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APR 26 2016

BUREAU OF REAL ESTATE

By John Guerin

BEFORE THE BUREAU OF REAL ESTATE  
STATE OF CALIFORNIA

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In the Matter of the Accusation of	)	
	)	No. H-40135 LA
M2000 GROUP, INC. and JOSE-LUIS	)	
PENA ESPINOZA, individually	)	
and as designated officer of M2000 Group, Inc.,	)	
	)	
Respondents.	)	
_____	)	

DECISION

This Decision is being issued in accordance with the provisions of Section 11520 of the California Government Code, on evidence of compliance with Section 11505 of the California Government Code and pursuant to the Order of Default filed on March 29, 2016, and the findings of fact set forth herein are based on one or more of the following: (1) Respondents' express admissions; (2) affidavits; and (3) other evidence.

Pursuant to Government Code section 11521, the Bureau of Real Estate (hereinafter "Bureau") may order reconsideration of this Decision on petition of any party. The Bureau's power to order reconsideration of this Decision shall expire 30 days after mailing of this Decision, or on the effective date of this Decision, whichever occurs first. The right to reinstatement of a revoked real estate license or to the reduction of a penalty is controlled by Section 11522 of the Government Code. A copy of Sections 11521 and 11522 and a copy of the Commissioner's Criteria of Rehabilitation are attached hereto for the information of respondent.

FINDINGS OF FACT

1.

On February 4, 2016, Maria Suarez made the Accusation in her official capacity as a Supervising Special Investigator of the State of California. The Accusation, Statement to Respondent, and Notice of Defense were mailed to Respondents M2000 GROUP, INC. and JOSE-LUIS PENA ESPINOZA by certified mail, return receipt requested, and by regular mail to Respondents' last known mailing address on file with the Bureau of Real Estate on February 9, 2016. Respondents have not submitted a Notice of Defense to date.

On March 29, 2016, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondents' default was entered herein.

LICENSE HISTORY

2.

Respondent M2000 GROUP, INC. (hereinafter "M2000") is presently licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereinafter "Code"), as a corporate real estate broker. Respondent M2000 was initially licensed as a corporate real estate broker on December 4, 2003. Respondent M2000's license expired on December 4, 2015. The Bureau retains jurisdiction over the lapsed license, pursuant to Code Section 10103.

3.

Respondent JOSE-LUIS PENA ESPINOZA (hereinafter "ESPINOZA") is presently licensed and/or has license rights under the Real Estate Law, part 1 of Division 4 of the Code, as a real estate broker. He is presently the designated officer for Respondent M2000.

CAUSES OF ACCUSATION  
(SUSPENSION OF CORPORATE RIGHTS)

4.

On or about October 9, 2003, the Articles of Incorporation of Respondent M2000 were filed with the Secretary of the State of California.

5.

On or about May 1, 2009, the California Franchise Tax Board suspended Respondent M2000's powers, rights and privileges pursuant to the provisions of the California Revenue and Taxation Code, and they remain suspended to date.

6.

The suspension of the corporate powers, rights, and privileges of Respondent M2000, as alleged above, are in violation of Title 10, Chapter 6 of the California Code of Regulations Section 2742(c), and subjects its real estate license and license rights to suspension or revocation pursuant to Code Sections 10177(d), 1077(f), and/or 10177(g).

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(FAILURE TO SUPERVISE)

7.

The conduct, acts or omissions of Respondent ESPINOZA, in allowing Respondent M2000 to violate the Real Estate Law, as alleged above, constitutes a failure by Respondent ESPINOZA, as the officer designated by the corporate broker licensee, to exercise the supervision and control of the activities conducted on behalf of Respondent M2000 by its officers and employees as required by Code Section 10159.2, and is cause to suspend or revoke the real estate license and license rights of Respondent ESPINOZA pursuant to Code Sections 10177(d) and/or 10177(g) and 10177(h).

DETERMINATION OF ISSUES

1.

The conduct, acts, and/or omissions of Respondents, as described in Paragraphs 4 through 7 above, constitute cause for the suspension or revocation of the license and license rights of Respondents M2000 GROUP, INC. and JOSE-LUIS PENA ESPINOZA under the provisions of Code Sections 10177(d), 10177(f) and/or 10177(g) and 10177(h).

2.

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

ORDER

All licenses and license rights of Respondents M2000 GROUP, INC. and JOSE-LUIS PENA ESPINOZA, under the provisions of Part I of Division 4 of the Business and Professions Code, are revoked.

This Decision shall become effective at 12 o'clock noon MAY 16 2016.

DATED: April 15, 2016

WAYNE S. BELL  
REAL ESTATE COMMISSIONER



By: JEFFREY MASON  
Chief Deputy Commissioner

