

1 STEVE CHU, Counsel (SBN 238155)  
2 Department of Real Estate  
3 320 West 4th Street, Suite 350  
Los Angeles, California 90013-1105

4 Telephone: (213) 620-6430  
5 Fax: (213) 576-6917

**FILED**

SEP 25 2019

DEPT. OF REAL ESTATE  
By Speed

6  
7  
8  
9 BEFORE THE DEPARTMENT OF REAL ESTATE  
10 STATE OF CALIFORNIA

11 \* \* \*

12 In the Matter of the Accusation of ) No. H-41506 LA  
13 REAL PROPERTY MORTGAGE, INC., ) ACCUSATION  
14 doing business as Real Property )  
15 Investments and Real Property )  
16 Mortgage and Investments, and )  
17 LUCIOUS ALEXANDER DOMIO, )  
18 individually and as designated officer )  
of Real Property Mortgage, Inc., )  
Respondents. )

19  
20 The Complainant, María Suárez, a Supervising Special Investigator of the  
21 State of California, for cause of Accusation against REAL PROPERTY MORTGAGE, INC.,  
22 doing business as Real Property Investments and Real Property Mortgage and Investments, and  
23 LUCIOUS ALEXANDER DOMIO, individually and as designated officer of Real Property  
24 Mortgage, Inc. ("Respondents"), is informed and alleges as follows:

25 ///

26 ///

27 ///

Accusation of Real Property Mortgage, Inc. and Lucious Alexander Domio

1. 1

2 The Complainant, María Suárez, acting in her official capacity as a Supervising  
3 Special Investigator of the State of California, makes this Accusation against Respondents  
4 REAL PROPERTY MORTGAGE, INC. and LUCIOUS ALEXANDER DOMIO.

2. 5

6 All references to the "Code" are to the California Business and Professions Code  
7 and all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

8 LICENSE HISTORY

3. 9

10 Respondent REAL PROPERTY MORTGAGE, INC. ("REAL PROPERTY  
11 MORTGAGE") presently has license rights under the Real Estate Law, Part 1 of Division 4 of  
12 the Code as a corporate real estate broker. REAL PROPERTY MORTGAGE also has a  
13 company mortgage loan originator license endorsement.

4. 14

15 Respondent LUCIOUS ALEXANDER DOMIO ("DOMIO") presently has  
16 license rights as a real estate broker. DOMIO also has an individual mortgage loan originator  
17 license endorsement.

5. 18

19 Respondent REAL PROPERTY MORTGAGE is licensed by the Department of  
20 Real Estate ("Department") as a corporate real estate broker by and through Respondent  
21 DOMIO, as the designated officer and broker responsible, pursuant to Code section 10159.2,  
22 for supervising the activities requiring a real estate license conducted on behalf of REAL  
23 PROPERTY MORTGAGE, or by REAL PROPERTY MORTGAGE'S officers, agents and  
24 employees.

25 ///

26 ///

27 ///

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

BROKERAGE  
REAL PROPERTY MORTGAGE, INC.

6.

At all times mentioned, in the City of Rancho Cucamonga, County of San Bernardino, Respondent REAL PROPERTY MORTGAGE acted as a real estate broker, conducting licensed activities within the meaning of Code section 10131(b) (leases or rents real property for others).

AUDIT  
REAL PROPERTY MORTGAGE, INC.

7.

On May 7, 2018, the Department completed audit examinations of the books and records of Respondent REAL PROPERTY MORTGAGE pertaining to the activities described in Paragraph 6 which require a real estate license. The audit examinations covered a period of time from October 1, 2016, to October 1, 2017. The audit examinations revealed violations of the Code and the Regulations as set forth in the following paragraphs, and as more fully discussed in Audit Report LA170102 and the exhibits and workpapers attached to said audit report.

AUDIT VIOLATIONS OF THE REAL ESTATE LAW

8.

