

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

FILED
AUG 03 2011

DEPARTMENT OF REAL ESTATE

By [Signature]

In the Matter of the Accusation of)
)
MARIPOSA MORTGAGE, INC., a) CASE NO. H-10082 SF
California Corporation,)
VISION QUEST 21, INC., a)
California Corporation, and) OAH NO. 2011010737
BIC D. PHO et al.,)
)
Respondents.)
)

DECISION

The Proposed Decision dated June 22, 2011, of the Administrative Law Judge of the Office of Administrative Hearings is hereby adopted as the Decision of the Real Estate Commissioner in the above-entitled matter.

The Decision suspends or revokes the real estate license and/or license rights.

The right to reinstatement of a revoked real estate license or to the reduction of a suspension is controlled by Section 11522 of the Government Code. A copy of Section 11522 and a copy of the Commissioner's Criteria of Rehabilitation are attached hereto for the information of respondent.

This Decision shall become effective at 12 o'clock noon on AUG 22 2011

IT IS SO ORDERED 8/1/11

BARBARA J. BIGBY
Acting Real Estate Commissioner

[Signature]

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation Of:

MARIPOSA MORTGAGE, INC., a
California Corporation,

VISION QUEST 21, INC., a California
Corporation, and

BIC D. PHO et al.,

Respondents.

Case No. H-10082 SF

OAH No. 2011010737

PROPOSED DECISION

Administrative Law Judge Ruth S. Astle, State of California, Office of Administrative Hearings, heard this matter in Oakland, California, on May 26, 2011.

Michael B. Rich, Counsel, represented complainant.

There was no appearance by or on behalf of any respondent.

The matter was submitted on May 26, 2011.

There were numerous other respondents named in the accusation. All other respondents' matters were disposed of by default decisions or dismissed. On May 25, 2011, respondent Pho filed a Notice of Non-Opposition in which he withdrew his Notice of Defense to the Accusation and stated he would not appear at the hearing. Upon proof of compliance with Government Code sections 11505 and 11509, this matter proceeded as a default pursuant to Government Code section 11520.

FACTUAL FINDINGS

1. Charles W. Koenig made the accusation in his official capacity as a Deputy Real Estate Commissioner of the State of California.

2. Mariposa Mortgage, Inc., and Vision Quest 21, Inc. (respondents) were licensed and have licensing rights under the Real Estate Law as a corporate real estate brokers. Mariposa Mortgage, Inc.'s license expired December 1, 2010 and Vision Quest 21,

Inc.'s license expired September 20, 2009. Bic D. Pho was licensed and has licensing rights under the Real Estate Law as a real estate broker. His license will expire September 23, 2013 unless otherwise renewed.

3. Until February 4, 2001, respondent Pho acted as the designated officer-broker of respondent Mariposa. As the designated broker, respondent Pho was responsible for the supervision of Mariposa for which a license was required.

Until July 5, 2007 as designated officer-broker of respondent Vision Quest, respondent Pho was responsible for the supervision of the activities of the officers, agents, real estate licensees and employees of respondent Vision Quest for which a license was required.

4. Whenever reference is made in a Finding to an act or omission of respondent Mariposa and/or respondent Vision Quest, that Finding shall be deemed to mean that the officers, directors, employees, agents and real estate licensees employed by or associated with respondents Mariposa and/or Vision Quest committed those acts or omissions while engaged in the furtherance of the business or operation of respondents and while acting within the course and scope of their corporate authority and employment.

5. At all times set forth herein, respondent Mariposa engaged in the business of, acted in the capacity of, advertised or assumed to act as a real estate broker in the State of California within the meaning of the law, including operation and conduct of a mortgage loan brokerage business with the public wherein respondent Mariposa, for another or others, for or in expectation of compensation, solicited lenders and borrowers for loans secured directly or collaterally by liens on real property or a business opportunity, and arranged, negotiated, processed and consummated those loans.

6. At all times set forth herein, respondent Vision Quest engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate broker within the meaning of the law, including the operation and conduct of real estate sales brokerage businesses with the public wherein, on behalf of others, for compensation or in expectation of compensation, respondent sold and offered to sell, bought and offered to buy, solicited prospective sellers and purchases of, solicited and obtained listings of, and negotiated the purchase and sale of real property.

First Cause for Disciplinary Action

7. From February 7, 2006, through March 31, 2006, in the course of the mortgage loan brokerage and real estate resale brokerage activities, respondents Mariposa and Vision Quest entered into and participated in a fraudulent plan or scheme to substantially benefit themselves by inducing four different mortgage lenders to make mortgage loans to finance purchases of residential real property by misrepresenting the buyer's qualifications and by concealing their true intentions from the mortgage lenders.

8. From February 1, 2006, through March 31, 2006, respondents Vision Quest and Mariposa committed acts in furtherance of the fraudulent scheme in that they solicited and obtained first and second mortgage loans for \$360,000 and \$120,000 from Ownit Mortgage Solutions, Inc., to finance a single buyer's (Michelle Barries) purchase of the real property at 904 Cold Brook Way, Galt, California, that secured the loan, by representing to the mortgage lender, contrary to the facts, that the property would be the primary residence of the purchaser and that the purchaser was then employed as a web designer. Respondents also materially inflated the purchaser's income.

9. From February 1, 2006, through March 31, 2006, respondents Vision Quest and Mariposa committed acts in furtherance of the fraudulent scheme in that they solicited and obtained first and second mortgage loans for \$405,400 and \$100,600 from New Century Mortgage Corporation to finance a single buyer's purchase of the real property at 993 Manton Court, Galt, California, that secured the loan, by representing to the mortgage lender, contrary to the facts, that the property would be the primary residence of the purchaser and that the purchaser was then employed as a web designer. Respondents also materially inflated the purchaser's income.

10. From February 1, 2006, through March 31, 2006, respondents Vision Quest and Mariposa committed acts in furtherance of the fraudulent scheme in that they solicited and obtained first and second mortgage loans for \$404,000 and \$101,000 from Opteum Financial Services, LLC to finance a single buyer's purchase of the real property at 10414 Point Reyes Circle, Stockton, California, that secured the loan, by representing to the mortgage lender, contrary to the facts, that the property would be the primary residence of the purchaser and that the purchaser was then employed as a web designer. Respondents also materially inflated the purchaser's income.

11. From February 1, 2006, through March 31, 2006, respondents Vision Quest and Mariposa committed acts in furtherance of the fraudulent scheme in that they solicited and obtained first and second mortgage loans for \$424,000 and \$106,000 from Long Beach Mortgage Company to finance a single buyer's purchase of the real property at 983 Colmore Way, Galt, California, that secured the loan, by representing to the mortgage lender, contrary to the facts, that the property would be the primary residence of the purchaser and that the purchaser was then employed as a web designer. Respondents also materially inflated the purchaser's income.

12. Respondents concealed from each of the mortgage lenders in Findings 8, 9, 10 and 11, above, each of the other purchases and mortgage loan transactions. In truth and in fact, respondents (each of them) knew that the purchaser was not buying any of the subject properties as her primary residence, that she was not employed as a web designer, and that her income was materially less than the amount represented to the mortgage lenders.

13. The acts and omission of respondents described in Findings 7 through 12, above, constitute the substantial misrepresentation of a material fact, a continued and flagrant course of misrepresentation through agents and fraud and dishonest dealing.

Second Cause for Disciplinary Action

14. From March 1, 2006, through May 15, 2006, in the course of the mortgage loan brokerage and real estate resale brokerage activities described above, respondents entered into and participated in a fraudulent plan or scheme to substantially benefit themselves by inducing a mortgage lender to make a mortgage loan ostensibly to finance a purchaser's (Kulwinder Singh) purchases of residential real property by misrepresenting the purchaser's qualification and by concealing their true intentions from the mortgage lender.

15. From March 1, 2006, through May 15, 2006, in the course of the fraudulent plan and scheme set forth in Finding 14, above, respondents solicited and obtained mortgage loans in the sum of \$463,200 and \$115,800 from Fremont Investment and Loan, Inc., secured by real property at 1390 Saddle Rack Street #434, San Jose, California, ostensibly to finance the purchase by the purchaser of the property, by representing, contrary to fact that he was purchasing the property for his own account as his primary residence and that he had advanced \$4,045 toward the purchase of the property and that he was employed earning \$12,000 per month from Neri Transportation Company and that the sum of \$20,000 from the Seller's proceeds of the sale would be disbursed at close of the escrow consummating the sale and loans to a bona fide third party named Arvi Salting.

16. When the representations set forth in Finding 15, above were made, respondent know that the representations were false. In truth and in fact, purchaser was not purchasing the property for his own account or as his primary residence. He had not advanced any money toward the purchase, but had agreed to accept \$2,500 for serving as a "straw buyer" in the transaction, without any intention of occupying the property. The purchaser was not employed by Neri Transportation for any amount, but was employed by Vision Quest as a telemarketer. Further, Arvi Salting received \$20,000 at close of escrow, but Arvi Salting is in actuality the wife of one of the respondents and was not a bona fide third party. The purchaser was compensated for acting as a "straw buyer" in the transaction by receiving \$2,000 from the proceeds of the mortgage loans and \$500 from one of the respondents after the close of escrow.

17. The acts and omission of respondents as set forth in Findings 14, 15, and 16, above, constitute the substantial misrepresentation of a material fact, a continued and flagrant course of misrepresentation and fraud and dishonest dealing.

Third Cause for Disciplinary Action

18. From March 1, 2006, through April 6, 2006, in the course of the mortgage loan brokerage and real estate resale brokerage activities set forth above, respondents entered into and participated in a fraudulent plan and scheme to substantially benefit themselves by

inducing three different mortgage lenders to make mortgage loans to finance a single purchaser's (Heraclio Hernandez) purchases of residential real property by misrepresenting the purchaser's qualifications and by concealing their true intentions from the mortgage lenders.

19. Respondents solicited and obtained first and second mortgage loans for \$562,500 and \$187,500 from Ownit Mortgage Solutions, Inc. ostensibly to finance the purchaser's purchase of the real property at 1348 Park Pleasant Circle, San Jose, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of the purchaser. In addition, respondents concealed the other purchase and mortgage loan transactions from the mortgage lender.

20. Respondents solicited and obtained first and second mortgage loans for \$512,000 and \$128,000 from WMC Mortgage Corp. ostensibly to finance the purchaser's purchase of the real property at 79 West Alma Avenue, San Jose, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of the purchaser. In addition, respondents concealed the other purchase and mortgage loan transactions from the mortgage lender.

21. Respondents solicited and obtained first and second mortgage loans for \$524,800 and \$131,200 from Greenpoint Mortgage Funding, Inc., ostensibly to finance the purchaser's purchase of the real property at 1647 Farringdon Drive, San Jose, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of the purchaser. In addition, respondents concealed the other purchase and mortgage loan transactions from the mortgage lender.

22. In truth and fact, respondents knew of all three transactions and knew the purchaser was not buying the properties as his primary residence.

23. The acts and omissions of respondents as set forth in Findings 18, 19, 20, and 21, above, constitute the substantial misrepresentation of material facts, a continued and flagrant course of misrepresentation and fraud, and dishonest dealing.

Fourth Cause for Disciplinary Action

24. From August 2005 through October 2005, in the course of the mortgage loan brokerage and real estate resale brokerage activities described above, respondents entered into and participated in a fraudulent plan and scheme to substantially benefit themselves by inducing a mortgage lender to make mortgage loans to finance the purchaser's (Patricia Lynch) purchases of residential real property by misrepresenting the purchaser's qualifications and by concealing their true intentions from the mortgage lender.

