FILED

Amelia V. Vetrone, SBN 134612 Bureau of Real Estate 320 West 4th Street, Ste. 350 Los Angeles, California 90013-1105

FEB - 4 2015

BUREAU OF REAL ESTATE

Ву__

Telephone:

(213) 576-6982

Direct:

(213) 576-6940

6

5

1

2

3

7

8

9

10

10

11

12 13

14

15

16

17

18

19 20

21

22

23

24

25

26

27

BEFORE THE BUREAU OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of

LEGENDARY LENDING, INC.; and VANCE MICHAEL LUEDTKE, individually and as Designated Officer of Legendary Lending, Inc.,

Respondents.

No. H-39733 LA

ACCUSATION

The Complainant, Maria Suarez, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against LEGENDARY LENDING, INC. and VANCE MICHAEL LUEDTKE, individually and as designated officer of Legendary Lending, Inc., is informed and alleges as follows:

1.

The Complainant, Maria Suarez, a Deputy Real Estate Commissioner of the State of California, makes this Accusation in her official capacity.

2.

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.

Respondent LEGENDARY LENDING, INC. ("LLI") is licensed by the Bureau of Real Estate ("Bureau") as a corporate real estate broker. Respondent LLI was originally licensed as a corporate real estate broker on February 8, 2012, with Respondent VANCE MICHAEL LUEDTKE as its Designated Officer. Respondent LLI's corporate real estate broker license is due to expire on February 7, 2016.

4.

Respondent VANCE MICHAEL LUEDTKE ("LUEDTKE") has been licensed by the Bureau as a real estate broker since October 7, 2011, and his real estate broker license is due to expire on October 6, 2015. Respondent LEUDTKE owns 100% of LLI.

5.

At all times mentioned, in the Newport Beach, County of Orange, Respondents engaged in the business of, acted in the capacity of, advertised, or assumed to act as real estate brokers within the meaning of Code Section 10131(d), including the solicitation of borrowers or lenders for and/or negotiating loans, collecting payments and/or performing services for borrowers or lenders in connection with loans secured by liens on real property as the agent of others.

6.

On June 13, 2014, the Bureau completed an audit examination of the books and records of Respondent LLI, with regard to the real estate mortgage loan activities described in paragraph 5, above. The audit examination covered the period of time from March 1, 2012, to February 28, 2014. The primary purpose of the examination was to determine Respondents' compliance with the Real Estate Law. The audit examination revealed numerous violations of the Code and the Regulations as set forth in the following paragraphs, and more fully discussed in Audit Report LA 130166 and the exhibits and work papers attached to said audit reports.

1

2

9

11

13

14

12

15

16 17

18

19

20 · 21

22

2324

25

26 27 At all times herein relevant, in connection with the activities described in Paragraph 5, above, LLI accepted or received funds including funds to be held in trust (hereinafter "trust funds") from or on behalf of actual or prospective parties in connection with real estate mortgage loan transactions. Thereafter LLI made deposits and or disbursements of such trust funds, but Respondent LLI failed to demonstrate to the Bureau that it maintained a trust account during the audit period.

8.

With respect to the licensed activities referred to in Paragraph 5, and the audit examination including the exhibits and work papers referenced in Paragraph 6, it is alleged that Respondents:

- (a) Failed to place funds collected for the benefit of another into a trust fund in the name of the broker in violation of Code Section 10145;
- (b) Failed to disclose LLI's real estate broker license number on solicitation and first point of contact materials in violation of Section 10140.6(b);
- (c) Failed to deliver the Mortgage Loan Disclosure Statement to borrowers within three days of receipt of a completed loan application in violation of Code Section 10240;
- (d) Failed to place LLI's real estate broker license number on the Mortgage Loan Disclosure Statement in violation of Code Section 10236.4(b); and
 - (e) Failed to retain records in violation of Code Section 10148.

9.

The conduct of Respondents described in Paragraph 9, above, violated the Code and the Regulations as set forth below:

PARAGRAPH

PROVISIONS VIOLATED

8(a)

Code Section 10145

Code Section 10140.6(b) 8(b) 1 2 8(c) Code Section 10240 3 4 Code Section 10236.4(b) 5 8(d) 6 8(e) Code Section 10148 7 8 9 Each of the foregoing violations constitute cause for the suspension or revocation of the real estate license and license rights of Respondents under the provisions of Code Sections 10 10177(d) and/or 10177(g). 11 10. 12 Code Section 10148(b) provides, in pertinent part, that the Real Estate 13 14 Commissioner shall charge a real estate broker for the cost of any audit if the Commissioner has found in a final decision, following a disciplinary hearing, that the broker has violated Code 15 Section 10145 or a Regulation or rule of the Commissioner interpreting said Code section. 16 17 /// 18 /// 19 /// 20 /// 21 22 23 24 25 26 27

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 LEGENDARY LENDING, INC. and VANCE MICHAEL LUEDTKE, individually and as designated officer of Legendary Lending, Inc., under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code), for costs of the audit, and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Los Angeles, California:

Maria Suarez

Deputy Real Estate Commissioner

cc: Legendary Lending, Inc.
Vance Michael Luedtke
Maria Suarez
Sacto
Audits – Bita Yazdani