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**FILED**

OCT 24 2009

DEPARTMENT OF REAL ESTATE

By L. 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

TERRY FISHMAN,

Respondent.

No. H-28110 LA

ORDER GRANTING REINSTATEMENT OF LICENSE

On September 27, 1999, a Decision was rendered herein revoking the real estate broker license of Respondent effective October 20, 1999, but granting Respondent the right to the issuance of a restricted real estate broker license. A restricted real estate broker license was issued to Respondent on October 20, 1999, and Respondent has operated as a restricted licensee since that time.

On November 12, 2008, Respondent petitioned for reinstatement of said real estate broker license, and the Attorney General of the State of California has been given notice of the filing of said petition.

I have considered the petition of Respondent and the evidence and arguments in support thereof. Respondent has demonstrated to my satisfaction that Respondent meets the requirements of law for the issuance to Respondent of an unrestricted real estate broker license and that it would not be against the public interest to issue said license to Respondent.

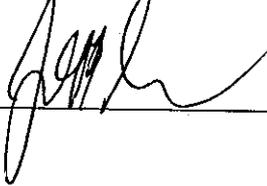
1                    NOW, THEREFORE, IT IS ORDERED that Respondent's petition for  
2 reinstatement is granted and that a real estate broker license be issued to Respondent if  
3 Respondent satisfies the following conditions within twelve (12) months from the date of this  
4 Order:

- 5                    1.    Submittal of a completed application and payment of the fee for a real  
6 estate broker license.  
7                    2.    Submittal of evidence of having, since the most recent issuance of an  
8 original or renewal real estate license, taken and successfully completed the continuing education  
9 requirements of Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a real estate  
10 license.

11                    This Order shall be effective immediately.

12                    DATED: 10-6-09

13                    JEFF DAVI  
14                    Real Estate Commissioner

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1 Department of Real Estate  
2 320 West 4th Street, Suite 350  
3 Los Angeles, California 90013-1105  
4 Telephone: (213) 576-6982

**FILED**  
DEC - 3 1999  
DEPARTMENT OF REAL ESTATE

By C. B.

8 BEFORE THE DEPARTMENT OF REAL ESTATE  
9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of )  
12 R K T REAL ESTATE SERVICES, INC.; )  
13 SECURITY DISCOUNT LENDERS, INC.; )  
14 A & F REALTY SERVICES, INC., )  
15 doing business as Diversified )  
16 Pacific Partners and Diversified )  
17 Real Estate Services; ATLANTIC )  
18 REALTY OF AMERICA, INC., doing )  
19 business as Eagle Mortgage; )  
20 MORTGAGE E-MAIL COMPANY; TREASURE )  
21 FUNDING, INC.; 1-800-ANYLOAN; )  
22 and TERRY FISHMAN, individually )  
and as designated officer of )  
RKT Real Estate Services, Inc., )  
Security Discount Lenders, Inc., )  
A & F Realty Services, Inc., )  
Atlantic Realty of America, Inc., )  
Mortgage E-Mail Company, Treasure )  
Funding, Inc., and 1-800-Anyloan, )  
Respondents. )

NO. H-28110 LA  
L-1999080179

STIPULATION AND AGREEMENT

23 It is hereby stipulated by and between TREASURE  
24 FUNDING, INC. (sometimes referred to herein as "Respondent"),  
25 acting by and through its attorney of record, Frank M. Buda,  
26 Esq., and the Complainant, acting by and through  
27



1 Darlene Averette, Counsel for the Department of Real Estate,  
2 as follows for the purpose of settling and disposing of the  
3 Accusation filed on May 13, 1999, in this matter:

4 1. All issues which were to be contested and all  
5 evidence which was to be presented by Complainant and Respondent  
6 at a formal hearing on the Accusation, which hearing was to be  
7 held in accordance with the provisions of the Administrative  
8 Procedure Act (APA), shall instead and in place thereof be  
9 submitted solely on the basis of the provisions of this  
10 Stipulation and Agreement.

11 2. Respondent has received, read and understands the  
12 Statement to Respondent, the Discovery Provisions of the APA and  
13 the Accusation filed by the Department of Real Estate in this  
14 proceeding.

