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FILED

JUL 01 2019

DEPARTMENT OF REAL ESTATE
By X. Knapp

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)
12 JRP REAL ESTATE & MORTGAGE,) NO. H-6849 SAC
13 RAMANDEEP SINGH and)
14 JASWANT SINGH PANNU,) ACCUSATION
15 Respondents.)

16
17 The Complainant, CHIKA SUNQUIST, a Supervising Special Investigator of the
18 State of California, for Accusation against Respondents JRP REAL ESTATE & MORTGAGE
19 (JRP), RAMANDEEP SINGH (SINGH), and JASWANT SINGH PANNU (PANNU),
20 hereinafter collectively RESPONDENTS, is informed and alleges as follows:

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22 The Complainant makes this Accusation against RESPONDENTS in her official
23 capacity.

24 2

25 At all times herein mentioned, JRP was and is presently licensed and/or has
26 license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and
27 Professions Code (the Code) by the Department of Real Estate (the Department) as a corporate

1 real estate broker doing business as Lending Assets and held a Mortgage Loan Originator
2 Endorsement (MLO Endorsement).

3 3

4 SINGH is presently licensed and/or has license rights under the Real Estate Law,
5 Part 1 of Division 4 of the Code as a real estate broker and as the designated officer of JRP and
6 holds a MLO Endorsement.

7 4

8 PANNU is presently licensed and/or has license rights as a real estate salesperson
9 and holds an MLO Endorsement.

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11 As the designated officer, SINGH was responsible, pursuant to Section 10159.2
12 of the Code, for the supervision of the activities of the officers, agents, real estate licensees and
13 employees of JRP for which a real estate license is required.

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15 Whenever reference is made in an allegation in this Accusation to an act or
16 omission of JRP, such allegation shall be deemed to mean that the officers, directors, employees,
17 agents and real estate licensees employed by or associated with JRP committed such act or
18 omission while engaged in furtherance of the business or operations of JRP and while acting
19 within the course and scope of their corporate authority and employment.

20 7

21 At all times mentioned herein, RESPONDENTS engaged in the business of, acted
22 in the capacity of, or assumed to act as, a real estate broker within the State of California within
23 the meaning of Section 10131(d) of the Code, including solicitation of borrowers for or
24 negotiation of loans or performance of services for borrowers or lenders or note owners in
25 connection with loans secured directly or collaterally by liens on real property, including but not
26 limited to direct solicitation as described above of individual mortgage borrowers whose names
27 are set forth below.

1 FIRST CAUSE OF ACTION

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3 Complainant refers to Paragraphs 1 through 7, above, and incorporates the same
4 herein by reference.

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6 PANNU, through JRP, applied for a loan to refinance that certain real property
7 known as 1234 Sam Avenue, Modesto, California (Sam Property). Although PANNU is a real
8 estate salesperson and works for JRP, he sought to refinance the Sam Property for himself.

9 10

10 In the loan application and other documents, PANNU represented that his balance
11 in his Bank of America Account was \$51,293.75, for the period of July 12, 2016 through August
12 11, 2016. The amount satisfied a loan underwriting requirement.

13 11

14 The Department Special Investigator obtained PANNU's bank statements directly
15 from Bank of America. The balance of PANNU's same account for the same period of time was
16 actually \$38.18.

17 12

18 Escrow on the Sam Property closed on November 18, 2016.

19 13

20 The representations made by RESPONDENTS to lenders set out above were
21 false, and each of them knew that they were false when he made those representations. The true
22 facts were that RESPONDENTS only had a balance of \$38.18 in the Bank of America account,
23 which on the altered statement showed a balance of \$51,293.75, and RESPONDENTS made
24 these misrepresentations to fraudulently induce Quicken Loans to fund the loan on the Sam
25 Property.

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2 The acts of RESPONDENTS, described above, constitute violations of Sections
3 10176(a) (substantial misrepresentation), 10176(b) (false promise to influence, persuade or
4 induce), 10176(c) (continued, flagrant misrepresentations), and 10176(j) (other conduct
5 constituting fraud/dishonest dealing), and are grounds for discipline under Sections 10176(a),
6 10176(b), 10176(c) and 10177(j) of the Code.

7 SECOND CAUSE OF ACTION

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9 Complainant refers to Paragraphs 1 through 14, above, and incorporates the same
10 herein by reference.

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12 SINGH, through JRP, applied for a loan to purchase that certain real property
13 known as 1616 Janni Way, Ceres, California (Janni Property). Although SINGH is a real estate
14 broker and is the designated officer of JRP, he sought to purchase the Janni Property for himself.

15 17

16 In the loan application and other documents, SINGH represented that his balance
17 in his Bank of America Account was \$81,269.43, for the period of May 1, 2016 through May 31,
18 2016. The amount satisfied a loan underwriting requirement.

19 18

20 The Department Special Investigator obtained SINGH's bank statements directly
21 from Bank of America. The balance of SINGH's same account for the same period of time was
22 actually \$32.55.

23 19

24 Escrow on the Janni Property closed on September 27, 2016.

25 20

26 The representations made by RESPONDENTS to lenders set out above were
27 false, and each of them knew that they were false when he made those representations. The true-

1 facts were that RESPONDENTS only had a balance of \$32.55 in the Bank of America account,
2 which on the altered statement showed a balance of \$81,269.43, and RESPONDENTS made
3 these misrepresentations to fraudulently induce Quicken Loans to fund the loan on the Janni
4 Property.