25. From August 2005 through October 2005, respondents solicited and obtained first and second mortgage loans for \$548,000 and \$137,000 from Unified Capitol Group, ostensibly to finance purchaser's purchase of the real property at 1618 Farringdon Court, San

Jose, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of the purchaser.

26. In truth and fact, respondents knew the purchaser was not buying the property as her primary residence.

27. The acts and omissions of respondents as set forth in Findings 24 through 26, above, constitute the substantial misrepresentation of material fact, a continued and flagrant course of misrepresentation and fraud and dishonest dealing.

Fifth Cause for Disciplinary Action

28. From February 7, 2006, through June 1, 2007, in connection with the purchase and mortgage loan transactions set forth above, respondent Vision Quest failed to retain for three years copies of all listings, deposit receipts, cancelled checks, trust records and other documents executed or obtained by respondent Vision Quest in connection with transactions for which a real estate broker license is required and failed after notice to make those cancelled checks and other trust records available for examination, inspection and copying by the designated representative of the Real Estate Commissioner.

Sixth Cause for Disciplinary Action

29. In acting as a real estate broker as set forth above, Mariposa Mortgage accepted or received funds in trust from or on behalf of sellers, buyers, lenders and investors, borrowers and others in connection with the mortgage loan brokerage activities set forth above, and thereafter from time to time made disbursements of those trust funds.

30. From June 1, 2004 through June 30, 2006, in connection with the collection and disbursement of the trust funds, respondent Mariposa failed to keep a columnar record in chronological sequence of all trust funds received and disbursed as required by law; failed to keep a separate record for each beneficiary or transaction as required by law; failed to reconcile, at least once a month, the balance of all separate beneficiary or transaction records with the record of all trust funds in conformance with the requirements of the law; and failed to place trust funds entrusted to respondent Mariposa into the hands of a principal on whose behalf the funds were received, into a neutral escrow depository, or into a trust fund account in the name of respondent Mariposa as trustee at a bank or other financial institution, in conformance with the requirements of the law.

Seventh Cause for Disciplinary Action

31. From June 1, 2004, through June 30, 2006, in the course of the real estate brokerage activities set forth above, respondent Mariposa failed to provide mortgage loan disclosure statements containing all of the information required by law.

Eighth Cause for Disciplinary Action

32. Respondent Pho failed to exercise reasonable supervision over the acts of respondents Mariposa and Vision Quest in such a manner as to allow the acts and events described in the Findings above, to occur.

LEGAL CONCLUSIONS

1. By reason of the matters set forth in Findings 7 through 13, cause for disciplinary action exists against respondents pursuant to Business and Professions Code section 10176, subdivisions (a) (making any substantial misrepresentation), (c) (a continued and flagrant course of misrepresentation), and (i) (fraud or dishonest dealing), and section 10177 (g) (negligence or incompetence).

2. By reason of the matters set forth in Findings 14 through 17, cause for disciplinary action exists against respondents pursuant to Business and Professions Code section 10176, subdivisions (a) (making any substantial misrepresentation), (c) (a continued and flagrant course of misrepresentation), and (i) (fraud or dishonest dealing), and section 10177 (g) (negligence or incompetence).

3. By reason of the matters set forth in Findings 18 through 23, cause for disciplinary action exists against respondents pursuant to Business and Professions Code section 10176, subdivisions (a) (making any substantial misrepresentation), (c) (a continued and flagrant course of misrepresentation), and (i) (fraud or dishonest dealing), and section 10177 (g) (negligence or incompetence).

4. By reason of the matters set forth in Findings 24 through 27, cause for disciplinary action exists against respondents pursuant to Business and Professions Code section 10176, subdivisions (a) (making any substantial misrepresentation), (c) (a continued and flagrant course of misrepresentation), and (i) (fraud or dishonest dealing), and section 10177 (g) (negligence or incompetence).

5. By reason of the matters set forth in Finding 28, cause for disciplinary action exists against respondents pursuant to Business and Professions Code section 10148 (records) in conjunction with section 10177, subdivision (d) (willful disregard for the law).

6. By reason of the matters set forth in Findings 29 and 30, cause for disciplinary action exists against Mariposa pursuant to Business and Professions Code section 10177, subdivision (d) (willful disregard for the law) in conjunction with California Code of Regulations, title 10, sections 2731, 2831, 2831.2, and 2832 (documentation requirements).

7. By reason of the matters set forth in Finding 31, cause for disciplinary action exists against Mariposa pursuant to Business and Professions Code section 10177, subdivision (d) (willful disregard for the law) in conjunction with sections 10236.4 and

10240 (written disclosure statements) and California Code of Regulations, title 10, sections 2731, 2831, 2831.2, and 2832 (documentation requirements).

8. By reason of the matters set forth in Finding 32, cause for disciplinary action exists against Pho pursuant to Business and Professions Code section 10177, subdivisions (g) (negligence), and (h) (lack of supervision) and section 10159.2 (responsibility of corporate officer in charge) in conjunction with section 10177, subdivision (d) (willful disregard for the law).

ORDER

1. All licenses and licensing rights of respondent Mariposa Mortgage, Inc., under the Real Estate Law are revoked.

2. All licenses and licensing rights of respondent Vision Quest 21, Inc., under the Real Estate Law are revoked.

3. All licenses and licensing rights of respondent Bic D. Pho under the Real Estate Law are revoked.

DATED: 6/22/11

Ruth S. Astle

RUTH S. ASTLE
Administrative Law Judge
Office of Administrative Hearings

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FILED

AUG 17 2010

DEPARTMENT OF REAL ESTATE

By *R. Frost*

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

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|---------------------------------------|---|----------------|
| In the Matter of the Accusation of |) | |
| |) | NO. H-10082 SF |
| MARIPOSA MORTGAGE, INC., a California |) | |
| Corporation, VISION QUEST 21, INC., a |) | |
| California corporation, BIC D. PHO, |) | |
| MILTON C. McLaurin, |) | |
| NATRIAN BERNARD MAXWELL, |) | |
| MARK DWELLE, FELIPE ARTURO NERI, |) | |
| GERALDINE KATHLEEN NUNEZ, |) | |
| JULISSA I. GILL, GLORIA M. ALVAREZ, |) | |
| RUTH MABEL MEJORADO, |) | |
| ROBERT PAUL ATENCIO, Jr., |) | |
| ROBERT WARDEN, |) | |
| ROBERT SEAN VILLEGAS, EDDIE BURNIAS, |) | |
| PETER G. SANCHEZ, MINERVA SANCHEZ |) | |
| RUSHWAN T. JONES, and |) | |
| JOHN TRUNG NGUYEN, |) | |
| |) | |
| Respondents. |) | |

DISMISSAL

The First Amended Accusation herein filed on June 2, 2008, against Respondent
ROBERT SEAN VILLEGAS is DISMISSED.

IT IS SO ORDERED 8/27/2010

JEFF DAVI
Real Estate Commissioner

Jeff Davi

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FILED

AUG 17 2010

DEPARTMENT OF REAL ESTATE

By L. Frost

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)
)
MARIPOSA MORTGAGE, INC., a California)
Corporation, VISION QUEST 21, INC., a)
California corporation, BIC D. PHO,)
MILTON C. McLAURIN,)
NATRIAN BERNARD MAXWELL,)
MARK DWELLE, FELIPE ARTURO NERI,)
GERALDINE KATHLEEN NUNEZ,)
JULISSA I. GILL, GLORIA M. ALVAREZ,)
RUTH MABEL MEJORADO,)
ROBERT PAUL ATENCIO, Jr.,)
ROBERT WARDEN,)
ROBERT SEAN VILLEGAS, EDDIE BURNIAS,)
PETER G.SANCHEZ, MINERVA SANCHEZ)
RUSHWAN T. JONES, and)
JOHN TRUNG NGUYEN,)
)
Respondents.)

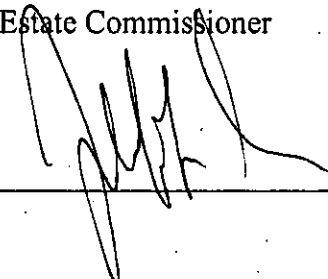
NO. H-10082 SF

DISMISSAL

The First Amended Accusation herein filed on June 2, 2008, against Respondent
GERALDINE KATHLEEN NUNEZ is DISMISSED.

IT IS SO ORDERED 7-12-2010

JEFF DAVI
Real Estate Commissioner



FILED

AUG 17 2010

DEPARTMENT OF REAL ESTATE

By *[Signature]*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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In the Matter of the Accusation of)
)
 MARIPOSA MORTGAGE, INC., a California)
 Corporation, VISION QUEST 21, INC., a)
 California corporation, BIC D. PHO,)
 MILTON C. McLaurin,)
 Natrian Bernard Maxwell,)
 Mark Dwelle, Felipe Arturo Neri,)
 Geraldine Kathleen Nunez,)
 Julissa I. Gill, Gloria M. Alvarez,)
 Ruth Mabel Mejorado,)
 Robert Paul Atencio, Jr.,)
 Robert Warden,)
 Robert Sean Villegas, Eddie Burnias,)
 Peter G. Sanchez, Minerva Sanchez)
 Rushwan T. Jones, and)
 John Trung Nguyen,)
)
 Respondents.)

NO. H-10082 SF

DISMISSAL

The First Amended Accusation herein filed on June 2, 2008, against Respondent MINERVA SANCHEZ, MARK DWELLE, MILTON C. McLaurin, RUTH MABEL MEJORADO, RUSHAWN T. JONES, is DISMISSED.

IT IS SO ORDERED 8-12, 2010.

JEFF DAVI
Real Estate Commissioner

[Signature]

FILED

AUG 17 2010

DEPARTMENT OF REAL ESTATE

By *L. Frost*

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

| | | |
|---------------------------------------|---|----------------|
| In the Matter of the Accusation of |) | |
| |) | NO. H-10082 SF |
| MARIPOSA MORTGAGE, INC., a California |) | |
| Corporation, VISION QUEST 21, INC., a |) | |
| California corporation, BIC D. PHO, |) | |
| MILTON C. McLAURIN, |) | |
| NATRIAN BERNARD MAXWELL, |) | |
| MARK DWELLE, FELIPE ARTURO NERI, |) | |
| GERALDINE KATHLEEN NUNEZ, |) | |
| JULISSA I. GILL, GLORIA M. ALVAREZ, |) | |
| RUTH MABEL MEJORADO, |) | |
| ROBERT PAUL ATENCIO, Jr., |) | |
| ROBERT WARDEN, |) | |
| ROBERT SEAN VILLEGAS, EDDIE BURNIAS, |) | |
| PETER G.SANCHEZ, MINERVA SANCHEZ |) | |
| RUSHWAN T. JONES, and |) | |
| JOHN TRUNG NGUYEN, |) | |
| |) | |
| 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 February 23, 2009, and the findings of fact set forth herein, which are based on one or more of the following: (1) Respondents' express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

1

On May 28, 2008, Charles W. Koenig made the First Amended Accusation in his official capacity as a Deputy Real Estate Commissioner of the State of California. The First

Amended Accusation, Statement to Respondent and Notice of Defense were mailed, by regular and certified mail, to Respondents' last known mailing addresses on file with the Department on June 3, 2008.