15 3. On May 28, 1999, Respondent, TREASURE FUNDING,  
16 INC., filed a Notice of Defense pursuant to Section 11506 of the  
17 Government Code for the purpose of requesting a hearing on the  
18 allegations in the Accusation. In order to effectuate this  
19 settlement, Respondent hereby freely and voluntarily withdraws  
20 said Notice of Defense. Respondent acknowledges that it  
21 understands that by withdrawing said Notice of Defense, it will  
22 thereby waive its right to require the Commissioner to prove the  
23 allegations in the Accusation at a contested hearing held in  
24 accordance with the provisions of the APA and that it will waive  
25 other rights afforded to it in connection with the hearing such  
26 as the right to present evidence in defense of the allegations in  
27 the Accusation and the right to cross-examine witnesses.



1                   4. This Stipulation and Agreement is based on the  
2 factual allegations contained in the Accusation filed in this  
3 proceeding. In the interest of expedience and economy,  
4 Respondent chooses not to litigate these allegations at a formal  
5 administrative hearing, but to remain silent and understands  
6 that, as a result thereof, these factual allegations, without  
7 being admitted or denied, will serve as a prima facie basis for  
8 the disciplinary action stipulated to herein. This Stipulation  
9 and Agreement and Respondent's decision not to contest the  
10 Accusation are hereby expressly limited to this proceeding and  
11 made for the sole purpose of reaching an agreed disposition of  
12 this proceeding. Respondent's decision not to contest the  
13 factual allegations at a formal administrative hearing is made  
14 solely for the purpose of effectuating this Stipulation and  
15 Agreement and is intended to be non-binding upon Respondent in  
16 any actions against it by third parties. The Real Estate  
17 Commissioner shall not be required to provide further evidence to  
18 prove said factual allegations.

19                   5. It is understood by the parties that the Real  
20 Estate Commissioner may adopt the Stipulation and Agreement as  
21 his Decision in this matter, thereby imposing the penalty and  
22 sanctions on Respondent's real estate license and license rights  
23 as set forth in the below "Order". In the event that the  
24 Commissioner in his discretion does not adopt the Stipulation and  
25 Agreement, it shall be void and of no effect, and Respondent  
26 shall retain its right to a hearing and proceeding on the  
27



1 Accusation under all the provisions of the APA and shall not be  
2 bound by any stipulation or waiver made herein.

3 6. The Order or any subsequent Order of the Real  
4 Estate Commissioner made pursuant to this Stipulation and  
5 Agreement shall not constitute an estoppel, merger or bar to  
6 any further administrative proceedings by the Department of Real  
7 Estate with respect to any matters which were not specifically  
8 alleged to be causes for accusation in this proceeding.

9 DETERMINATION OF ISSUES

10 By reason of the foregoing stipulations and waivers and  
11 solely for the purpose of settlement of the pending Accusation  
12 without a hearing, it is stipulated and agreed that the following  
13 determination of issues shall be made:

14 The conduct, acts and/or omissions of Respondent,  
15 TREASURE FUNDING, INC., as set forth in the Accusation,  
16 constitute cause to discipline the license and license rights  
17 of TREASURE FUNDING, INC. under the provisions of Business and  
18 Professions Code Section 10177(d) for violation Title 10, Chapter  
19 6, California Code of Regulations Sections 2831.1 and 2831.2.

20 ORDER

21 WHEREFORE, THE FOLLOWING ORDER is hereby made:

22 All licenses and license rights of Respondent,  
23 TREASURE FUNDING, INC., under the Real Estate Law are suspended  
24 for a period of sixty (60) days from the effective date of this  
25 Decision; provided, however, that thirty (30) days of said  
26 suspension shall be stayed for two (2) years upon the following  
27 terms and conditions:

1           1. Respondent shall obey all laws, rules and  
2 regulations governing the rights, duties and responsibilities  
3 of a real estate licensee in the State of California; and

4           2. That no final subsequent determination be made,  
5 after hearing or upon stipulation, that cause for disciplinary  
6 action occurred within two (2) years of the effective date of  
7 this Decision. Should such a determination be made, the  
8 Commissioner may, in his discretion, vacate and set aside the  
9 stay order and reimpose all or a portion of the stayed  
10 suspension. Should no such determination be made, the stay  
11 imposed herein shall be permanent.

