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FILED

OCT 17 2018

DEPT. OF REAL ESTATE

By *[Signature]*

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 To:

12)
13) SAND TO SNOW ESCROW, INC.; and
14) JEFFREY EUGENE POLAND
15)

No. H-41186 LA

ORDER TO DESIST AND
REFRAIN

(B&P Code section 10086)

16
17 The Commissioner ("Commissioner") of the California Department of Real
18 Estate ("Department") caused an investigation to be made of the activities of SAND TO SNOW
19 ESCROW, INC. ("STSEI") (DRE license no. 02027458) and JEFFREY EUGENE POLAND
20 ("POLAND") (DRE license no. 01363904). Based on that investigation, the Commissioner has
21 determined that STSEI and POLAND, as designated officer of Sand to Snow Escrow, Inc., have
22 engaged in or are engaging in acts or are attempting to engage in the business of, acting in the
23 capacity of, and/or assuming to act as escrow agents, within the meaning of California Financial
24 Code section 17004, and were not exempt from California Financial Code, Division 6 pursuant
25 to California Financial Code section 17006(a)(4) (a real estate broker while performing acts in
26 the course of or incidental to a real estate transaction in which the broker is an agent or a party
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1 to the transaction and in which the broker is performing an act for which a real estate license is
2 required). Based on the findings of that investigation, as set forth below, the Commissioner
3 hereby issues the following Findings of Fact, Conclusions of Law, and Desist and Refrain
4 Order pursuant to California Business and Professions Code section 10086.

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6 FINDINGS OF FACT

7 1. From on or about February 21, 2017 through the present, STSEI has been
8 licensed as a real estate corporation by the Department of Real Estate. At no time mentioned
9 herein has STSEI been licensed by the California Department of Business Oversight in any
10 capacity.

11 2. From on or about June 18, 2008 through the present, POLAND has been
12 licensed as a real estate broker by the Department of Real Estate. Previously, from on or about
13 April 19, 2003 to June 17, 2008, POLAND was licensed as a real estate salesperson. From on
14 or about February 21, 2017 through the present, POLAND has been the designated officer of
15 STSEI. From on or about July 17, 2008 through the present, POLAND has been the designated
16 officer of Roadrunner Realty Incorporated ("RRI") (DRE license no. 01517134). At no time
17 mentioned herein has POLAND been licensed by the California Department of Business
18 Oversight in any capacity.

19 3. On or about April 26, 2018, the Department of Real Estate completed
20 an audit (audit no. LA170152) of STSEI with an audit period from February 21, 2017 to
21 January 31, 2018. This audit found STSEI acted as an escrow agent to real estate sales
22 transactions in which it was not a party. Instead, these real estate sales transactions were
23 negotiated and closed by RRI. STSEI completed approximately ninety-seven (97) third-party
24 escrow transactions, and collected approximately \$12.9 million for these transactions. These
25 transactions include, but are not limited to, escrow nos. 1004-ML, 1012-ML, 1055-ML, 1090-
26 ML, 1112-ML, and 1131-ML.

1 4. The audit, described in Paragraph 3, above, also found that STSEI and
2 POLAND had the following violations:

3 a. Failed to designate a Citibank bank account (“BA 1”) (no. *****0265),
4 which was used for STSEI’s broker escrow activities during the audit period, was not
5 designated a trust account, in violation of California Business and Professions Code section
6 10145 and Title 10, Chapter 6, California Code of Regulations sections 2832 and 2951.

7 b. Shortage of \$278.00 in BA 1 as of January 31, 2018, in violation of
8 California Business and Professions Code section 10145 and Title 10, Chapter 6, California
9 Code of Regulations sections 2832.1, 2950(g), and 2951. This shortage was cured on
10 February 28, 2018.

11 c. Allowed Michelle Light, an unlicensed and unbonded employee, to be a
12 signatory to BA 1, in violation of California Business and Professions Code section 10145(c)
13 and Title 10, Chapter 6, California Code of Regulations sections 2834 and 2951.

14 d. Failed to notify the Department of Real Estate of the employment of
15 Michael Dean Poland (DRE license no. 01340905) as a broker associate, in violation of
16 California Business and Professions Code section 10161.8.

17 e. Received secret profit in the form of an earnings credit received from
18 the trust funds in BA 1 from Citibank without disclosing in writing to the owners of the trust
19 funds, in violation of California Business and Professions Code section 10176(g), and Title 10,
20 Chapter 6, California Code of Regulations section 2830.

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1 CONCLUSIONS OF LAW

2 Based on the information contained in Paragraphs 1 through 4, above, SAND TO
3 SNOW ESCROW, INC. and JEFFREY EUGENE POLAND, as designated officer of Sand to
4 Snow, Inc., engaged in activities requiring an escrow agent license by the California Department
5 of Business Oversight without first obtaining that license, in violation California Business and
6 Professions Code sections 10130 and 10166.02. STSEI and POLAND were not exempt
7 pursuant to California Financial Code section 17006(a)(4). In addition, POLAND failed to
8 exercise reasonable control and supervision over the activities conducted on behalf of STSEI as
9 necessary to secure full compliance with the Real Estate Law, in violation of California
10 Business and Professions Code sections 10159.2 and 10177(h) and California Code of
11 Regulations, title 10, chapter 6, section 2725.

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