2

On February 23, 2009, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondents' default was entered herein.

3

Respondent NATRIAN BERNARD MAXWELL (hereinafter "Respondent MAXWELL") and Respondent FELIPE ARTURO NERI (hereinafter "Respondent NERI"), are presently licensed and/or have license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereafter "the Code").

4

At all times herein mentioned, Respondent MAXWELL was and is licensed by the Department of Real Estate (hereafter "the Department") as a real estate salesperson.

5

At all times herein mentioned, Respondent NERI was and is licensed by the Department of Real Estate (hereafter "the Department") as a real estate salesperson.

6

At all times herein mentioned, Respondents MAXWELL and NERI were licensed in the employ of VISION QUEST 21, INC., a licensed corporate real estate broker, under a broker-salesperson arrangement.

7

With reference to the facts set forth in Paragraphs 1 through 6, above, Respondents engaged in the business of, acted in the capacity of, advertised, or assumed to act as real estate brokers within the meaning of Sections 10131(a) and 10131(d), including:

- (a) Selling or offering to sell, buying or offering to buy, soliciting prospective sellers or purchasers of, soliciting or obtaining listings of, or negotiating the purchase, sale or exchange of real property or a business opportunity; and,
- (b) Soliciting borrowers or lenders for or negotiating loans or collecting payments or performing services for borrowers or lenders or note owners in connection with loans secured directly or collaterally by liens on real property or on a business opportunity.

FIRST CAUSE OF ACTION

8

From approximately February 7, 2006 through March 31, 2006, in the course of the mortgage loan brokering activities and real estate brokerage activities described in Paragraph 7, above, Respondent MAXWELL, in association with Michele Barries (hereinafter "Barries") entered into a fraudulent plan or scheme to substantially benefit themselves by inducing four different mortgage lenders to make mortgage loans to finance Barries' purchases of residential real property by misrepresenting Barries' qualifications and by concealing their true intentions from the mortgage lenders.

9

From approximately February 7, 2006 through March 31, 2006, Respondent MAXWELL committed the following acts in furtherance of the fraudulent plan or scheme described in Paragraph 8, above:

(a) Said Respondent solicited and obtained first and second mortgage loans for \$360,000.00 and \$120,000.00 from Ownit Mortgage Solutions, Inc., to finance Barries' purchase of the real property at 904 Cold Brook Way, Galt, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Barries and that Barries was then employed as a web designer. Said Respondent also materially inflated Barries' monthly income;

(b) Said Respondent solicited and obtained first and second mortgage loans for \$402,400.00 and \$100,000.00 from New Century Mortgage Corporation to finance Barries' purchase of the real property at 993 Manton Court, Galt, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Barries and that Barries was then employed as a web designer. Said Respondent also materially inflated Barries' monthly income;

(c) Said Respondent solicited and obtained first and second mortgage loans for \$404,000.00 and \$101,000.00 from Opteum Financial Services, LLC, to finance Barries' purchase of the real property at 10414 Point Reyes Circle, Stockton, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Barries and that Barries was then employed as a web designer. Said Respondent also materially inflated Barries' monthly income;

(d) Said Respondent solicited and obtained first and second mortgage loans for \$424,000.00 and \$106,000.00 from Long Beach Mortgage Company to finance Barries' purchase of the real property at 983 Colmore Way, Galt, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Barries and that Barries was then employed as a web designer. Said Respondent also materially inflated Barries' monthly income; and,

(e) Said Respondent concealed from each of the mortgage lenders identified hereinabove the other purchases and mortgage loan transactions.

10

In truth and fact, Respondent MAXWELL knew Barries was not buying any of the subject properties as her primary residence, that Barries was not employed as a web designer, and that Barries' income was materially less than the amount represented to the mortgage lenders.

11

The acts and omissions of Respondent MAXWELL described in Paragraphs 8 through 10, above, constitute substantial misrepresentations of a material fact, fraud, and dishonest dealing.

SECOND CAUSE OF ACTION

12

From approximately March 1, 2006, through May 15, 2006, in the course of the mortgage loan brokerage and real estate resale brokerage activities described in Paragraph 7, above, Respondents MAXWELL and NERI, in association with Kulwinder Singh (hereinafter "Singh") entered into and participated in a fraudulent plan or scheme to substantially benefit themselves by inducing a mortgage lender to make a mortgage loan ostensibly to finance Singh's purchases of residential real property by misrepresenting Singh's qualifications and by concealing their true intentions from the mortgage lender.

13

From approximately March 1, 2006, through May 15, 2006, in the course of the fraudulent plan or scheme described in Paragraph 12, above, Respondents MAXWELL and NERI solicited and obtained mortgage loans in the sum of \$463,200.00 and \$115,800.00 from Fremont Investment and Loan, Inc., secured by real property at 1390 Saddle Rack Street, #434, San Jose, California, ostensibly to finance the purchase by Singh of the property, by representing, contrary to fact:

(a) That Singh was purchasing the property for his own account as Singh's primary residence, and that Singh had advanced \$4,045.00 toward the purchase of the property;

(b) That Singh was employed earning \$12,000.00 per month from Neri Transportation Company; and,

(c) That the sum of \$20,000.00 from the Seller's proceeds of sale would be disbursed at close of the escrow consummating the sale and loans to a bona fide third party named Arvi Stalling.

14

When the representations described in Paragraph 13, above, were made, Respondents MAXWELL and NERI knew that the representations were false. In truth and fact:

(a) Singh was not purchasing the property for Singh's own account or as Singh's primary residence, and Singh had not advanced \$4,045.00 toward the purchase of the property, or any other sum, but instead had agreed to accept \$2,500.00 for serving as a "straw buyer" in the transaction, without any intention of occupying the property;

(b) Singh was not employed by Neri Transportation Company for any amount at all, but instead was employed by Vision Quest 21, Inc., as a telemarketer under the supervision of Respondents MAXWELL and NERI;

(c) Arvi Stalling received \$20,000.00 at close of escrow, but Arvi Stalling is and was in actuality Respondent MAXWELL's wife and not a bona fide third party; and,

(d) Singh was compensated for acting as a straw buyer in the transaction by receiving \$2,000.00 from the mortgage loans and \$500.00 from Respondent MAXWELL after close of escrow.

15

The acts and omissions of Respondents MAXWELL and NERI described in Paragraphs 12 through 14, above, constitute substantial misrepresentations of a material fact, fraud, and dishonest dealing.

DETERMINATION OF ISSUES

16

The acts and/or omissions of Respondent MAXWELL, as alleged in Paragraphs 8 through 15, above and the acts and/or omissions of Respondent NERI as alleged in Paragraphs 12 through 15, above, constitute grounds for the revocation or suspension of Respondents' licenses and/or license rights under the following provisions:

- (a) Under Section 10176(a) of the Code (making a substantial misrepresentation);
- (b) Under Section 10176(c) of the Code (continued and flagrant course of misrepresentation or false promises through salespersons);
- (c) Under Section 10176(i) of the Code (any other conduct, whether of the same or a different character than specified in this section, which constitutes fraud or dishonest dealing); and

- (d) Under Section 10177(g) of the Code (demonstrated negligence or incompetence performing an act for which a license is required).

17

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

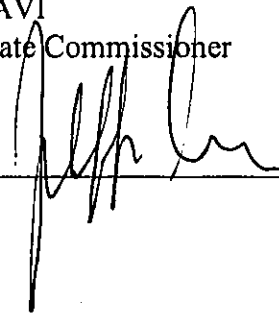
ORDER

All licenses and licensing rights of Respondent NATRIAN BERNARD MAXWELL and Respondent FELIPE ARTURO NERI 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 SEP 06 2010.

DATED: 7/27/2010

JEFF DAVI
Real Estate Commissioner



A handwritten signature in black ink, appearing to read 'Jeff Davi', is written over a horizontal line.

1 Department of Real Estate
2 P. O. Box 187007
3 Sacramento, CA 95818-7007

4 Telephone: (916) 227-0789

FILED

FEB 23 2009

DEPARTMENT OF REAL ESTATE

By *R. Frost*

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

11 In the Matter of the Accusation of)

No. H-10082 SF

12 MARIPOSA MORTGAGE, INC. a California)
13 Corporation, VISION QUEST 21, INC., a California)
14 Corporation, BIC D. PHO, MILTON C. McLAURIN,)
15 NATRIAN BERNARD MAXWELL, MARK DWELLE,)
16 FELIPE ARTURO NERI, JULISSA I. GILL,)
17 GERALDINE KATHLEEN NUNEZ, GLORIA M.)
18 ALVAREZ, RUTH MABEL MEJORADO, ROBERT)
19 PAUL ATENCIO, JR., ROBERT WARDEN, ROBERT)
20 SEAN VILLEGAS, EDDIE BURNIAS, PETER G.)
21 SANCHEZ, MINERVA SANCHEZ, RUSHAWN T.)
22 JONES, and JOHN TRUNG NGUYEN,)

DEFAULT ORDER

23 Respondents.

24 Respondents, NATRIAN BERNARD MAXWELL, FELIPE ARTURO NERI, GLORIA
25 M. ALVAREZ, ROBERT PAUL ATENCIO, JR., ROBERT WARDEN, EDDIE BURNIAS, PETER G.
26 SANCHEZ, and JOHN TRUNG NGUYEN, having failed to file Notices of Defense within the time
27 required by Section 11506 of the Government Code, are now in default. It is, therefore, ordered that a
default be entered on the record in this matter.

IT IS SO ORDERED February 23, 2009.

JEFF DAVI
Real Estate Commissioner

By:

Charles W. Koenig
CHARLES W. KOENIG
Regional Manager

FILED

AUG 17 2010

DEPARTMENT OF REAL ESTATE

By L. Frost

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

| | | |
|---------------------------------------|---|----------------|
| In the Matter of the Accusation of |) | |
| |) | NO. H-10082 SF |
| MARIPOSA MORTGAGE, INC., a California |) | |
| Corporation, VISION QUEST 21, INC., a |) | |
| California corporation, BIC D. PHO, |) | |
| MILTON C. McLaurin, |) | |
| NATRIAN BERNARD MAXWELL, |) | |
| MARK DWELLE, FELIPE ARTURO NERI, |) | |
| GERALDINE KATHLEEN NUNEZ, |) | |
| JULISSA I. GILL, GLORIA M. ALVAREZ, |) | |
| RUTH MABEL MEJORADO, |) | |
| ROBERT PAUL ATENCIO, Jr., |) | |
| ROBERT WARDEN, |) | |
| ROBERT SEAN VILLEGAS, EDDIE BURNIAS, |) | |
| PETER G. SANCHEZ, MINERVA SANCHEZ |) | |
| RUSHWAN T. JONES, and |) | |
| JOHN TRUNG NGUYEN, |) | |
| |) | |
| 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 February 23, 2009, and the findings of fact set forth herein, which are based on one or more of the following: (1) Respondents' express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

1

On May 28, 2008, Charles W. Koenig made the First Amended Accusation in his official capacity as a Deputy Real Estate Commissioner of the State of California. The First

Amended Accusation, Statement to Respondent and Notice of Defense were mailed, by regular and certified mail, to Respondents' last known mailing addresses on file with the Department on June 3, 2008.

2

On February 23, 2009, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondents' default was entered herein.