12           3. The initial thirty (30) days of said sixty (60) day  
13 suspension shall be stayed upon condition that:

14           a. Respondent provides proof satisfactory to the  
15 Real Estate Commissioner, prior to the effective date of this  
16 Decision, that the trust fund shortage set forth in the  
17 Accusation has been cured.

18           b. Respondent pays a monetary penalty pursuant  
19 to Section 10175.2 of the Business and Professions Code at the  
20 rate of \$50.00 for each day of the suspension for a total  
21 monetary penalty of \$1,500.00.

22           c. Said payment shall be in the form of a  
23 cashier's check or certified check made payable to the Recovery  
24 Account of the Real Estate Fund. Said check must be delivered  
25 to the Department prior to the effective date of the Decision  
26 in this matter.  
27



No further cause for disciplinary action

1  
2 against the real estate license of Respondent occurs within two  
3 (2) years from the effective date of the Decision in this matter.

4 e. If Respondent fails to pay the monetary penalty  
5 in accordance with the terms and conditions of the Decision, the  
6 Commissioner may, without a hearing, order the immediate  
7 execution of all or any part of the thirty (30) day stayed  
8 suspension in which event the Respondent shall not be entitled to  
9 any repayment nor credit, prorated or otherwise, for money paid  
10 to the Department under the terms of this Decision.

11 f. If Respondent pays the monetary penalty and if  
12 no further cause for disciplinary action against the real estate  
13 license of Respondent occurs within two (2) years from the  
14 effective date of the Decision, the stay hereby granted shall be  
15 permanent.

16 4. Pursuant to Section 10148 of the Business and  
17 Professions Code, Respondent, TREASURE FUNDING, INC., shall pay  
18 the Commissioner's reasonable cost for a subsequent audit to  
19 determine if Respondent has corrected the trust fund violations  
20 found in the Determination of Issues. In calculating the amount  
21 of the Commissioner's reasonable cost for the subsequent audit,  
22 the Commissioner may use the estimated average hourly salary for  
23 all persons performing audits of real estate brokers, and shall  
24 include an allocation for travel time to and from the auditor's  
25 place of work. Said amount for the subsequent audit shall not  
26 exceed Nine Hundred Dollars (\$900.00).  
27



1                    Respondent shall pay such cost within sixty (60) days  
2 of receiving an invoice from the Commissioner detailing the  
3 activities performed during the audit and the amount of time  
4 spent performing those activities. The Commissioner may suspend  
5 the restricted license issued to Respondent pending a hearing  
6 held in accordance with Section 11500, et seq., of the Government  
7 Code if payment is not timely made as provided for herein, or as  
8 provided for in a subsequent agreement between Respondent and the  
9 Commissioner. The suspension shall remain in effect until  
10 payment is made in full, or until Respondent enters into an  
11 agreement satisfactory to the Commissioner to provide for  
12 payment, or until a decision providing otherwise is adopted  
13 following a hearing held pursuant to this condition.

14 DATED: November 3, 1999

*Darlene Averetta*  
DARLENE AVERETTA, Counsel for  
the Department of Real Estate

16 \* \* \*

17                    I have read the Stipulation and Agreement and have  
18 discussed it with my counsel, and its terms are understood by  
19 me and are agreeable and acceptable to me. I understand that I  
20 am waiving rights given to me by the California Administrative  
21 Procedure Act (including but not limited to Sections 11506,  
22 11508, 11509 and 11513 of the Government Code), and I willingly,  
23 intelligently and voluntarily waive those rights, including the  
24 right of requiring the Commissioner to prove the allegations in  
25 the Accusation at a hearing at which I would have the right to  
26 cross-examine witnesses against me and to present evidence in  
27 defense and mitigation of the charges.

1 DATED: 10-21-99

SHEIDA Azima  
TREASURE FUNDING, INC., Respondent  
by ~~S. Azima~~ S. Azima

3 DATED: 11-1-99

Frank M. Buda  
FRANK M. BUDA, Counsel for  
Respondent, Approved as to Form

\* \* \*

7 The foregoing Stipulation and Agreement is hereby  
8 adopted as my Decision as to Respondent, TREASURE FUNDING, INC.,  
9 and shall become effective at 12 o'clock noon on  
10 December 23, 1999

11 IT IS SO ORDERED November 19, 1999.

12 JOHN R. LIBERATOR  
13 Chief Deputy Commissioner

14 John R. Liberator  
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**FILED**  
OCT - 6 1999  
DEPARTMENT OF REAL ESTATE

