

JUN 12 2023

DEPT. OF REAL ESTATE

By 

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of:

DRE No. H-42582 LA

FRANCO TSE-HUA FANG,
individually and as designated officer of
Golden Investments Of America Inc,
and GOLDEN INVESTMENTS OF
AMERICA INC,

Respondents.

DECISION

This Decision is being issued in accordance with the provisions of Section 11520 of the Government Code, on evidence of compliance with Section 11505 of the Government Code and pursuant to the Order of Default filed on 05/24/2023, and the Findings of Fact set forth herein, which are based on one or more of the following: (1) The express admissions of Respondents FRANCO TSE-HUA FANG ("FANG") and GOLDEN INVESTMENTS OF AMERICA INC ("GIAI") (collectively "Respondents"); (2) affidavits; and (3) other evidence.

This Decision revokes one or more real estate licenses on the grounds of the violation of the Real Estate Law, Part 1 commencing with Section 10000 of the Business and Professions Code ("Code") and/or the Regulations of the Real Estate Commissioner, Title 10, Chapter 6 of the California Code of Regulations ("Regulations"), and Respondent FANG's failure to timely report the bringing of an indictment charging a felony against FANG. This Decision also revokes Mortgage Loan Originator License Endorsements ("MLO License Endorsement") on the grounds of the revocation of Respondent FANG's real estate broker license and license rights, and the revocation of Respondent GIAI's real estate corporation license and license rights.

Pursuant to Government Code Section 11521, the California Department of Real Estate ("the Department") may order reconsideration of this Decision on petition of any party. The party seeking reconsideration shall set forth new facts, circumstances, and evidence, or errors in law or analysis, that show(s) grounds and good cause for the Commissioner to reconsider the Decision. If new evidence is presented, the party shall specifically identify the new evidence and explain why it was not previously presented. The Department'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 Government Code 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 04/11/2023, Ruth Corral made the Accusation in her official capacity as a Supervising Special Investigator of the Department. The Accusation, Statement to Respondent, and Notice of Defense were mailed, by certified mail, return receipt requested, to Respondents' last known mailing address on file with the Department on 04/12/2023.

On 05/24/2023, no Notice of Defense having been received or filed herein within the time prescribed by Section 11506 of the Government Code, Respondents' defaults were entered herein.

2.

Respondents FANG and GIAI are each presently licensed and/or have license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code ("the Code") as a real estate broker and as a real estate corporation, respectively. Respondent FANG's real estate broker license expired on 05/25/2023. Pursuant to Code Section 10103, the Department retains jurisdiction.

3.

In addition to Respondent FANG's real estate broker license, Respondent FANG holds a MLO License Endorsement, National Mortgage Licensing System and Registry ("NMLS") identification ("ID") number 323675. In addition to Respondent GIAI's real estate corporation license, Respondent GIAI holds a MLO License Endorsement, NMLS ID number 387583.

4.

At all times mentioned, in the City of Los Angeles, County of Los Angeles, Respondents FANG and GIAI acted as a real estate broker and a real estate corporation, respectively, and Respondents also acted as mortgage loan originators pursuant to their MLO License Endorsements, conducting licensed activities within the meaning of Code Section 10131, subdivision (d) (solicits borrowers or lenders for or negotiates loans in connection with loans secured by real property).

5.

As of the effective date of this Decision, in Case No. H-42582 LA, before the Department, the Real Estate Commissioner is revoking Respondent FANG's real estate broker license and license rights and his MLO License Endorsement pursuant to Code sections 10166.051(a) (Violations of the SAFE Act, Code section 10166.01 et seq.), 10166.051(b) (Failure to Meet the Requirements of Code section 10166.05), 10166.051(c)(4) (Commissioner

May Order Affirmative Action He Deems Necessary), 10177(d) (Willful Disregard of Real Estate Law), 10177(g) (Demonstrated Negligence or Incompetence), 10177(h) (Inadequate Broker Supervision), and 10186.2 (Failure to Disclose Felony Indictment), and Regulation 2945.4 (Uniformity of Disciplinary Process for MLO License Endorsement).

6.

As of the effective date of this Decision, in Case No. H-42582 LA, before the Department, the Real Estate Commissioner is revoking Respondent GIAI's real estate corporation license and license rights and its MLO License Endorsement pursuant to Code sections 10166.051(a) (Violations of the SAFE Act, Code section 10166.01 et seq.), 10166.051(b) (Failure to Meet the Requirements of Code section 10166.05), 10166.051(c)(4) (Commissioner May Order Affirmative Action He Deems Necessary), 10177(c) (Knowingly Authorized the Advertisement of a Material False Statement), 10177(d) (Willful Disregard of Real Estate Law), 10177(g) (Demonstrated Negligence or Incompetence), and Regulation 2945.4 (Uniformity of Disciplinary Process for MLO License Endorsement).