3

Respondent PETER G.SANCHEZ (hereinafter "Respondent P. SANCHEZ"), Respondent ROBERT WARDEN (hereinafter "Respondent Warden"), and Respondent EDDIE BURNIAS (hereinafter "Respondent BURNIAS") are presently licensed and/or have license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereafter "the Code").

4

At all times herein mentioned, Respondent P. SANCHEZ was licensed by the Department as a real estate salesperson.

5

At all times herein mentioned, Respondent P. SANCHEZ was licensed in the employ of VISION QUEST 21, INC., a licensed corporate real estate broker under a broker-salesperson arrangement.

6

At all times herein mentioned, Respondent WARDEN was licensed by the Department as a conditional real estate salesperson.

7

At all times herein mentioned, Respondent WARDEN was licensed in the employ of MARIPOSA MORTGAGE, INC., a licensed corporate real estate broker under a broker-salesperson arrangement.

8

At all times herein mentioned, Respondent BURNIAS was licensed by the Department as a real estate salesperson.

At all times herein mentioned, Respondent BURNIAS was licensed in the employ of MARIPOSA MORTGAGE, INC., a licensed corporate real estate broker under a broker-salesperson arrangement.

With reference to the facts set forth in Paragraphs 1 through 9, above, Respondents engaged in the business of, acted in the capacity of, advertised, or assumed to act as real estate brokers within the meaning of Sections 10131(a) and 10131(d), including:

- (a) Selling or offering to sell, buying or offering to buy, soliciting prospective sellers or purchasers of, soliciting or obtaining listings of, or negotiating the purchase, sale or exchange of real property or a business opportunity; and,
- (b) Soliciting borrowers or lenders for or negotiating loans or collecting payments or performing services for borrowers or lenders or note owners in connection with loans secured directly or collaterally by liens on real property or on a business opportunity.

FIFTH CAUSE OF ACTION

In approximately January 2007, in the course of the mortgage loan brokering activities and real estate brokerage activities described in Paragraph 10, above, Respondent P. SANCHEZ, Respondent WARDEN, and Respondent BURNIAS in association with Ruben Pacheco (hereinafter "Pacheco") entered into a fraudulent plan or scheme to substantially benefit themselves by inducing mortgage lenders to make mortgage loans ostensibly to finance Pacheco's purchase of residential real property by misrepresenting Pacheco's qualifications and by concealing their true intentions from the mortgage lenders.

In approximately January 2007, Respondents P. SANCHEZ, WARDEN and BURNIAS committed the following acts in furtherance of the fraudulent plan or scheme described in Paragraph 11, above:

- (a) Said Respondents solicited and obtained first and second mortgage loans in the sum of \$368,000.00 and \$92,000.00 from Mortgageit, Inc., secured by real property at 1763 - 84th Avenue, Oakland, California, ostensibly to finance the purchase by Pacheco of the property, by representing, contrary to fact, that Pacheco was purchasing the property for his own account as Pacheco's primary residence and that Pacheco was then employed as a Project Manager. Said Respondents also materially inflated Pacheco's income;

- (b) Said Respondents solicited and obtained first and second mortgage loans in the sum of \$620,000.00 and \$155,000.00 from New Century Mortgage secured by real property at 3000 Hoover Street, Stockton, California, ostensibly to finance the purchase by Pacheco of the property, by representing, contrary to fact, that Pacheco was purchasing the property for his own account as Pacheco's primary residence and that Pacheco was then employed as a Financial Services Manager. Said Respondents also materially inflated Pacheco's income and concealed the other purchase and mortgage loan transactions from the mortgage lender;
- (c) Said Respondents solicited and obtained first and second mortgage loans for \$344,000.00 and \$86,000.00 from First National Bank of Arizona secured by real property at 1500 Houser Lane, Modesto, California, ostensibly to finance the purchase by Pacheco of the property, by representing, contrary to fact, that Pacheco was purchasing the property for his own account as Pacheco's primary residence and that Pacheco was then employed as a Project Manager. Said Respondents also materially inflated Pacheco's income and concealed the other purchase and mortgage loan transactions from the mortgage lender; and,
- (d) Said Respondents solicited and obtained first and second mortgage loans for \$480,000.00 and \$120,000.00 from BNC Mortgage, Inc., secured by real property at 3013 East Hills, San Jose, California, ostensibly to finance the purchase by Pacheco of the property, by representing, contrary to fact, that Pacheco was purchasing the property for his own account as Pacheco's primary residence and that Pacheco was then employed as a Project Manager. Said Respondents also materially inflated Pacheco's income and concealed the other purchase and mortgage loan transactions from the mortgage lender.

13

When the representations described in Paragraph 12, above, were made, Respondents P. SANCHEZ, WARDEN and BURNIAS knew the representations were false. In truth and fact:

- (a) Pacheco was not purchasing any of the four properties for his own account nor was he planning to use any of the properties as his primary residence;
- (b) Pacheco was not employed by Winger Electric for any amount or at all; and,
- (c) Respondents represented to the mortgage lenders that Pacheco had advanced \$1,000.00 toward the purchase of the properties, but instead agreed to accept \$5,000.00 for serving as a "co-signer" in the transactions, without any intention of occupying the properties.

The acts and omissions of Respondent P. SANCHEZ, Respondent WARDEN and Respondent BURNIAS described in Paragraphs 11 through 13, above, constitute substantial misrepresentations of a material fact, fraud, and dishonest dealing.

DETERMINATION OF ISSUES

The acts and/or omissions of Respondent P. SANCHEZ, Respondent WARDEN and Respondent BURNIAS as alleged in Paragraphs 11 through 14, above, constitute grounds for the revocation or suspension of Respondents' licenses and/or license rights under the following provisions:

- (a) Under Section 10176(a) of the Code (making a substantial misrepresentation);
- (b) Under Section 10176(c) of the Code (continued and flagrant course of misrepresentation or false promises through salespersons);
- (c) Under Section 10176(i) of the Code (any other conduct, whether of the same or a different character than specified in this section, which constitutes fraud or dishonest dealing); and,
- (d) Under Section 10177(g) of the Code (demonstrated negligence or incompetence performing an act for which a license is required).

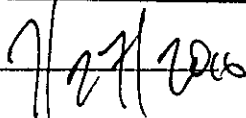
The standard of proof applied was clear and convincing proof to a reasonable certainty.

ORDER

All licenses and licensing rights of Respondent PETER G.SANCHEZ, Respondent ROBERT WARDEN and Respondent EDDIE BURNIAS 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 SEP 06 2010

DATED: _____


JEFF DAVI
Real Estate Commissioner

1 Department of Real Estate
2 P. O. Box 187007
3 Sacramento, CA 95818-7007

4 Telephone: (916) 227-0789

FILED

FEB 23 2009

DEPARTMENT OF REAL ESTATE

By *L. Frost*

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

10 In the Matter of the Accusation of)

No. H-10082 SF

11 MARIPOSA MORTGAGE, INC. a California)
12 Corporation, VISION QUEST 21, INC., a California)
13 Corporation, BIC D. PHO, MILTON C. McLAURIN,)
14 NATRIAN BERNARD MAXWELL, MARK DWELLE,)
15 FELIPE ARTURO NERI, JULISSA I. GILL,)
16 GERALDINE KATHLEEN NUNEZ, GLORIA M.)
17 ALVAREZ, RUTH MABEL MEJORADO, ROBERT)
18 PAUL ATENCIO, JR., ROBERT WARDEN, ROBERT)
19 SEAN VILLEGAS, EDDIE BURNIAS, PETER G.)
20 SANCHEZ, MINERVA SANCHEZ, RUSHAWN T.)
21 JONES, and JOHN TRUNG NGUYEN,)

DEFAULT ORDER

22 Respondents.

23 Respondents, NATRIAN BERNARD MAXWELL, FELIPE ARTURO NERI, GLORIA
24 M. ALVAREZ, ROBERT PAUL ATENCIO, JR., ROBERT WARDEN, EDDIE BURNIAS, PETER G.
25 SANCHEZ, and JOHN TRUNG NGUYEN, having failed to file Notices of Defense within the time
26 required by Section 11506 of the Government Code, are now in default. It is, therefore, ordered that a
27 default be entered on the record in this matter.

IT IS SO ORDERED February 23, 2009.

JEFF DAVI
Real Estate Commissioner

By: *Charles W. Koenig*

CHARLES W. KOENIG
Regional Manager

FLAG

FILED

JUL 27 2010

DEPARTMENT OF REAL ESTATE

By [Signature]

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)
MARIPOSA MORTGAGE, INC., a California)
Corporation, VISION QUEST 21, INC., a)
California corporation, BIC D. PHO,)
MILTON C. McLAURIN,)
NATRIAN BERNARD MAXWELL,)
MARK DWELLE, FELIPE ARTURO NERI,)
GERALDINE KATHLEEN NUNEZ,)
JULISSA I. GILL, GLORIA M. ALVAREZ,)
RUTH MABEL MEJORADO,)
ROBERT PAUL ATENCIO, Jr.,)
ROBERT WARDEN,)
ROBERT SEAN VILLEGAS, EDDIE BURNIAS,)
PETER G.SANCHEZ, MINERVA SANCHEZ)
RUSHWAN T. JONES, and)
JOHN TRUNG NGUYEN,)
Respondents.)

NO. H-10082 SF

DISMISSAL

The First Amended Accusation herein filed on June 2, 2008, against Respondent
JULISSA I. GILL is DISMISSED.

IT IS SO ORDERED

7/27/2010

JEFF DAVI
Real Estate Commissioner

[Signature]

FILED

JUL 20 2010

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE
By *L. [Signature]*

| | | |
|---------------------------------------|---|----------------|
| In the Matter of the Accusation of |) | |
| |) | NO. H-10082 SF |
| MARIPOSA MORTGAGE, INC., a California |) | |
| Corporation, VISION QUEST 21, INC., a |) | |
| California corporation, BIC D. PHO, |) | |
| MILTON C. McLaurin, |) | |
| NATRIAN BERNARD MAXWELL, |) | |
| MARK DWELLE, FELIPE ARTURO NERI, |) | |
| GERALDINE KATHLEEN NUNEZ, |) | |
| JULISSA I. GILL, GLORIA M. ALVAREZ, |) | |
| RUTH MABEL MEJORADO, |) | |
| ROBERT PAUL ATENCIO, Jr., |) | |
| ROBERT WARDEN, |) | |
| ROBERT SEAN VILLEGAS, EDDIE BURNIAS, |) | |
| PETER G. SANCHEZ, MINERVA SANCHEZ |) | |
| RUSHWAN T. JONES, and |) | |
| JOHN TRUNG NGUYEN, |) | |
| |) | |
| 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 February 23, 2009, and the findings of fact set forth herein, which are based on one or more of the following: (1) Respondent's express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

1

On May 28, 2008, Charles W. Koenig made the First Amended Accusation in his official capacity as a Deputy Real Estate Commissioner of the State of California. The First Amended Accusation, Statement to Respondent and Notice of Defense were mailed, by regular

and certified mail, to Respondents' last known mailing addresses on file with the Department on June 3, 2008.

2

On February 23, 2009, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondents' default was entered herein.

3

Respondent GLORIA M. ALVAREZ (hereinafter "Respondent ALVAREZ"), is presently licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereafter "the Code").

4

At all times herein mentioned, Respondent ALVAREZ was licensed by the Department of Real Estate (hereafter "the Department") as a real estate salesperson.