By C. By

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of )  
R K T REAL ESTATE SERVICES, INC.; )  
SECURITY DISCOUNT LENDERS, INC.; )  
A & F REALTY SERVICES, INC., )  
doing business as Diversified )  
Pacific Partners and Diversified )  
Real Estate Services; ATLANTIC )  
REALTY OF AMERICA, INC., doing )  
business as Eagle Mortgage; )  
MORTGAGE E-MAIL COMPANY; TREASURE )  
FUNDING, INC.; 1-800-ANYLOAN; )  
and TERRY FISHMAN, individually )  
and as designated officer of )  
RKT Real Estate Services, Inc., )  
Security Discount Lenders, Inc., )  
A & F Realty Services, Inc., )  
Atlantic Realty of America, Inc., )  
Mortgage E-Mail Company, Treasure )  
Funding, Inc., and 1-800-Anyloan, )  
Respondents. )

NO. H-28110 LA  
L-1999080179

DISMISSAL

The Accusation herein filed on May 13, 1999, against  
Respondent, ATLANTIC REALTY OF AMERICA, INC., is DISMISSED.

///

IT IS SO ORDERED this 4<sup>th</sup> day of October, 1999.

JOHN R. LIBERATOR  
Acting Real Estate Commissioner

John R. Liberator

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5AC  
1 Department of Real Estate  
2 320 West 4th Street, Suite 350  
3 Los Angeles, California 90013-1105  
4 Telephone: (213) 576-6982

**FILED**  
OCT - 6 1999  
DEPARTMENT OF REAL ESTATE

By C. By

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of )

12 R K T REAL ESTATE SERVICES, INC.; )

13 SECURITY DISCOUNT LENDERS, INC.; )

14 A & F REALTY SERVICES, INC., )

15 doing business as Diversified )

16 Pacific Partners and Diversified )

17 Real Estate Services; ATLANTIC )

18 REALTY OF AMERICA, INC., doing )

19 business as Eagle Mortgage; )

20 MORTGAGE E-MAIL COMPANY; TREASURE )

21 FUNDING, INC.; 1-800-ANYLOAN; )

22 and TERRY FISHMAN, individually )

23 and as designated officer of )

24 RKT Real Estate Services, Inc., )

25 Security Discount Lenders, Inc., )

26 A & F Realty Services, Inc., )

27 Atlantic Realty of America, Inc., )

Mortgage E-Mail Company, Treasure )

Funding, Inc., and 1-800-Anyloan, )

Respondents. )

NO. H-28110 LA  
L-1999080179

STIPULATION AND AGREEMENT

23 It is hereby stipulated by and between MORTGAGE E-MAIL  
24 COMPANY (sometimes referred to herein as "Respondent"), acting by  
25 and through its attorney of record, David L. Allen, Esq., and the  
26 Complainant, acting by and through Darlene Averetta, Counsel for  
27 the Department of Real Estate, as follows for the purpose of



1 settling and disposing of the Accusation filed on May 13, 1999,  
2 in this matter:

3 1. All issues which were to be contested and all  
4 evidence which was to be presented by Complainant and Respondent  
5 at a formal hearing on the Accusation, which hearing was to be  
6 held in accordance with the provisions of the Administrative  
7 Procedure Act (APA), shall instead and in place thereof be  
8 submitted solely on the basis of the provisions of this  
9 Stipulation and Agreement.

10 2. Respondent has received, read and understands the  
11 Statement to Respondent, the Discovery Provisions of the APA and  
12 the Accusation filed by the Department of Real Estate in this  
13 proceeding.

14 3. On May 26, 1999, Respondent MORTGAGE E-MAIL COMPANY  
15 filed a Notice of Defense pursuant to Section 11506 of the  
16 Government Code for the purpose of requesting a hearing on the  
17 allegations in the Accusation. In order to effectuate this  
18 settlement, Respondent hereby freely and voluntarily withdraws  
19 said Notice of Defense. Respondent acknowledges that it  
20 understands that by withdrawing said Notice of Defense, it will  
21 thereby waive its right to require the Commissioner to prove the  
22 allegations in the Accusation at a contested hearing held in  
23 accordance with the provisions of the APA and that it will waive  
24 other rights afforded to it in connection with the hearing such  
25 as the right to present evidence in defense of the allegations in  
26 the Accusation and the right to cross-examine witnesses.