5 21

6 The acts of RESPONDENTS, described above, constitute violations of Sections
7 10176(a) (substantial misrepresentation), 10176(b) (false promise to influence, persuade or
8 induce), 10176(c) (continued, flagrant misrepresentations), and 10176(j) (other conduct
9 constituting fraud/dishonest dealing), and are grounds for discipline under Sections 10176(a),
10 10176(b), 10176(c), and 10177(j) of the Code.

11 THIRD CAUSE OF ACTION

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13 Complainant refers to Paragraphs 1 through 21, above, and incorporates the same
14 herein by reference.

15 23

16 Manreep S. Batth agreed to have RESPONDENTS assist him with a loan to
17 purchase that certain real property commonly known as 4101 Goldust Drive, Modesto,
18 California. (Goldust Property)

19 24

20 In his loan documents Batth represented that the Goldust Property was to be his
21 primary residence.

22 25

23 An underwriting condition was for Batth to explain his recorded ownership of
24 another property commonly known as 2920 Essie Way, Modesto. Since title was in both his and
25 his spouse's names, it appeared to be a primary residence. Batth represented that his name was
26 only on title, but he did not really live there.

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In order to secure the loan, on September 2, 2016, Bath executed an interspousal grant deed of his interest in the Essie Property to his spouse, Jagdeep, as her sole and separate property.

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On September 29, 2016, after the loan on the Goldust Property closed, Bath's spouse, Jagdeep, transferred the Essie Property back to both her and Bath.

28

The representations made by RESPONDENTS to lenders set out above were false, and each of them knew that they were false when he made those representations. The true facts were that the Essie Property was Bath's primary residence and he intended to purchase the Goldust Property as an investment. RESPONDENTS knew or should have known the true facts, and RESPONDENTS facilitated and /or adopted these misrepresentations to fraudulently induce Quicken Loans to fund the loan on the Goldust Property.

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The acts of RESPONDENTS, described above, constitute violations of Sections 10176(a) (substantial misrepresentation), 10176(b) (false promise to influence, persuade or induce), 10176(c) (continued, flagrant misrepresentations), and 10176(j) (other conduct constituting fraud/dishonest dealing), and are grounds for discipline under Sections 10176(a), 10176(b), 10176(c) and 1017(j) of the Code.

FOURTH CAUSE OF ACTION

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Complainant refers to Paragraphs 1 through 29, above, and incorporates the same, herein, by reference.

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The Department investigation revealed that Respondents closed: 34 loans in 2016, 56 loans in 2017, and 91 loans in the first three quarters of 2018.

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Despite exceeding the threshold numbers in 2016, 2017, and 2018, JRP failed to file business activities reports within 90 days of the end of each fiscal year.

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The violations set forth above, violate Sections 10166.07 (file BAR within 90 days) of the Code and are grounds for the suspension or revocation of RESPONDENTS' real estate licenses pursuant to Sections 10177(d) (violate real estate law) and 10177(g) (negligence/incompetence by licensee) of the Code.

FIFTH CAUSE OF ACTION

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Complainant refers to Paragraphs 1 through 33, above, and incorporates the same herein by reference.

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The Department investigation revealed that Respondents were performing residential mortgage loan activities, including arranging/brokering loans in 2016, 2017, and 2018.

36

Despite being active in performing residential mortgage loan activities, JRP and SINGH failed to file Mortgage Loan Activity Notices for 2016, 2017, and 2018.

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The violations set forth above, violate Sections 10166.02(a) (MLA Notification) of the Code and are grounds for the suspension or revocation of JPR and SINGH's real estate licenses pursuant to Sections 10177(d) (violate real estate law) and 10177(g) (negligence/incompetence by licensee) of the Code.

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1 SIXTH CAUSE OF ACTION

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3 Complainant refers to Paragraphs 1 through 37, above, and incorporates the same
4 herein by reference.

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6 JRP maintained a branch office at 1356 Mitchell Road, Suite B, Modesto,
7 California.

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9 JRP and SINGH failed to register the Mitchell Road office with the Department.

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11 The violation set forth above, violates Section 2715 of the Regulations and
12 Section 10163 of the Code and are grounds for the suspension or revocation of JRP's and
13 SINGH'S real estate licenses pursuant to Section 10177(d) and 10177(g) of the Code.

14 SEVENTH CAUSE OF ACTION

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16 Complainant refers to Paragraphs 1 through 41, above, and incorporates the same
17 herein by reference.

18 43

19 At all times herein above mentioned, SINGH, was responsible as the supervising
20 broker for JRP, for the supervision and control of the activities conducted on behalf of JRP's
21 business by its employees. SINGH failed to exercise reasonable supervision and control over the
22 activities of JRP. In particular, SINGH permitted, ratified, and/or caused the conduct described
23 above, to occur, and failed to take reasonable steps, including but not limited to supervision of
24 employees and the implementation of policies, rules, and systems to ensure the compliance of the
25 business with the Real Estate Law and the Regulations.

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The above acts and/or omissions of SINGH violate Section 10159.2 of the Code and Section 2725 of the Regulations and constituted grounds for disciplinary action under the provisions of Sections 10177(d), 10177(g), and 10177(h) of the Code.

COSTS

Section 10106 of the Code provides, in pertinent part, that in any order issued in resolution of a disciplinary proceeding before the Department, 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 licenses and license rights of Respondents under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code), and for such other and further relief as may be proper under other provisions of law.


CHIKA SUNQUIST
Supervising Special Investigator

Dated at Sacramento, California,
this 28th day of June, 2019.

DISCOVERY DEMAND

The Department of Real Estate hereby requests discovery pursuant to Section 11507.6 of the California Government Code. Failure to provide discovery to the Department may result in the exclusion of witnesses and/or documents at the hearing, and other sanctions as the Administrative Law Judge deems appropriate.