5

At all times herein mentioned, Respondent ALVAREZ was licensed in the employ of VISION QUEST 21, INC., a licensed corporate real estate broker under a broker-salesperson arrangement.

6

With reference to the facts set forth in Paragraphs 1 through 5, above, Respondent engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate broker within the meaning of Sections 10131(a) and 10131(d), including:

- (a) Selling or offering to sell, buying or offering to buy, soliciting prospective sellers or purchasers of, soliciting or obtaining listings of, or negotiating the purchase, sale or exchange of real property or a business opportunity; and,
- (b) Soliciting borrowers or lenders for or negotiating loans or collecting payments or performing services for borrowers or lenders or note owners in connection with loans secured directly or collaterally by liens on real property or on a business opportunity.

THIRD CAUSE OF ACTION

7

From approximately March 1, 2006 through April 6, 2006, in the course of the mortgage loan brokering activities and real estate brokerage activities described in Paragraph 6,

above, Respondent ALVAREZ, in association with Heraclio Hernandez (hereinafter "Hernandez") entered into and participated in a fraudulent plan or scheme to substantially benefit themselves by inducing three different mortgage lenders to make mortgage loans to finance Hernandez' purchases of residential real property by misrepresenting Hernandez' qualifications and by concealing their true intentions from the mortgage lenders.

8

From approximately March 1, 2006 through April 6, 2006, Respondent ALVAREZ committed the following acts in furtherance of the fraudulent plan or scheme described in Paragraph 7, above:

(a) Said Respondent solicited and obtained first and second mortgage loans for \$562,500.00 and \$187,500.00 from Ownit Mortgage Solutions, Inc., ostensibly to finance Hernandez' purchase of the real property at 1348 Park Pleasant Circle, San Jose, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Hernandez. In addition, said Respondent concealed the other purchase and mortgage loan transactions from the mortgage lender;

(b) Said Respondent solicited and obtained first and second mortgage loans for \$512,000.00 and \$128,000.00 from WMC Mortgage Corp ostensibly to finance Hernandez' purchase of the real property at 79 West Alma Avenue, San Jose, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Hernandez. In addition, said Respondent concealed the other purchase and mortgage loan transactions from the mortgage lender; and,

(c) Said Respondent solicited and obtained first and second mortgage loans for \$524,800.00 and \$131,200.00 from Greenpoint Mortgage Funding to finance Hernandez' purchase of the real property at 1647 Farringdon Drive, San Jose, California, that secured the loan, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Hernandez. In addition, said Respondent concealed the other purchase and mortgage loan transactions from the mortgage lender.

9

In truth and fact, Respondent ALVAREZ knew of all three transactions and knew Hernandez was not buying any of the subject properties as his primary residence.

10

The acts and omissions of Respondent ALVAREZ described in Paragraphs 7 through 9, above, constitute substantial misrepresentations of a material fact, fraud, and dishonest dealing.

DETERMINATION OF ISSUES

11

The acts and/or omissions of Respondent ALVAREZ as alleged in Paragraphs 7 through 10, above, constitute grounds for the revocation or suspension of Respondent's licenses and/or license rights under the following provisions:

- (a) Under Section 10176(a) of the Code (making a substantial misrepresentation);
- (b) Under Section 10176(c) of the Code (continued and flagrant course of misrepresentation or false promises through salespersons);
- (c) Under Section 10176(i) of the Code (any other conduct, whether of the same or a different character than specified in this section, which constitutes fraud or dishonest dealing); and
- (d) Under Section 10177(g) of the Code (demonstrated negligence or incompetence performing an act for which a license is required).

12

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

ORDER

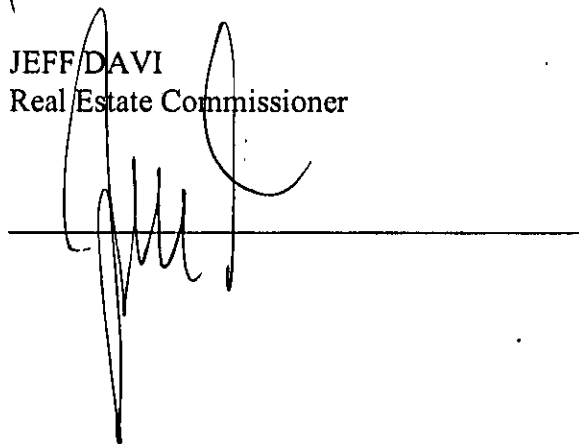
All licenses and licensing rights of Respondent GLORIA M. ALVAREZ under the provisions of Part I of Division 4 of the Business and Professions Code, are revoked.

This Decision shall become effective at 12 o'clock noon on AUG 09 2010

DATED: _____

9/15/2010

JEFF DAVI
Real Estate Commissioner



FILED

JUL 15 2010

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE
By *[Signature]*

In the Matter of the Accusation of)
)
 MARIPOSA MORTGAGE, INC., a California)
 Corporation, VISION QUEST 21, INC., a)
 California corporation, BIC D. PHO,)
 MILTON C. McLAURIN,)
 NATRIAN BERNARD MAXWELL,)
 MARK DWELLE, FELIPE ARTURO NERI,)
 JULISSA I. GILL, GERALDINE KATHLEEN)
 NUNEZ, GLORIA M. ALVAREZ,)
 RUTH MABEL MEJORADO,)
 ROBERT PAUL ATENCIO, JR.,)
 ROBERT WARDEN,)
 ROBERT SEAN VILLEGAS, EDDIE BURNIAS,)
 PETER G. SANCHEZ, MINERVA SANCHEZ)
 RUSHAWN T. JONES, and)
 JOHN TRUNG NGUYEN,)
)
 Respondents.)
)

NO. H-10082 SF

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 February 23, 2009, and the findings of fact set forth herein, which are based on one or more of the following: (1) Respondents' express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

1

On May 28, 2008, Charles W. Koenig made the First Amended Accusation in his official capacity as a Deputy Real Estate Commissioner of the State of California. The First Amended Accusation, Statement to Respondent and Notice of Defense were mailed, by regular and

certified mail, to Respondents' last known mailing addresses on file with the Department on June 3, 2008.

2

On February 23, 2009, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondents' default was entered herein.

3

Respondent ROBERT PAUL ATENCIO, JR. (hereinafter "Respondent ATENCIO") and JOHN TRUNG NGUYEN (hereinafter "Respondent NGUYEN"), are presently licensed and/or have license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereafter "the Code").

4

At all times herein mentioned, Respondent ATENCIO was licensed by the Department of Real Estate (hereafter "the Department") as a real estate salesperson.

5

At all times herein mentioned, Respondent ATENCIO was licensed in the employ of Vision Quest 21, Inc., a licensed corporate real estate broker, under a broker-salesperson arrangement.

6

At all times herein mentioned, Respondent NGUYEN was licensed by the Department as a real estate salesperson.

7

At all times herein mentioned, Respondent NGUYEN was licensed in the employ of Mariposa Mortgage, Inc., a licensed corporate real estate broker, under a broker-salesperson arrangement.

8

With reference to the facts set forth in Paragraphs 3 through 7, above, Respondents engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate broker within the meaning of Sections 10131(a) and 10131(d), including:

- (a) Selling or offering to sell, buying or offering to buy, soliciting prospective sellers or purchasers of, soliciting or obtaining listings of, or negotiating the purchase, sale or exchange of real property or a business opportunity; and,

- (b) Soliciting borrowers or lenders for or negotiating loans or collecting payments or performing services for borrowers or lenders or note owners in connection with loans secured directly or collaterally by liens on real property or on a business opportunity.

FOURTH CAUSE OF ACTION

9

From approximately August 2005 through October 2005, in the course of the mortgage loan brokering activities and real estate brokerage activities described in Paragraph 8, above, Respondent ATENCIO and Respondent NGUYEN, in association with Patricia Lynch (hereinafter "Lynch") entered into a fraudulent plan or scheme to substantially benefit themselves by inducing a mortgage lender to make mortgage loans to finance Lynch's purchases of residential real property by misrepresenting Lynch's qualifications and by concealing their true intentions from the mortgage lenders.

10

From approximately August 2005 through October 2005, Respondents ATENCIO and NGUYEN committed the following acts in furtherance of the fraudulent plan or scheme described in Paragraph 8, above, said Respondents solicited and obtained first and second mortgage loans for \$548,500.00 and \$137,000.00 from United Capital Group, ostensibly to finance Lynch's purchase of the real property at 1618 Farrington Court, San Jose, California, that secured the loans, by representing to the mortgage lender, contrary to fact, that the property would be the primary residence of Lynch.

11

In truth and fact, Respondent ATENCIO and Respondent NGUYEN knew Lynch was not buying the subject property as Lynch's primary residence.

12

The acts and omissions of Respondent ATENCIO and Respondent NGUYEN described in Paragraphs 9 through 11, above, constitute substantial misrepresentations of a material fact, fraud, and dishonest dealing.

DETERMINATION OF ISSUES

13

The acts and/or omissions of Respondent ATENCIO and Respondent NGUYEN as alleged in Paragraphs 9 through 12, above, constitute grounds for the revocation or suspension of Respondents' licenses and/or license rights under the following provisions:

- (a) Under Section 10176(a) of the Code (making a substantial misrepresentation);
- (b) Under Section 10176(c) of the Code (continued and flagrant course of misrepresentation or false promises through salespersons);
- (c) Under Section 10176(i) of the Code (any other conduct, whether of the same or a different character than specified in this section, which constitutes fraud or dishonest dealing); and
- (d) Under Section 10177(g) of the Code (demonstrated negligence or incompetence performing an act for which a license is required).

14

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

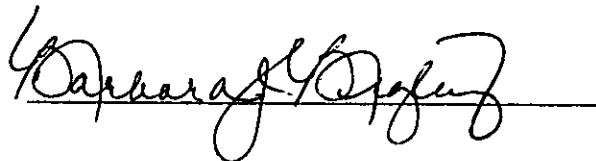
ORDER

All licenses and licensing rights of Respondent ROBERT PAUL ATENCIO, JR. and Respondent JOHN TRUNG NGUYEN, 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 JUL 15 2010

DATED: 7-12-10

JEFF DAVI
Real Estate Commissioner



BY: Barbara J. Bigby
Chief Deputy Commissioner

1 ANGELA L. CASH, Counsel (SBN 230882)
2 Department of Real Estate
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FILED

JUN - 2 2008

DEPARTMENT OF REAL ESTATE

By *K. Zirin*

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)
12 MARIPOSA MORTGAGE, INC., a)
13 California Corporation,)
14 VISION QUEST 21, INC., a)
15 California Corporation,)
16 BIC D. PHO, MILTON C.)
17 McLaurin, Natrian Bernard)
18 Maxwell, Mark Dwelle,)
19 Felipe Arturo Neri,)
20 Julissa I. Gill,)
21 Geraldine Kathleen Nunez,)
22 Gloria M. Alvarez,)
23 Ruth Mabel Mejorado,)
24 Robert Paul Atencio, Jr.,)
25 Robert Warden, Robert Sean)
26 Villegas, Eddie Burnias,)
27 Peter G. Sanchez,)
Minerva Sanchez,)
Rushawn T. Jones,)
and John Trung Nguyen,)
Respondents.)

H-10082 SF

FIRST AMENDED
ACCUSATION

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1 III

2 At all times herein mentioned, Respondent MARIPOSA was
3 and now is licensed by the Department of Real Estate of the
4 State of California (herein "the Department") as a corporate
5 real estate broker.