7.

To date, the Department has incurred investigation costs (\$911.05) and enforcement costs (\$1,238.40) with a combined total of \$2,149.45. Respondents FANG and GIAI shall pay these costs, jointly or severally, to the Department upon the filing by either Respondent of a petition for reinstatement pursuant to Government Code Section 11522.

8.

Attached as Exhibit "A" is a true and correct copy of the Accusation filed on 04/12/2023, which is incorporated herein as part of this Decision.

FAILURE TO DISCLOSE

9.

A diligent search was made of the records of the Department relating to Respondent FANG's real estate broker license, identification number 01070063. No record or written notice was received from Respondent notifying the Department, in writing, of any arrest, conviction, indictment, or license disciplinary action.

DETERMINATION OF ISSUES

1.

The allegations in paragraphs 5 and 9 above constitute cause under Code sections 10166.051(a), 10166.051(b), 10166.051(c)(4), 10177(d), 10177(g), 10177(h), and 10186.2, and Regulation 2945.4 for the suspension or revocation of all of Respondent FANG's licenses, license rights, and MLO License Endorsement, NMLS ID No. 323675, under the Real Estate Law.

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2.

The allegations in paragraph 6 above constitutes cause under Code sections 10166.051(a), 10166.051(b), 10166.051(c)(4), 10177(c), 10177(d), and 10177(g), and Regulation 2945.4 for the suspension or revocation of all of Respondent GIAI's licenses, license rights, and MLO License Endorsement, NMLS ID No. 387583, under the Real Estate Law.

3.

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

ORDER

All licenses and licensing rights and the MLO License Endorsements of Respondents FRANCO TSE-HUA FANG and GOLDEN INVESTMENTS OF AMERICA INC 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 on July 3, 2023.

DATED: 6/5/2023.

DOUGLAS R. McCAULEY
REAL ESTATE COMMISSIONER



By: Marcus L. McCarther
Chief Deputy Real Estate Commissioner

FILED

MAY 24 2023

DEPT. OF REAL ESTATE

By 

1 Department of Real Estate
2 320 West Fourth St, Ste 350
3 Los Angeles, CA, 90013
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7

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of:) DRE NO. **H-42582 LA**
12)
13 FRANCO TSE-HUA FANG,) DEFAULT ORDER
14)
15 Respondent.)
16)

17 Respondent FRANCO TSE-HUA FANG, having failed to file a Notice of
18 Defense within the time required by Section 11506 of the Government Code, is now in
19 default. It is, therefore, ordered that a default be entered on the record in this matter.

20 IT IS SO ORDERED MAY 12, 2023.

21 DOUGLAS R. McCAULEY
22 REAL ESTATE COMMISSIONER

23 By: 
24 CHIKA SUNQUIST
25 Assistant Commissioner, Enforcement
26
27

FILED

MAY 24 2023

DEPT. OF REAL ESTATE

By 

1 Department of Real Estate
2 320 West Fourth St, Ste 350
3 Los Angeles, CA, 90013
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8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of
12 GOLDEN INVESTMENTS OF
13 AMERICA INC,
14 Respondent.

DRE NO. H-42582 LA
DEFAULT ORDER

15 Respondent GOLDEN INVESTMENTS OF AMERICA INC , having failed
16 to file a Notice of Defense within the time required by Section 11506 of the Government
17 Code, is now in default. It is, therefore, ordered that a default be entered on the record in
18 this matter.

19 IT IS SO ORDERED MAY 12, 2023.

20 DOUGLAS R. McCAULEY
21 REAL ESTATE COMMISSIONER

22
23 By: 
24 CHIKA SUNQUIST
25 Assistant Commissioner, Enforcement
26
27

EXHIBIT A

EXHIBIT A

FILED

APR 12 2023

DEPT. OF REAL ESTATE

By 

1 LAURENCE D. HAVESON, Counsel (SBN 152631)
2 Department of Real Estate
3 320 West 4th Street, Suite 350
4 Los Angeles, California 90013-1105
5 Telephone: (213) 576-6982
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9 Attorney for Complainant

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of

No. H-42582-LA

FRANCO TSE-HUA FANG,
individually and as designated officer
of Golden Investments Of America Inc,
and GOLDEN INVESTMENTS OF
AMERICA INC,

ACCUSATION

Respondents.

