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FILED

DEC 28 2015

BUREAU OF REAL ESTATE

[Signature]

BEFORE THE BUREAU OF REAL ESTATE

STATE OF CALIFORNIA

In the Matter of the Accusation of)	No. H- 40083 LA
SWAMI INTERNATIONAL; and)	<u>A C C U S A T I O N</u>
MARK RAM MITTAL, individually)	
and as Designated Officer of)	
Swami International,)	
Respondents.)	

The Complainant, Maria Suarez, a Supervising Special Investigator of the State of California, acting in her official capacity for cause of Accusation against SWAMI INTERNATIONAL and MARK RAM MITTAL, individually and as Designated Officer of Swami International, is informed and alleges as follows:

1.

All references to the "Code" are to the California Business and Professions Code, all references to the "Real Estate Law" are to Part 1 of Division 4 of the Code, and all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

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2.

Respondent SWAMI INTERNATIONAL (“SI”) is presently licensed or has license rights under the Real Estate Law as a corporate real estate broker. Respondent was originally licensed as a corporate real estate broker by the Bureau of Real Estate (“Bureau”) on or about August 27, 2013. Since that date and continuing to the present, Respondent MARK RAM MITTAL has been the Designated Officer of Respondent SI. Respondent SI’s corporate real estate broker license is due to expire on August 26, 2017.

3.

Respondent MARK RAM MITTAL (“MITTAL”) is licensed by the Bureau as a real estate broker. Respondent MITTAL was originally licensed as a real estate salesperson on March 10, 1999, and as a real estate broker on August 7, 2000. Respondent’s real estate broker license is due to expire on August 6, 2016.

4.

At all times mentioned, in the City of Gardena, County of Los Angeles, 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(b). Their activities included soliciting listings of places for rent, soliciting for prospective tenants, and/or management of residential and commercial rental real property for and on behalf of others for compensation.

5.

On August 26, 2015, the Bureau completed an audit examination of the books and records of Respondent SI, with regard to the real estate activities described in paragraph 4, above. The audit examination covered the period of time from January 1, 2013, to January 30, 2015. The primary purpose of the examination was to determine Respondent’s 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 140124 and the exhibits and work papers attached to said audit report.

1 Bank and Trust Accounts

2 6.

3 At all times herein relevant, in connection with the activities described in
4 Paragraph 4, above, Respondents accepted or received funds, including funds to be held in trust
5 (hereinafter "trust funds"), from or on behalf of actual or prospective parties in connection with
6 real property management activities. Thereafter Respondents made deposits and disbursements
7 of such trust funds. From time to time herein mentioned during the audit period, said trust funds
8 were deposited and/or maintained in the following bank accounts:

9 Swami International
10 FBO Avalon Ravenna
11 Account No. 330XXXXX (Redacted for security)
12 California Republic Bank
13 Newport Beach, CA

14 (B/A 1 – checking account used to deposit and disburse trust funds for one property
15 owner)

16 Swami International
17 FBO Torrance Property
18 Account No. 330XXXXX (Redacted for security)
19 California Republic Bank
20 Newport Beach, CA

21 (B/A 2 – checking account used to deposit and disburse trust funds for one property
22 owner)

23 Swami International
24 Account No. 037XXXXX (Redacted for security)
25 Zions Bank
26 Salt Lake City, UT

27 (B/A 3 – checking account used to deposit and disburse trust funds for multiple property
owners)

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1 2300 W. El Segundo LP
2 Account No. 002XXXXXX (Redacted for security)
3 Zions Bank
4 Salt Lake City, UT

5 (B/A 4 – checking account used to deposit and disburse trust funds for one property
6 owner)

7 926 Wilmington Blvd. LP
8 Account No. 002XXXXXX (Redacted for security)
9 Zions Bank
10 Salt Lake City, UT

11 (B/A 5 – checking account used to deposit and disburse trust funds for one property
12 owner)

13 Swami International
14 FBO M & M Asset
15 Account No. 330XXXXXX (Redacted for security)
16 California Republic Bank
17 Newport Beach, CA

18 (B/A 6 – checking account used to deposit and disburse trust funds for one property
19 owner)

20 Violations

21 7.