6 IV

7 At all times herein mentioned, Respondent VISION QUEST
8 was and now is licensed by the Department of Real Estate of the
9 Department as a corporate real estate broker.

10 V

11 At all times herein mentioned, Respondent PHO was and
12 now is licensed by the Department as a real estate broker,
13 individually and:

14 (a) To and until February 4, 2007 as designated
15 officer-broker of Respondent MARIPOSA. As said designated
16 officer-broker, Respondent PHO was at all times mentioned herein
17 responsible pursuant to Section 10159.2 of the Code for the
18 supervision of the activities of the officers, agents, real
19 estate licensees and employees of Respondent MARIPOSA for which
20 a license is required; and

21 (b) To and until July 5, 2007 as designated officer-
22 broker of Respondent VISION QUEST. As said designated officer-
23 broker, Respondent PHO was at all times mentioned herein
24 responsible pursuant to Section 10159.2 of the Code for the
25 supervision of the activities of the officers, agents, real
26 estate licensees and employees of Respondent VISION QUEST for
27 which a license is required.

1 VI

2 Whenever reference is made in an allegation in this
3 Accusation to an act or omission of Respondent MARIPOSA, such
4 allegation shall be deemed to mean that the officers, directors,
5 employees, agents and real estate licensees employed by or
6 associated with Respondent MARIPOSA committed such act or
7 omission while engaged in the furtherance of the business or
8 operations of Respondent MARIPOSA and while acting within the
9 course and scope of their corporate authority and employment.

10 VII

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

20 VIII

21 At all times herein mentioned, Respondent MARIPOSA, a
22 licensed corporate real estate broker, engaged in the business
23 of, acted in the capacity of, advertised or assumed to act as a
24 real estate broker in the State of California within the meaning
25 of Section 10131(d) of the Code, including the operation and
26 conduct of a mortgage loan brokerage business with the public
27 wherein Respondent MARIPOSA, for another or others, for or in

1 expectation of compensation, solicited lenders and borrowers for
2 loans secured directly or collaterally by liens on real property
3 or a business opportunity, and arranged, negotiated, processed,
4 and consummated such loans.

5 IX

6 At all times herein mentioned, Respondent VISION
7 QUEST, engaged in the business of, acted in the capacity of,
8 advertised, or assumed to act as a real estate broker within the
9 State of California within the meaning of Sections 10131(a) of
10 the Code, including the operation and conduct of real estate
11 sales brokerage businesses with the public wherein, on behalf of
12 others, for compensation or in expectation of compensation,
13 Respondent sold and offered to sell, bought and offered to buy,
14 solicited prospective sellers and purchases of, solicited and
15 obtained listings of, and negotiated the purchase and sale of
16 real property.

17 X

18 At all times herein mentioned, Respondents McLaurin,
19 Maxwell, Dwelle, Neri, Gill, Nunez, Alvarez, Mejorado, Atencio,
20 Warden, Villegas, Burnias, Sanchez, Minerva Sanchez, Jones and
21 Nguyen were and now are licensed by the Department as real
22 estate salespersons.

23 XI

24 At all times herein mentioned, Respondents McLaurin,
25 Maxwell, Dwelle, Neri, Gill, Nunez, Alvarez, Mejorado, Atencio,
26 Warden, Villegas, Burnias, Sanchez, Minerva Sanchez, Jones and
27 Nguyen were employed by Respondents Mariposa and/or Vision Quest

1 to engage in and conduct the mortgage loan brokerage and real
2 estate resale brokerage activities described in Paragraphs VIII
3 and IX, above.

4 FIRST CAUSE OF ACCUSATION

5 XII

6 There is hereby incorporated in this first, separate
7 and distinct Cause of Accusation, all of the allegations
8 contained in Paragraphs I through XI, inclusive of the
9 Preliminary Allegations with the same force and effect as if
10 herein fully set forth.

11 XIII

12 From approximately February 7, 2006 through March 31,
13 2006, in the course of the mortgage loan brokerage and real
14 estate resale brokerage activities described in Paragraphs VIII
15 and IX, above, Respondents MARIPOSA, VISION QUEST, McLAURIN,
16 MAXWELL and DWELLE, in association with Michelle Barries
17 (hereinafter "Barries") entered into and participated in a
18 fraudulent plan or scheme to substantially benefit themselves by
19 inducing four different mortgage lenders to make mortgage loans
20 to finance Barries' purchases of residential real property by
21 misrepresenting Barries' qualifications and by concealing their
22 true intentions from the mortgage lenders.

23 XIV

24 From approximately February 1, 2006 through March 31,
25 2006, Respondents VISION QUEST, MARIPOSA, McLAURIN, MAXWELL and
26 DWELLE committed the following acts in furtherance of the
27 fraudulent plan or scheme described in Paragraph XIII, above:

1 (a) Said Respondents solicited and obtained first and
2 second mortgage loans for \$360,000 and \$120,000 from Ownit
3 Mortgage Solutions, Inc. to finance Barries' purchase of the
4 real property at 904 Cold Brook Way, Galt, California that
5 secured the loan, by representing to the mortgage lender,
6 contrary to fact, that the property would be the primary
7 residence of Barries and that Barries was then employed as a web
8 designer. Said Respondents also materially inflated Barries'
9 monthly income;

10 (b) Said Respondents solicited and obtained first and
11 second mortgage loans for \$402,400 and \$100,600 from New Century
12 Mortgage Corporation to finance Barries' purchase of the real
13 property at 993 Manton Court, Galt, California that secured the
14 loan, by representing to the mortgage lender, contrary to fact,
15 that the property would be the primary residence of Barries and
16 that Barries was then employed as a web designer. Said
17 Respondents also materially inflated Barries' monthly income;

18 (c) Said Respondents solicited and obtained first and
19 second mortgage loans for \$404,000 and \$101,000 from Opteum
20 Financial Services, LLC to finance Barries' purchase of the real
21 property at 10414 Point Reyes Circle, Stockton, California, that
22 secured the loan, by representing to the mortgage lender,
23 contrary to fact, that the property would be the primary
24 residence of Barries and that Barries was then employed as a web
25 designer. Said Respondents also materially inflated Barries'
26 monthly income;

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1 (d) Said Respondents solicited and obtained first and
2 second mortgage loans for \$424,000 and \$106,000 from Long Beach
3 Mortgage Company to finance Barries' purchase of the real
4 property at 983 Colmore Way, Galt, California, that secured the
5 loan, by representing to the mortgage lender, contrary to fact,
6 that the property would be the primary residence of Barries and
7 that Barries was then employed as a web designer. Said
8 Respondents also materially inflated Barries' monthly income;
9 and

10 (e) Said Respondents concealed from each of the
11 mortgage lenders identified hereinabove the other purchase and
12 mortgage loan transactions.

13 XV

14 In truth and fact, Respondents VISION QUEST, MARIPOSA,
15 McLAURIN, MAXWELL and DWELLE, and each of them, knew Barries was
16 not buying any of the subject properties as her primary
17 residence, that Barries was not employed as a web designer, and
18 that Barries' income was materially less than the amount
19 represented to the mortgage lenders.

20 XVI

21 The acts and omissions of Respondents VISION QUEST,
22 MARIPOSA, McLAURIN, MAXWELL and DWELLE described in Paragraphs
23 XII through XV, above constitute the substantial
24 misrepresentation of a material fact, a continued and flagrant
25 course of misrepresentation through agents, and/or fraud and/or
26 dishonest dealing.

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1 (d) Singh was compensated for acting as a "straw
2 buyer" in the transaction by receiving \$2,000 from the proceeds
3 of the mortgage loans and \$500 from Respondent MAXWELL after
4 close of escrow.

5 XXI

6 The acts and omissions of Respondents VISION QUEST,
7 MARIPOSA, NERI, MAXWELL, GILL and NUNEZ described in Paragraphs
8 XVIII through XX, above constitute the substantial
9 misrepresentation of a material fact, a continued and flagrant
10 course of misrepresentation through agents, and/or fraud and/or
11 dishonest dealing.

12 THIRD CAUSE OF ACCUSATION

13 XXII

14 There is hereby incorporated in this Third separate
15 and distinct Cause of Accusation, all of the allegations
16 contained in Paragraphs I through XXI, inclusive, above, with
17 the same force and effect as if herein fully set forth.

18 XXIII

19 From approximately March 1, 2006 through April 6,
20 2006, in the course of the mortgage loan brokerage and real
21 estate resale brokerage activities described in Paragraphs VIII
22 and IX, above, Respondents MARIPOSA, VISION QUEST, ALVAREZ and
23 MEJORADO, in association with Heraclio Hernandez (hereinafter
24 "Hernandez") entered into and participated in a fraudulent plan
25 or scheme to substantially benefit themselves by inducing three
26 different mortgage lenders to make mortgage loans to finance
27 Hernandez' purchases of residential real property by

1 misrepresenting Hernandez' qualifications and by concealing
2 their true intentions from the mortgage lenders.

3 XXIV

4 From approximately March 1, 2006 through April 6,
5 2006, Respondents VISION QUEST, MARIPOSA, ALVAREZ and MEJORADO
6 committed the following acts in furtherance of the fraudulent
7 plan or scheme described in Paragraph XXIII, above:

8 (a) Such Respondents solicited and obtained first and
9 second mortgage loans for \$562,500 and \$187,500 from Ownit
10 Mortgage Solutions, Inc. ostensibly to finance Hernandez'
11 purchase of the real property at 1348 Park Pleasant Circle, San
12 Jose, California, that secured the loan, by representing to the
13 mortgage lender, contrary to fact, that the property would be
14 the primary residence of Hernandez. In addition, said
15 Respondents concealed the other purchase and mortgage loan
16 transactions from the mortgage lender;

17 (b) Such Respondents solicited and obtained first and
18 second mortgage loans for \$512,000 and \$128,000 from WMC
19 Mortgage Corp ostensibly to finance Hernandez' purchase of the
20 real property at 79 West Alma Avenue, San Jose, California, that
21 secured the loan, by representing to the mortgage lender,
22 contrary to fact, that the property would be the primary
23 residence of Hernandez. In addition, said Respondents concealed
24 the other purchase and mortgage loan transactions from the
25 mortgage lender; and

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1 XXVIII

2 From approximately August 2005 through October 2005,
3 in the course of the mortgage loan brokerage and real estate
4 resale brokerage activities described in Paragraphs VIII and IX,
5 above, Respondents MARIPOSA, VISION QUEST, NGUYEN and ATENCIO,
6 in association with Patricia Lynch (hereinafter "Lynch") entered
7 into and participated in a fraudulent plan or scheme to
8 substantially benefit themselves by inducing a mortgage lender
9 to make mortgage loans to finance Lynch's purchases of
10 residential real property by misrepresenting Lynch's
11 qualifications and by concealing their true intentions from the
12 mortgage lender.

13 XXIX

14 From approximately August 2005 through October 2005,
15 Respondents VISION QUEST, MARIPOSA, NGUYEN and ATENCIO committed
16 the following acts in furtherance of the fraudulent plan or
17 scheme described in Paragraph XXVIII, such Respondents solicited
18 and obtained first and second mortgage loans for \$548,000 and
19 \$137,000 from Unified Capitol Group, ostensibly to finance
20 Lynch's purchase of the real property at 1618 Farringdon Court,
21 San Jose, California, that secured the loan, by representing to
22 the mortgage lender, contrary to fact, that the property would
23 be the primary residence of Lynch.