The Complainant, Ruth Corral, a Supervising Special Investigator for the Department of Real Estate ("Department" or "DRE") of the State of California, for cause of Accusation against FRANCO TSE-HUA FANG ("FANG"), individually and as designated officer of Golden Investments Of America Inc, and GOLDEN INVESTMENTS OF AMERICA INC ("GIAI"), collectively, "Respondents," is informed and alleges in her official capacity as follows:

1. The Complainant, Ruth Corral, acting in her official capacity as a Supervising Special Investigator, makes this Accusation against Respondents.
2. All references to the "Code" are to the California Business and Professions Code and all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

LICENSE HISTORY

3. Respondent GIAI has been licensed by the Department as a real estate corporation ("REC"), license identification number ("License ID") 01209254, from on or about July 15, 1996,

1 through the present, with GIAI's license scheduled to expire on July 5, 2026, unless renewed. GIAI
2 is licensed through the real estate broker ("REB") license of FANG, License ID 01070063, and
3 FANG is GIAI's designated officer ("D.O."). GIAI holds a Mortgage Loan Originator ("MLO")
4 license endorsement with the Department with National Mortgage Licensing System and Registry
5 ("NMLS") ID number 387583. According to Department records to date, GIAI has no branch
6 offices, maintains no fictitious business names with the DRE, and employs no salespersons.

7 4. Respondent FANG has been licensed by the Department as a REB, License ID
8 01070063, from on or about May 9, 1995, through the present, with FANG's license scheduled to
9 expire on May 25, 2023, unless renewed. According to Department records to date, FANG maintains
10 the licensed fictitious business name, "Golden Investments Of Real Estate" which has been active
11 as of March 29, 2002. FANG was previously licensed as a real estate salesperson ("RES") from on
12 or about March 31, 1990 to May 8, 1995. FANG holds a MLO license endorsement with the
13 Department with NMLS ID number 323675. According to public NMLS records, through his MLO
14 license endorsement, FANG is currently authorized to represent GIAI and REC New Wave Lending
15 Group Inc, DRE License ID 02042573, NMLS ID number 1649874. According to Department
16 records to date, FANG employs three (3) salespersons.

17 **BROKERAGE: GIAI**

18 5. At all relevant times, in Los Angeles County, California, GIAI acted as a real estate
19 corporation, conducting licensed activities for compensation or in expectation of compensation
20 within the meaning of Code section 10131(d): soliciting borrowers or lenders for or negotiating
21 loans or performing services for borrowers or lenders or note owners in connection with loans
22 secured directly or collaterally by liens on real property or on a business opportunity. At all relevant
23 times, GIAI was acting by and through FANG as its D.O. pursuant to Code Section 10159.2, and
24 FANG was responsible for ensuring compliance with the Real Estate Law.

25 **FACTS DISCOVERED BY DRE**

26 6. On or about March 28, 1996, an individual named Peggy Cheung, filed Articles of
27 Incorporation for GIAI, entity number 1781033, with the California Secretary of State. The
28 Articles of Incorporation name FANG as the agent for service of process.

7. On or about January 25, 2022, GIAI filed a Statement of Information with the California Secretary of State listing FANG as Chief Executive Officer, Secretary, Chief Financial Officer, and as the sole Director for GIAI.

8. On or about January 12, 2023, an indictment was filed under seal against FANG in the United States District Court for the Northern District of California (“District Court”) in the case of *United States of America v. Franco Tse-Hua Fang*, Case No. 23-CR-0009 ESG. The indictment alleges three counts of violations of Title 18, United States Code (“U.S.C.”), sections 1344(1) and (2) (bank fraud) against FANG, all of which are felonies.

9. On or about February 14, 2023, FANG caused to be filed a Certificate of Dissolution for GIAI, entity number 1781033, with the California Secretary of State, and GIAI's corporate status was terminated as of that date.

10. On or about March 8, 2023, the District Court unsealed the indictment.

11. Complainant is informed and believes and on such information and belief alleges that GIAI maintains websites located at: <https://golden-investments-of-america-inc.business.site/> and <https://www.dbestloan.com/>, both of which websites solicit borrowers for loans, and both of which list the same address as that used by GIAI in its address of record with the DRE. Neither of these websites disclose in the printed text GIAI's REC ID number, GIAI's NMLS ID number, or the required statement, "Real Estate Broker, California Department of Real Estate." The website located at <https://www.dbestloan.com/> contains the statement: "DBestLoan.com DBA Golden Investments of America, Inc." The webpage located at <https://www.dbestloan.com/about/> also contains the statement: "Mortgage Loan Solutions. is a mortgage broker in Los Angeles for 30 years."

FIRST CAUSE OF ACCUSATION

(FAILURE TO REPORT FELONY CHARGES)

12. The Complainant realleges and incorporates by reference all of the allegations contained in paragraphs 1 through 11 above with the same force and effect as though fully set forth herein.

13. Pursuant to Section 10186.2 of the Code, a licensee shall report, in writing, "The bringing of a[n] . . . indictment charging a felony against the licensee" to the Department within

1 thirty (30) days of the bringing of an indictment charging felonies. FANG failed to report in writing
2 to the Department the bringing of an indictment charging three (3) felony counts against FANG,
3 described in Paragraph 8 above, within thirty (30) days of the bringing of the indictment charging
4 felonies against FANG.

