as set forth below:

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PARAGRAPH

PROVISIONS VIOLATED

- 1 8(a) Code Sections 10145, 10176(i) and Regulations 2832.1,
- 2 2950(g) and 2951
- 3 8(b) Code Section 10145 and Regulations 2831, 2950(d) and 2951
- 4 8(c) Code Section 10145 and Regulations 2831.1, 2950(d) and 2951
- 5 8(d) Code Section 10145 and Regulations 2831.2, 2950(d) and 2951
- 6 8(e) Code Section 10145 and Regulations 2832(e), 2950(f) and 2951
- 7 8(f)(1) Code Section 10145 and Regulations 2834(a), 2950(d) and 2951
- 8 8 (f)(2) Code Section 10145 and Regulations 2834(b), 2950(d) and 2951
- 9 8(g) Code Section 10145 and 10176(i)/10177(J) and Regulation 2950(g)
- 10 8(h) Code Section 10159.5 and Regulation 2731
- 11 8(i) Code Section 10148
- 12 8(j) Code Sections 10159.2, 10177(h) and Regulation 2725

13 The foregoing violations constitute cause for discipline of the real estate licenses and license
 14 rights of Respondents OSHANA and LARA under the provisions of Code Sections
 15 10176(i)/10177(j), 10177(d) and/or 10177(g), and 10177(h).

10.

NEGLIGENCE

16 The overall conduct of Respondents OSHANA and LARA constitutes
 17 negligence and is cause for discipline of the real estate license and license rights of said
 18 Respondents pursuant to the provisions of Code Section 10177(g).

11.

FIDUCIARY DUTY

19 The conduct, acts and omissions of Respondents OSHANA and LARA
 20 constitutes a breach of fiduciary duty owed to OSHANA's clients and trust fund beneficiaries
 21 of good faith, trust, confidence and candor, within the scope of their brokerage and escrow
 22 relationship, in violation of Code Section 10177(g) and is cause for discipline of the real estate
 23 license and license rights of said Respondents pursuant to the provisions of said Code Section.

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 26 Oshana Real Estate and Escrow Inc., and Armando Valdez Lara

12.

SUPERVISION AND COMPLIANCE

The overall conduct of Respondent LARA constitutes a failure on said Respondent's part as officer designated by a corporate broker licensee, to exercise the reasonable supervision and control over the licensed activities of OSHANA as required by Code Section 10159.2 and Regulation 2725, and to keep OSHANA in compliance with the Real Estate Law, and is cause for discipline of the real estate license and license rights of Respondent pursuant to the provisions of Code Sections 10177(d), 10177(g) and 10177(h).

13.

DETERMINATION OF ISSUES

The foregoing violations constitute cause for the suspension or revocation for the real estate licenses and license rights of OSHANA REAL ESTATE AND ESCROW dba business as Oshana Escrow, a Non Independent Broker Escrow and ARMANDO VALDEZ LARA, individually and as former designated officer of Oshana Real Estate and Escrow Inc. (collectively "Respondent") under the provisions of Code Sections 10177(d), 10177(g) and 10177(h).

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

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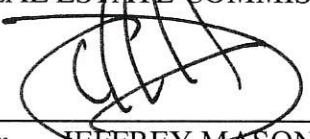
ORDER

The real estate license and license rights of Respondents OSHANA REAL ESTATE AND ESCROW INC. dba business as Oshana Escrow, a Non Independent Broker Escrow and ARMANDO VALDEZ LARA, individually and as former designated officer of Oshana Real Estate and Escrow Inc. under the provisions of Part I of Division 4 of the Business and Professions Code are revoked.

This Order shall become effective at 12 o'clock noon on SEP 21 2015.

DATED: August 26, 2015

WAYNE S. BELL
REAL ESTATE COMMISSIONER


By: JEFFREY MASON
Chief Deputy Commissioner

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Oshana Real Estate and Escrow Inc., and Armando Valdez Lara

1 Bureau of Real Estate
2 320 West Fourth Street, Suite 350
3 Los Angeles, CA 90013
4 (213) 576-6982

FILED

JUL 22 2015

BUREAU OF REAL ESTATE

By: 

BEFORE THE BUREAU OF REAL ESTATE

STATE OF CALIFORNIA

11 In the Matter of the Accusation of) NO. *H-39564 LA*
12)
13 OSHANA REAL ESTATE AND) DEFAULT ORDER
14 ESCROW, INC. doing business as)
15 Oshana Escrow, A Non Independent)
16 Broker Escrow;)
17 Respondent.)

17 Respondent OSHANA REAL ESTATE AND ESCROW, INC. , having
18 failed to file a Notice of Defense within the time required by Section 11506 of the
19 Government Code, is now in default. It is, therefore, ordered that a default be entered on the
20 record in this matter.

21 IT IS SO ORDERED July 22, 2015.

22 REAL ESTATE COMMISSIONER

23
24
25 By: 


26 PHILLIP IMDE
27 Regional Manager

1 Bureau of Real Estate
2 320 West Fourth Street, Suite 350
3 Los Angeles, CA 90013
4 (213) 576-6982

FILED

JUL 22 2015

BUREAU OF REAL ESTATE

By: 

7 BEFORE THE BUREAU OF REAL ESTATE

8 STATE OF CALIFORNIA

9 ***

10
11 In the Matter of the Accusation of) NO. H-39564 LA
12)
13 ARMANDO VALDEZ LARA,) DEFAULT ORDER
14 individually and as former)
15 designated officer of Oshana Real)
16 Estate and Escrow Inc.,)
17 Respondent.)

18 Respondent ARMANDO VALDEZ LARA, having failed to file a Notice of
19 Defense within the time required by Section 11506 of the Government Code, is now in
20 default. It is, therefore, ordered that a default be entered on the record in this matter.

21 IT IS SO ORDERED JULY 22, 2015.

22 REAL ESTATE COMMISSIONER

23
24 By: 

25 PHILLIP IHDE
26 Regional Manager
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