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XXX

In truth and fact, Respondents VISION QUEST, MARIPOSA, NGUYEN and ATENCIO, and each of them, knew Lynch was not buying the subject property as Lynch's primary residence.

XXXI

The acts and omissions of Respondents VISION QUEST, MARIPOSA, NGUYEN and ATENCIO described in Paragraphs XXVIII through XXX, above, constitute the substantial misrepresentation of a material fact, a continued and flagrant course of misrepresentation through agents, and/or fraud and/or dishonest dealing.

FIFTH CAUSE OF ACCUSATION

XXXII

There is hereby incorporated in this Fifth separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs I through XXXI, inclusive, above, with the same force and effect as if herein fully set forth.

XXXIII

In approximately January 2007, in the course of the mortgage loan brokerage and real estate resale brokerage activities described in Paragraphs VIII and IX, above, Respondents MARIPOSA, VISION QUEST, WARDEN, VILLEGAS, BURNIAS, SANCHEZ, MARIA SANCHEZ, MEJORADO and JONES in association with Ruben Pacheco (hereinafter "Pacheco") entered into and participated in a fraudulent plan or scheme to substantially benefit themselves by inducing a mortgage lender to make a mortgage loan ostensibly to finance Pacheco's purchases of

1 residential real property by misrepresenting Pacheco's
2 qualifications and by concealing their true intentions from the
3 mortgage lender.

4 XXXIV

5 In approximately January 2007, in the course of the
6 fraudulent plan or scheme described in Paragraph XXXIII, above,
7 Respondents MARIPOSA, VISION QUEST, WARDEN, VILLEGAS, BURNIAS,
8 SANCHEZ, MARIA SANCHEZ, MEJORADO and JONES committed the
9 following acts in furtherance of the fraudulent plan or scheme
10 described in Paragraph XXXIII, above:

11 (a) Such Respondents solicited and obtained first and
12 second mortgage loans in the sum of \$368,000 and \$92,000 from
13 Mortgageit, Inc. secured by real property at 1763 84th Avenue,
14 Oakland, California, ostensibly to finance the purchase by
15 Pacheco of the property, by representing, contrary to fact that
16 Pacheco was purchasing the property for his own account as
17 Pacheco's primary residence and that Pacheco was then employed
18 as a Project Manager. Said Respondents also materially inflated
19 Pacheco's income;

20 (b) Such Respondents solicited and obtained first and
21 second mortgage loans in the sum of \$620,000 and \$155,000 from
22 New Century Mortgage secured by real property at 3000 Hoover
23 Street, Redwood City, California, ostensibly to finance the
24 purchase by Pacheco of the property, by representing, contrary
25 to fact that Pacheco was purchasing the property for his own
26 account as Pacheco's primary residence, that Pacheco was then
27 employed as a Financial Services Manager. Said Respondents also

1 materially inflated Pacheco's income and concealed the other
2 purchase and mortgage loan transactions from the mortgage
3 lender;

4 (c) Such Respondents solicited and obtained first and
5 second mortgage loans in the sum of \$344,000 and \$86,000 from
6 First National Bank of Arizona secured by real property at 1500
7 Houser Lane, Modesto, California, ostensibly to finance the
8 purchase by Pacheco of the property, by representing, contrary
9 to fact that Pacheco was purchasing the property for his own
10 account as Pacheco's primary residence and that Pacheco was then
11 employed as a Project Manager. Said Respondents also materially
12 inflated Pacheco's income and concealed the other purchase and
13 mortgage loan transactions from the mortgage lender; and

14 (d) Such Respondents solicited and obtained first and
15 second mortgage loans in the sum of \$480,000 and \$120,000 from
16 BNC Mortgage, Inc. secured by real property at 3013 East Hills,
17 San Jose, California, ostensibly to finance the purchase by
18 Pacheco of the property, by representing, contrary to fact that
19 Pacheco was purchasing the property for his own account as
20 Pacheco's primary residence and that Pacheco was then employed
21 as a Project Manager. Said Respondents also materially inflated
22 Pacheco's income and concealed the other purchase and mortgage
23 loan transactions from the mortgage lender.

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1 XXXV

2 When the representations described in Paragraph XXXIV,
3 above, were made, Respondents MARIPOSA, VISION QUEST, WARDEN,
4 VILLEGAS, BURNIAS, SANCHEZ, MARIA SANCHEZ, MEJORADO and JONES
5 knew the representations were false. In truth and fact:

6 (a) Pacheco was not purchasing any of the four
7 properties for his own account nor was he planning to use any of
8 the properties as his primary residence;

9 (b) Pacheco was not employed by Winger Electric for
10 any amount or at all; and

11 (c) Respondents represented to the mortgage lenders
12 that Pacheco had advanced \$1,000 toward the purchase of the
13 properties, but instead he agreed to accept \$5,000 for serving
14 as a "co-signer" in the transactions, without any intention of
15 occupying the properties.

16 XXXVI

17 The acts and omissions of Respondents MARIPOSA, VISION
18 QUEST, WARDEN, VILLEGAS, BURNIAS, SANCHEZ, MARIA SANCHEZ,
19 MEJORADO and JONES described in Paragraphs XXXIII through XXXV,
20 above constitute the substantial misrepresentation of a material
21 fact, a continued and flagrant course of misrepresentation
22 through agents, and/or fraud and/or dishonest dealing.

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1 XL

2 In so acting as a real estate broker, as described in
3 Paragraph VIII, above, Respondent MARIPOSA accepted or received
4 funds in trust (hereinafter "trust funds") from or on behalf of
5 sellers, buyers, lenders or investors, borrowers and others in
6 connection with the mortgage loan brokerage activities described
7 above in Paragraphs XIII, XIV, XVIII, XIX, XXIII, XXIV, XXVIII,
8 XIX, XXXIII and XXXIV, and thereafter from time to time made
9 disbursements of said trust funds.

10 XLI

11 From approximately June 1, 2004 through June 30, 2006,
12 in connection with the collection and disbursement of said trust
13 funds, Respondent MARIPOSA:

14 (a) Failed to keep a columnar record in chronological
15 sequence of all trust funds received and disbursed as required
16 by Section 2831 of the Regulations;

17 (b) Failed to keep a separate record for each
18 beneficiary or transaction as required by Section 2831.1 of the
19 Regulations;

20 (c) Failed to reconcile, at least once a month, the
21 balance of all separate beneficiary or transaction records with
22 the record of all trust funds in conformance with the
23 requirements of Section 2831.2 of the Regulations; and

24 (d) Failed to place trust funds entrusted to
25 Respondent MARIPOSA into the hands of a principal on whose
26 behalf the funds were received, into a neutral escrow
27 depository, or into a trust fund account in the name of

1 Respondent MARIPOSA as trustee at a bank or other financial
2 institution, in conformance with the requirements of Section
3 10145 of the Code and Section 2832(a) of the Regulations.

4 EIGHTH CAUSE OF ACCUSATION

5 XLII

6 There is hereby incorporated in this eighth, separate
7 and distinct Cause of Accusation, all of the allegations
8 contained in Paragraphs I through XL, inclusive, above, with the
9 same force and effect as if herein fully set forth.

10 XLIII

11 From approximately June 1, 2004 through June 30, 2006,
12 in the course of the real estate brokerage activities described
13 in Paragraph VIII above, Respondent MARIPOSA failed to provide
14 mortgage loan disclosure statements containing all of the
15 required information pursuant to Sections 10236.4, 10240, and
16 10241 of the Code.

17 NINTH CAUSE OF ACCUSATION

18 XLIV

19 There is hereby incorporated in this ninth, separate
20 and distinct Cause of Accusation, all of the allegations
21 contained in Paragraphs I through XLIII, inclusive, above, with
22 the same force and effect as if herein fully set forth.

23 XLV

24 Respondent PHO failed to exercise reasonable
25 supervision over the acts of Respondents MARIPOSA and VISION
26 QUEST in such a manner as to allow the acts and events described
27 above to occur.

1 XLIX

2 The acts and omissions of Respondents MARIPOSA, VISION
3 QUEST, ATENCIO and NGUYEN described in Paragraphs XXVIII through
4 XXXI, inclusive, above, in the Fourth Cause of Accusation
5 constitute cause for the suspension or revocation of the
6 licenses and license rights of Respondents MARIPOSA, VISION
7 QUEST, MAXWELL, NERI, ATENCIO and NGUYEN under Sections
8 10176(a), 10176(c), 10176(i), and/or 10177(g) of the Code.

9 L

10 The acts and omissions of Respondents MARIPOSA, VISION
11 QUEST, WARDEN, VILLEGAS, BURNIAS, SANCHEZ, MARIA SANCHEZ,
12 MEJORADO and JONES described in Paragraphs XXXIII through XXXVI,
13 inclusive, above, in the Fifth Cause of Accusation constitute
14 cause for the suspension or revocation of the licenses and
15 license rights of Respondents MARIPOSA, VISION QUEST, WARDEN,
16 VILLEGAS, BURNIAS, SANCHEZ, MARIA SANCHEZ, MEJORADO and JONES
17 under Sections 10176(a), 10176(c), 10176(i); and/or 10177(g) of
18 the Code.

19 LI

20 The acts and omissions of Respondent VISION QUEST
21 described in Paragraph XXXVIII, above, in the Sixth Cause of
22 Accusation constitute cause for the suspension or revocation of
23 the licenses and license rights of Respondent VISION QUEST under
24 Section 10148 of the Code in conjunction with Section 10177(d)
25 of the Code.

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LII

The acts and omissions of Respondent MARIPOSA described in Paragraphs XL and XLI, above, in the Seventh Cause of Accusation constitute cause for the suspension or revocation of the licenses and license rights of Respondent MARIPOSA under Section 10177(d) in conjunction with Sections 2731, 2831, 2831.2, and 2832 of the Regulations.

LIII

The acts and omissions of Respondent MARIPOSA described in Paragraph XLIII, above, in the Eighth Cause of Accusation constitute cause for the suspension or revocation of the licenses and license rights of Respondent MARIPOSA under Section 10177(d) in conjunction with Sections 10236.4 and 10240 of the Code, and Sections 2731, 2831, 2831.2, and 2832 of the Regulations.

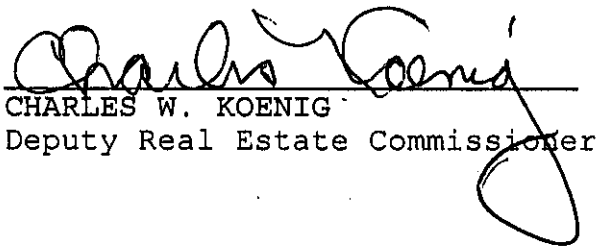
LIV

The facts alleged in Paragraph XLV, above, in the Ninth Cause of Accusation constitute cause for the suspension or revocation of the licenses and license rights of Respondent PHO under Section 10177(g) and/or Section 10177(h) of the Code and Section 10159.2 of the Code in conjunction with Section 10177(d) of the Code.

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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 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 applicable provisions of law.


CHARLES W. KOENIG
Deputy Real Estate Commissioner

Dated at Sacramento, California
this 28th day of May, 2008.