5 14. Respondent FANG's failure to timely report the bringing of the indictment charging
6 felony counts constitutes cause under **Code sections 10186.2, 10166.051(b), 10166.051(c)(4), and**
7 **10177(d) and/or 10177(g), and Regulation 2945.4** for the suspension or revocation of Respondent
8 FANG's license, MLO license endorsement, and license rights under the Real Estate Law.

9 **SECOND CAUSE OF ACCUSATION**

10 **(LICENSED WHILE CORPORATE STATUS TERMINATED)**

11 15. The Complainant realleges and incorporates by reference all of the allegations
12 contained in paragraphs 1 through 14 above with the same force and effect as though fully set forth
13 herein.

14 16. Respondent GIAI's acts and/or omissions of engaging in the business of, acting in
15 the capacity of, assuming to act in the capacity of, or advertising itself as, a licensed real estate
16 corporation and a mortgage loan originator with a MLO license endorsement, and also soliciting
17 borrowers for loans through the websites alleged in Paragraph 11 above, while not in good legal
18 standing with the Office of the Secretary of State, as alleged above, are in violation of **Code sections**
19 **10166.05(c), 10166.051(a), 10166.051(b), 10166.051(c)(4), and 10177(d) and/or 10177(g), and**
20 **Regulation 2742** and constitute cause under **Code sections 10166.051(b), 10166.051(c)(4), and**
21 **10177(d) and/or 10177(g), and Regulation 2945.4** for the suspension or revocation of Respondent
22 GIAI's license, MLO license endorsement, and license rights under the Real Estate Law.

23 **THIRD CAUSE OF ACCUSATION**

24 **(FAILURE TO DISCLOSE REQUIRED INFORMATION IN ADVERTISING;**
25 **ADVERTISEMENT OF MATERIAL FALSE STATEMENTS)**

26 17. The Complainant realleges and incorporates by reference all of the allegations
27 contained in paragraphs 1 through 16 above with the same force and effect as though fully set forth
28 herein.

1 18. On or about April 4, 2023 on the websites located at [https://golden-investments-of-](https://golden-investments-of-america-inc.business.site/)
2 [america-inc.business.site/](https://golden-investments-of-america-inc.business.site/) and <https://www.dbestloan.com/>:

3 a. On information and belief, GIAI prepared, approved, had knowledge of,
4 and/or had reason to know of, the text appearing on these websites, which text advertises
5 that GIAI is engaged in MLO activity at a time when GIAI was not in good legal standing
6 with the Office of the Secretary of State.

7 b. There is no disclosure of GIAI's REC ID number, GIAI's NMLS ID number,
8 or the required statement, "Real Estate Broker, California Department of Real Estate."

9 c. On the website located at <https://www.dbestloan.com/>, the name
10 "DBestLoan.com DBA Golden Investments of America, Inc." is used. On information and
11 belief, GIAI prepared, approved, had knowledge of, and/or had reason to know of, the text
12 appearing on this website. DBestLoan.com is not currently a licensed corporation or a
13 fictitious business name with the DRE. "Golden Investments of America, Inc." is not
14 licensed as a fictitious business name with the DRE.

15 d. On the website located at <https://www.dbestloan.com/>, the name "Mortgage
16 Loan Solutions" is used. Mortgage Loan Solutions" is not currently a licensed corporation
17 or a licensed fictitious business name with the DRE.

18 19. The advertisement of MLO activity at a time when GIAI was not in good legal
19 standing with the Office of the Secretary of State, the failure to disclose GIAI's REC ID number,
20 NMLS ID number, or the required statement, "Real Estate Broker, California Department of Real
21 Estate," and the use of unlicensed corporate names and unlicensed fictitious business names, are in
22 violation of Code Sections 10166.05(c), 10166.051(a), 10166.051(b), 10166.051(c)(4), 10177(c),
23 10235.5, and 10236.4, and Regulations 2773(a) and 2847.3 and constitute cause under Code
24 sections 10166.051(b), 10166.051(c)(4), 10177(c), and 10177(d) and/or 10177(g), and
25 Regulation 2945.4 for the suspension or revocation of Respondent GIAI's license, MLO license
26 endorsement, and license rights under the Real Estate Law.

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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 all the licenses, MLO license endorsements, and license rights of Respondents FRANCO TSE-HUA FANG and GOLDEN INVESTMENTS OF AMERICA INC under the Real Estate Law, for the costs of 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 Sacramento, California, April 11, 2023

Ruth Corral
Supervising Special Investigator

cc: **FRANCO TSE-HUA FANG**
GOLDEN INVESTMENTS OF AMERICA INC
Ruth Corral
Sacto.