22 With respect to the licensed activities referred to in Paragraph 4, and the audit
23 examination including the exhibits and work papers referenced in Paragraph 5, it is alleged that

24 Respondents:

25 (a) Permitted, allowed or caused the disbursement of trust funds from bank
26 account B/A 3 to fall to an amount which, as of January 30, 2015, was \$207,180.77 less than the
27 existing aggregate trust fund liability to the owners of said funds, without first obtaining the prior
written consent of the owners of said funds in violation of Code Section 10145 and Regulation
2832.1;

(b) Permitted, allowed or caused the disbursement of trust funds from bank
accounts B/A 1, B/A 4, and B/A 6 to fall to an amount which, as of January 30, 2015, resulted in

1 the accounts being overdrawn in the amount of \$11,091.66 (B/A 1), \$53, 538.49 (B/A 4), and
2 \$1,664.57 (B/A 6) in violation of Code Section 10145;

3 (c) Performed real estate activities that require a real estate license and
4 collected compensation for such activities prior to being licensed by the Bureau to engage in real
5 estate activities in violation of Code Section 10130;

6 (d) Failed to maintain an accurate and complete control record of trust funds
7 received and disbursed in violation of Code Section 10145 and Regulation 2831;

8 (e) Failed to maintain a separate record for each beneficiary of trust funds in
9 violation of Code Section 10145 and Regulation 2831.1;

10 (f) Failed to maintain a monthly reconciliation of the separate record to the
11 control record of trust funds handled in violation of Code Section 10145 and Regulation 2831.2;

12 (g) Failed to place funds collected for the benefit of another into a trust fund
13 in the name of the broker in violation of Code Section 10145 and Regulation 2832;

14 (h) Allowed unlicensed and unbonded individuals Ram Mittal and Lillian
15 Mittal to be signors on bank accounts holding trust funds B/A 1, B/A 2, B/A 3 and B/A 6, and
16 Respondent MITTAL was not a signor on B/A 1, B/A 2 and B/A 6, in violation of Code Section
17 10145 and Regulations 2834;

18 (i) Failed to maintain written instructions regarding the disbursement of trust
19 funds for B/A 4 and B/A 5 in violation of Code Section 10145(a); and

20 (j) As to Respondent MITTAL, failed to exercise reasonable supervision over
21 the activities of SI, and over its employees, to ensure compliance with the Real Estate Laws and
22 the Commissioner's Regulations in violation of Code Sections 10159.2 and 10177(h) and
23 Regulation 2725.

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8.

The conduct of Respondents described in Paragraph 7, above, violated the Code and the Regulations as set forth below:

<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
7(a)	Code Section 10145 Regulation 2832.1
7(b)	Code Section 10145
7(c)	Code Section 10130
7(d)	Code Section 10145 Regulation 2831
7(e)	Code Sections 10145 Regulation 2831.1
7(f)	Code Section 10145 Regulation 2831.2
7(g)	Code Section 10145 Regulation 2832
7(h)	Code Section 10145 Regulation 2834

1 7(i) Code Sections 10145(a)

2
3 7(j) Code Sections 10159.2 and 10177(h)

4 Regulation 2725

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6 Each of the foregoing violations constitute cause for the suspension or revocation
7 of the real estate license and license rights of Respondents under the provisions of Code Sections
8 10177(d), 10177(g), and, as to Respondent MITTAL, 10177(h).

9 9.

10 Code Section 10148(b) provides, in pertinent part, that the Real Estate
11 Commissioner shall charge a real estate broker for the cost of any audit if the Commissioner has
12 found in a final decision, following a disciplinary hearing, that the broker has violated Code
13 Section 10145 or a Regulation or rule of the Commissioner interpreting said Code section.

14 10.

15 California Business and Professions Code Section 10106 provides, in pertinent
16 part, that in any order issued in resolution of a disciplinary proceeding before the Bureau, the
17 Commissioner may request the administrative law judge to direct a licensee found to have
18 committed a violation of this part to pay a sum not to exceed the reasonable costs of
19 investigation and enforcement of the case.

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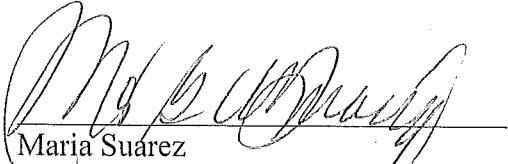
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WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action against the license and license rights of Respondent SWAMI INTERNATIONAL and MARK RAM MITTAL under the Real Estate Law, for the costs of investigation and enforcement as provided by law, 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: 21 December 2015.



Maria Suarez
Supervising Special Investigator

cc: Swami International
Mark Ram Mittal
Maria Suarez
Sacto
Audits – Gina King