

1 DIANE LEE, Counsel (SBN 247222)
2 Department of Real Estate
3 320 West 4th Street, Suite 350
Los Angeles, California 90013

4 Telephone: (213) 576-6982
5 (Direct) (213) 576-6907
6
7

FILED

MAR - 4 2019

DEPT. OF REAL ESTATE
By *[Signature]*

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of) No. H-41308 LA
12 E MORTGAGE,) ACCUSATION
13 Respondent.)
14)

15
16 The Complainant, Maria Suarez, a Supervising Special Investigator of the State
17 of California, acting in her official capacity, for cause of Accusation against E MORTGAGE
18 dba E Mortgage Financial, is informed and alleges as follows:

19 1.

20 The Complainant, Maria Suarez, acting in her official capacity as Supervising
21 Special Investigator of the State of California, makes this Accusation.

22 2.

23 All references to the "Code" are to the California Business and Professions
24 Code, and all references to "Regulations" are to Title 10, Chapter 6, California Code of
25 Regulations unless otherwise specified.

26 ///

1 3.

2 E MORTGAGE: Respondent E MORTGAGE is presently licensed and/or has
3 license rights issued by the Department of Real Estate as a real estate corporate broker (license
4 no. 01908458). E MORTGAGE was originally licensed as a corporate real estate broker on or
5 about May 4, 2012, and has been so licensed through the present. At all times mentioned
6 herein, E MORTGAGE was and is owned by Darin Ghaffari who was and is not licensed with
7 the Department of Real Estate in any capacity. From on or about September 17, 2012 to May
8 15, 2016, E MORTGAGE's designated officer was Mark L. Branderburger. From on or about
9 May 16, 2016 to March 19, 2017, E MORTGAGE's designated officer was Laurie Ruth Hart.
10 From on or about March 20, 2017 to September 11, 2017, E MORTGAGE's designated officer
11 was Mark L. Branderburger. From on or about September 12, 2017 through the present, E
12 MORTGAGE has not had a designated officer.

13 4.

14 Whenever reference is made in an allegation in this Accusation to an act or
15 omission of "Respondent," such allegation shall be deemed to mean that the officers, directors,
16 employees, agents, and real estate licensees employed by or associated with Respondent
17 committed such act or omission while engaged in the furtherance of the business or operations
18 of Respondent and while acting within the course and scope of its corporate authority and
19 employment, including, but not limited to, Darin Ghaffari, a non-licensee.

20 5.

21 At all times mentioned, in Orange County, E MORTGAGE engaged in the business of a
22 real estate broker conducting licensed activities within the meaning of Code section 10131(d).
23 E MORTGAGE engaged in soliciting borrowers or lenders for, negotiating loans, collecting
24 payments, or performing services for borrowers or lenders or note owners in connection with
25 loans secured directly or collaterally by liens on real property or on a business opportunity.

26 ///

1 FIRST CAUSE OF ACCUSATION

2 (AUDIT: FAILURE TO RETAIN AND PRODUCE DOCUMENTS)

3 6.

4 On or about December 27, 2017, the Department of Real Estate completed an
5 audit examination of the books and records of E MORTGAGE to determine whether E
6 MORTGAGE handled and accounted for trust funds and conducted their real estate activities in
7 accordance with the Real Estate Law and Regulations. The audit examination covered a period
8 of time beginning on May 16, 2016 and ended on August 31, 2017. The audit examination
9 revealed violations of the Code and the Regulations set forth in the following paragraphs, and
10 more fully discussed in Audit Report LA160148 and the exhibits and work papers attached to
11 said audit report.

12 7.

13 To date, E MORTGAGE has failed to retain and produce E MORTGAGE's
14 documents pertaining to its loan mortgage loan activities, including, but not limited to, trust
15 account bank statements, certified copy of bank signature card(s), records of reconciliation,
16 columnar records and separate records, trust fund deposit records, and complete loan files of
17 certain consumers, in violation of Code section 10148.

18 8.

19 The conduct of Respondent E MORTGAGE described above violated the Code
20 as set forth below:

21 PARAGRAPH PROVISIONS VIOLATED

22 7 Code section 10148

23 The foregoing violations constitute cause for discipline of the real estate license and license
24 rights of E MORTGAGE under the provisions of Code sections 10177(d), 10177(g), and
25 10177(h).

1 SECOND CAUSE OF ACCUSATION
2 (SUSPENSION OF CORPORATE RIGHTS)

3 9.

4 On or about November 2, 2011, an Articles of Incorporation of a General Stock
5 Corporation ("Articles of Incorporation) for Respondent E MORTGAGE (C3421990) was filed
6 with the Secretary of State of the State of California. This Articles of Incorporation named
7 Darin Ghaffari as the agent for service of process.

8 10.

9 On or about April 8, 2018, a Statement of Information for Respondent E
10 MORTGAGE was filed with the Secretary of State of the State of California. This Statement of
11 Information named Darin Ghaffari as the chief executive officer, secretary, chief financial
12 officer, director, and agent for service of process for Respondent E MORTGAGE.

13 11.

14 On or prior to February 25, 2019, the California Franchise Tax board suspended
15 Respondent E MORTGAGE's powers, rights, and privileges pursuant to the provisions of the
16 California Revenue and Taxation Code.

17 12.

18 The suspension of corporate powers, rights, and privileges of Respondent E
19 MORTGAGE, as alleged above, are in violation of Regulation section 2742(c), and subjects its
20 real estate license and license rights to suspension or revocation pursuant to Code sections
21 10177(d), 10177(f), and/or 10177(g).

22 COSTS

23 13.

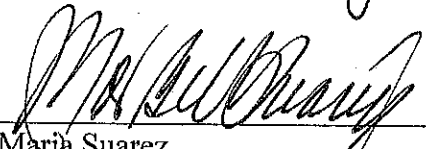
24 Code section 10106 provides, in pertinent part, that in any order issued in
25 resolution of a disciplinary proceeding before the department, the Commissioner may request
26
27

1 the administrative law judge to direct a licensee found to have committed a violation of this part
2 to pay a sum not to exceed the reasonable costs of investigation and enforcement of the case.

3 Code section 10148(b) provides, in pertinent part, the Commissioner shall
4 charge a real estate broker for the cost of any audit, if the Commissioner has found in a final
5 decision following a disciplinary hearing that the broker has violated Code section 10145 or a
6 regulation or rule of the Commissioner interpreting said section.

7 WHEREFORE, Complainant prays that a hearing be conducted on the
8 allegations of this Accusation and that upon proof thereof, a decision be rendered imposing
9 disciplinary action against all licenses and/or license rights under the Real Estate Law (Part 1 of
10 Division 4 of the California Business and Professions Code) of Respondent E MORTGAGE,
11 for the cost of investigation and enforcement as permitted by law, audit costs as permitted by
12 law, and for such other and further relief as may be proper under applicable provisions of law.

13 Dated at Los Angeles, California: 28 February 2019

14
15 
16 Maria Suarez
17 Supervising Special Investigator

18
19
20
21
22
23 cc: E Mortgage
24 Maria Suarez
25 Sacto
26 Enforcement
27 Audits – Chona V. Picayo