In the course of activities described in Paragraph 6 above and during the examination periods described in Paragraph 7 above, Respondent REAL PROPERTY MORTGAGE acted in violation of the Code and the Regulations in that:

8(a) As of October 31, 2017, Respondent REAL PROPERTY MORTGAGE had a trust fund shortage in the amount of \$16,580.94. Respondent did not have written consent from the owners of the trust funds to reduce the balance of trust funds to an amount less than the aggregate trust fund liabilities, in violation of Code section 10145 and Regulations section 2832.1.

1           8(b)   Respondent REAL PROPERTY MORTGAGE did not maintain a  
2 complete and accurate control record or general ledger of all trust funds received and disbursed,  
3 in violation of Code section 10145 and Regulations section 2831.

4           8(c)   Respondent REAL PROPERTY MORTGAGE did not maintain a  
5 complete and accurate separate record of all trust funds received and disbursed for each  
6 beneficiary in connection with Respondent's property management activities, in violation of  
7 Code section 10145 and Regulations section 2831.1.

8           8(d)   Respondent REAL PROPERTY MORTGAGE did not perform and  
9 maintain a monthly reconciliation of all the separate records with the control record of all trust  
10 funds received and disbursed, in violation of Code section 10145 and Regulations  
11 section 2831.2.

12           8(e)   An unlicensed employee of Respondent REAL PROPERTY  
13 MORTGAGE made withdrawals from a bank account used by Respondent for trust funds and  
14 Respondent failed to maintain a fidelity bond coverage at least equal to the maximum amount  
15 of the trust funds to which the employee has access at any time, in violation of Code  
16 section 10145 and Regulations section 2834.

17           8(f)   Respondent REAL PROPERTY MORTGAGE converted trust funds in  
18 the amount of \$1,326.30, in violation of Code sections 10145, 10176(i), and 10177(j).

19 ///

20 ///

21 ///

22 ///

23 ///

24 ///

25 ///

26 ///

27 ///

9.

The conduct, acts, or omissions of Respondent REAL PROPERTY MORTGAGE, described in Paragraph 8 above, violated the Code and the Regulations as set forth below:

<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
8(a)	Code section 10145 and Regulations section 2832.1
8(b)	Code section 10145 and Regulations section 2831
8(c)	Code section 10145 and Regulations section 2831.1
8(d)	Code section 10145 and Regulations section 2831.2
8(e)	Code section 10145 and Regulations section 2834
8(f)	Code sections 10145, 10176(i), and 10177(j)

The foregoing violations constitute cause for the suspension or revocation of all the licenses, license endorsements, and license rights of Respondent REAL PROPERTY MORTGAGE under the Real Estate Law pursuant to the provisions of Code sections 10177(d), 10177(g), 10176(i), and/or 10177(j).

#### SECOND CAUSE OF ACTION

#### SUPERVISION AND COMPLIANCE

10.

The conduct, acts, or omissions of Respondent DOMIO, as described in Paragraphs 8 and 9 above, in failing to ensure compliance of the Real Estate Law by Respondent REAL PROPERTY MORTGAGE, is in violation of Code section 10159.2 and Regulations section 2725, and subjects all the licenses, license endorsements, and license rights of DOMIO to suspension or revocation pursuant to Code sections 10177(d), 10177(g), and/or 10177(h).

///

///

///

11.

Code section 10148(b) provides, in pertinent part, that the Real Estate 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 section 10145 or a Regulation or rule of the Commissioner interpreting said Code section.


12.

Code Section 10106 provides, in pertinent part, that in any order issued in resolution of a disciplinary proceeding before the Department of Real Estate, the Commissioner may request the administrative law judge to direct a licensee found to have committed a violation of this part to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

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 all the licenses, license endorsements, and license rights of Respondents REAL PROPERTY MORTGAGE, INC. and LUCIOUS ALEXANDER DOMIO under the Real Estate Law, for the cost of audit, investigation, and enforcement as permitted by law, and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Los Angeles, California

this 24<sup>th</sup> day of September, 2019

  
María Suárez  
Supervising Special Investigator

cc: REAL PROPERTY MORTGAGE, INC.  
LUCIOUS ALEXANDER DOMIO  
María Suárez

Accusation of Real Property Mortgage, Inc. and Lucious Alexander Domio

Sacto.  
Audits

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27