1 ANGELA L. CASH, Counsel (SBN 230882)
Department of Real Estate
2 P. O. Box 187007
Sacramento, CA 95818-7007
3

4 Telephone: (916) 227-0789
-or- (916) 227-0805 (Direct)
5

FILED
JUL 20 2007

DEPARTMENT OF REAL ESTATE

By K. Contreras

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

11 * * *

12 In the Matter of the Accusation of)
13 BIC D. PHO,)
MARIPOSA MORTGAGE, INC.,)
14 A California Corporation,) H-10082 SF
VISION QUEST 21, INC.,)
15 A California Corporation,) ACCUSATION
16 and, MARK DWELLE,)
17 Respondents.)
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19 The Complainant, CHARLES W. KOENIG, a Deputy Real
20 Estate Commissioner of the State of California, for cause of
21 Accusation against BIC D. PHO (hereinafter "Respondent BIC PHO"),
22 MARIPOSA MORTGAGE, INC. (hereinafter "Respondent MARIPOSA
23 MORTGAGE"), VISION QUEST 21, INC. (hereinafter "Respondent
24 VISION QUEST 21"), and MARK DWELLE (hereinafter "Respondent
25 DWELLE") collectively referred to as "Respondents", is informed
26 and alleges as follows:

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1 I

2 The Complainant, CHARLES W. KOENIG, a Deputy Real
3 Estate Commissioner of the State of California, makes this
4 Accusation in his official capacity.

5 II

6 Respondents are presently licensed and/or have license
7 rights under the Real Estate Law, Part 1 of Division 4 of the
8 Business and Professions Code (hereinafter "the Code").

9 III

10 At all times herein mentioned, Respondent MARIPOSA
11 MORTGAGE was and now is licensed by the Department of Real Estate
12 of the State of California (herein "the Department") as a
13 corporate real estate broker by and through Respondent BIC PHO
14 as designated officer-broker of Respondent MARIPOSA MORTGAGE to
15 qualify said corporation and to act for said corporation as a
16 real estate broker.

17 IV

18 At all times herein mentioned, Respondent VISION QUEST
19 21 was and now is licensed by the Department as a corporate real
20 estate broker by and through Respondent BIC PHO as designated
21 officer-broker of Respondent VISION QUEST 21 to qualify said
22 corporation and to act for said corporation as a real estate
23 broker.

24 V

25 At all times herein mentioned, Respondent BIC PHO was
26 and now is licensed by the Department as a real estate broker,
27 individually and:

1 (a) to and until February 4, 2007, as designated
2 officer-broker of Respondent MARIPOSA MORTGAGE. As said
3 designated officer-broker, Respondent BIC PHO is at all times
4 mentioned herein responsible pursuant to Section 10159.2 of the
5 Code for the supervision of the activities of the officers,
6 agents, real estate licensees, and employees of Respondent
7 MARIPOSA MORTGAGE for which a license is required; and,

8 (b) as designated officer-broker of Respondent VISION
9 QUEST 21. As said designated officer-broker, Respondent BIC PHO
10 is at all times mentioned herein responsible pursuant to Section
11 10159.2 of the Code for the supervision of the activities of the
12 officers, agents, real estate licensees, and employees of
13 Respondent VISION QUEST 21 for which a license is required.

14 VI

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

24 VII

25 Whenever reference is made in an allegation in this
26 Accusation to an act or omission of Respondent VISION QUEST 21,
27 such allegation shall be deemed to mean that the officers,

1 directors, employees, agents, and real estate licensees employed
2 by or associated with Respondent VISION QUEST 21 committed such
3 act or omission while engaged in the furtherance of the business
4 or operations of Respondent VISION QUEST 21 and while acting
5 within the course and scope of their corporate authority and
6 employment.

7 VIII

8 At all times herein mentioned, Respondent MARIPOSA
9 MORTGAGE, a licensed corporate real estate broker, engaged in
10 the business of, acted in the capacity of, advertised or assumed
11 to act as a real estate broker in the State of California within
12 the meaning of Section 10131(d) of the Code, including the
13 operation and conduct of a mortgage loan brokerage business with
14 the public wherein Respondent MARIPOSA MORTGAGE, for another or
15 others, for or in expectation of compensation, solicited lenders
16 and borrowers for loans secured directly or collaterally by
17 liens on real property or a business opportunity, and arranged,
18 negotiated, processed, and consummated such loans.

19 IX

20 At all times herein mentioned, Respondents VISION QUEST
21 21 and BIC PHO, engaged in the business of, acted in the capacity
22 of, advertised, or assumed to act as real estate brokers within
23 the State of California within the meaning of Sections 10131(a)
24 of the Code, including the operation and conduct of real estate
25 sales brokerage businesses with the public wherein, on behalf of
26 others, for compensation or in expectation of compensation,
27 Respondents sold and offered to sell, bought and offered to buy,

1 solicited prospective sellers and purchases of, solicited and
2 obtained listings of, and negotiated the purchase and sale of
3 real property.

4 X

5 At all times herein mentioned, Respondent DWELLE was
6 and now is licensed by the Department as a real estate
7 salesperson in the employ of Respondent VISION QUEST 21.

8 XI

9 Beginning on or about February 7, 2006, and continuing
10 thereafter, Respondents BIC PHO, MARIPOSA MORTGAGE, VISION QUEST
11 21, and DWELLE, in association with Michelle Barries (hereinafter
12 "Barries") entered into and participated in a plan or scheme to
13 deceive and make misrepresentations to the purchasers of the
14 properties and mortgage lenders with the intent to substantially
15 benefit themselves and without disclosing their true intentions
16 to the purchasers and mortgage lenders.

17 XII

18 The plan and scheme described in Paragraph XI
19 contemplated in essence that:

20 (a) Respondent DWELLE would negotiate and arrange for
21 Barries to purchase several pre-selected properties.

22 (b) Respondent DWELLE, acting under the direction of
23 Respondent BIC PHO prepared purchase contracts for the purchase
24 of the identified properties. Respondent DWELLE would have
25 Barries sign the purchase contracts and acted as the buyer's
26 agent during the purchase of the subject property.

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1 for \$360,000 and \$120,000 from Ownit Mortgage Solutions, Inc., to
2 finance Barries' purchase of real property at 904 Cold Brook Way,
3 Galt, California, by representing, contrary to fact, that the
4 property would be the primary residence of Barries.

5 (f) Respondent MARIPOSA MORTGAGE, acting in
6 association with Respondents BIC PHO, VISION QUEST 21, and
7 DWELLE, solicited and obtained first and second mortgage loans
8 for \$402,400 and \$100,600 from New Century Mortgage Corporation
9 to finance Barries' purchase of real property at 993 Manton
10 Court, Galt, California, by representing, contrary to fact, that
11 the property would be the primary residence of Barries.

12 (g) Respondent MARIPOSA MORTGAGE, acting in
13 association with Respondents BIC PHO, VISION QUEST 21, and
14 DWELLE, solicited and obtained first and second mortgage loans
15 for \$404,000 and \$101,000 from Opteum Financial Services, LLC, to
16 finance Barries' purchase of real property at 10414 Point Reyes
17 Circle, Stockton, California, by representing, contrary to fact,
18 that the property would be the primary residence of Barries.

19 (h) Respondent MARIPOSA MORTGAGE, acting in
20 association with Respondents BIC PHO, VISION QUEST 21, and
21 DWELLE solicited and obtained first and second mortgage loans for
22 \$424,000 and \$106,000 from Long Beach Mortgage Company to finance
23 Barries' purchase of real property at 983 Colmore Way, Galt,
24 California, by representing, contrary to fact, that the property
25 would be the primary residence of Barries.

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XIV

In truth and fact, Respondents knew Barries was not buying the subject properties as primary residences.

XV

The acts and omissions of Respondents in Paragraphs XI through XIV constitute the substantial misrepresentation of a material fact, a continued and flagrant course of misrepresentation through agents, and/or fraud and/or dishonest dealing.

XVI

Beginning on or about February 7, 2006 and continuing to and until June 1, 2007, in connection with the transaction of said properties in Paragraphs IX through XIV, Respondent VISION QUEST 21:

(a) Failed to retain for three years copies of all listings, deposit receipts, canceled checks, trust records, and other documents executed or obtained by Respondent in connection with transactions for which a real estate broker license is required; and/or,

(b) Failed after notice to make such canceled checks and other trust records available for examination, inspection, and copying by the designated representative of the Real Estate Commissioner.

XVII

Beginning on or about February 7, 2006 and continuing to and until June 1, 2007, in the course of the activities and events described above, Respondent BIC PHO failed to exercise

1 reasonable supervision over the activities of DWELLE, a real
2 estate salesperson then licensed under Respondent VISION QUEST
3 21, in that Respondent BIC PHO failed to provide reasonable
4 review, oversight, inspection, and management of:

5 (a) Transactions requiring a real estate license
6 conducted by said real estate salesperson; and,

7 (b) Documents which may have a material effect upon
8 the rights or obligations of a party to such transactions and in
9 particular failed to comply with the requirements of Section
10 2725(a) of the Regulations in that Respondent failed to review,
11 initial and date instruments, having a material effect upon the
12 rights or obligations of a party to a transaction, which were
13 prepared or signed in connection with transactions for which a
14 license is required by said real estate salesperson.

15 XVIII

16 The acts and omissions of Respondent BIC PHO,
17 described above, constitute failure on the part of Respondent
18 BIC PHO, as designated broker-officer of Respondents MARIPOSA
19 MORTGAGE and VISION QUEST 21, to exercise reasonable supervision
20 and control over the licensed activities of Respondents MARIPOSA
21 MORTGAGE and VISION QUEST 21, as required by Section 10159.2 of
22 the Code.

23 XIX

24 The acts and omissions of Respondents BIC PHO,
25 MARIPOSA MORTGAGE, VISION QUEST 21, and DWELLE described in
26 Paragraphs IX through XIV, above, constitute cause for the
27 suspension or revocation of the licenses and license rights of

1 Respondents BIC PHO, MARIPOSA MORTGAGE, VISION QUEST 21, and
2 DWELLE under Sections 10176(a), 10176(c), 10176(i), and/or
3 10177(g) of the Code.

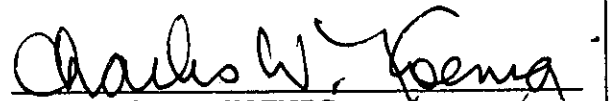
4 XX

5 The acts and omissions of Respondent VISION QUEST 21
6 described above in Paragraph XVI, above, constitute cause for the
7 suspension or revocation of the licenses and license rights of
8 Respondent VISION QUEST 21 under Section 10148 of the Code in
9 conjunction with Section 10177(d) of the Code.

10 XXI

11 The facts alleged in Paragraphs XVII and XVIII, above,
12 constitute cause for the suspension or revocation of the licenses
13 and license rights of Respondent BIC PHO under Section 10177(g)
14 and/or Section 10177(h) of the Code and Section 10159.2 of the
15 Code in conjunction with Section 10177(d) of the Code.

16 WHEREFORE, Complainant prays that a hearing be
17 conducted on the allegations of this Accusation and that upon
18 proof thereof a decision be rendered imposing disciplinary action
19 against all licenses and license rights of Respondents under the
20 Real Estate Law (Part 1 of Division 4 of the Business and
21 Professions Code) and for such other and further relief as may be
22 proper under other applicable provisions of law.

23
24 
25 CHARLES W. KOENIG
Deputy Real Estate Commissioner

26 Dated at Sacramento, California
27 this 20th day of July, 2007.