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4. This Stipulation and Agreement is based on the factual allegations contained in the Accusation filed in this proceeding. In the interest of expedience and economy, Respondent chooses not to litigate these allegations at a formal administrative hearing, but to remain silent and understands that, as a result thereof, these factual allegations, without being admitted or denied, will serve as a prima facie basis for the disciplinary action stipulated to herein. This Stipulation and Agreement and Respondent's decision not to contest the Accusation are hereby expressly limited to this proceeding and made for the sole purpose of reaching an agreed disposition of this proceeding. Respondent's decision not to contest the factual allegations at a formal administrative hearing is made solely for the purpose of effectuating this Stipulation and Agreement and is intended to be non-binding upon Respondent in any actions against it by third parties. The Real Estate Commissioner shall not be required to provide further evidence to prove said factual allegations.

5. It is understood by the parties that the Real Estate Commissioner may adopt the Stipulation and Agreement as his Decision in this matter, thereby imposing the penalty and sanctions on Respondent's real estate license and license rights as set forth in the below "Order". In the event that the Commissioner in his discretion does not adopt the Stipulation and Agreement, it shall be void and of no effect, and Respondent shall retain its right to a hearing and proceeding on the



1 Accusation under all the provisions of the APA and shall not be  
2 bound by any stipulation or waiver made herein.

3 6. The Order or any subsequent Order of the Real  
4 Estate Commissioner made pursuant to this Stipulation and  
5 Agreement shall not constitute an estoppel, merger or bar to  
6 any further administrative proceedings by the Department of Real  
7 Estate with respect to any matters which were not specifically  
8 alleged to be causes for accusation in this proceeding.

9 DETERMINATION OF ISSUES

10 By reason of the foregoing stipulations and waivers and  
11 solely for the purpose of settlement of the pending Accusation  
12 without a hearing, it is stipulated and agreed that the following  
13 determination of issues shall be made:

14 The conduct, acts and/or omissions of Respondent,  
15 MORTGAGE E-MAIL COMPANY, as set forth in the Accusation,  
16 constitute cause to discipline the license and license rights of  
17 MORTGAGE E-MAIL COMPANY under the provisions of Business and  
18 Professions Code Section 10177(d) for violation of Business and  
19 Professions Code Section 10240, and Title 10, Chapter 6,  
20 California Code of Regulations Section 2840.

21 ORDER

22 WHEREFORE, THE FOLLOWING ORDER is hereby made:

23 The license and license rights of Respondent,  
24 MORTGAGE E-MAIL COMPANY, is hereby publicly reprovod pursuant  
25 to Business and Professions Code Section 495.

26 DATED: September 27, 1999

27 Darlene Averetta  
DARLENE AVERETTA, Counsel for  
the Department of Real Estate





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The foregoing Stipulation and Agreement is hereby  
adopted as my Decision as to Respondent, MORTGAGE E-MAIL COMPANY,  
and shall become effective at 12 o'clock noon on  
October 26, 1999.

IT IS SO ORDERED October 2, 1999.

JOHN R. LIBERATOR  
Acting Real Estate Commissioner

John R. Liberator



*Just Day*

**FILED**  
OCT 3 2001  
DEPARTMENT OF REAL ESTATE

By *Laura B. Quinn*

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BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of ) NO. H-28110 LA  
)  
) TERRY FISHMAN, )  
) )  
) Respondent. )

ORDER DENYING REINSTATEMENT OF LICENSE

On July 26, 1999, a Decision was rendered herein  
revoking the real estate broker license of Respondent.  
Respondent petitioned for reconsideration.

On September 27, 1999, a Decision After Reconsideration  
was rendered herein revoking the real estate broker license of  
Respondent, but granting Respondent the right to the issuance of  
a restricted real estate broker license. A restricted real  
estate broker license was issued to Respondent or about October  
20, 1999.

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1 On February 15, 2001, Respondent petitioned for  
2 reinstatement of said license and the Attorney General of the  
3 State of California has been given notice of the filing of the  
4 petition.

5 I have considered Respondent's petition and the  
6 evidence and arguments in support thereof. Respondent has failed  
7 to demonstrate to my satisfaction that Respondent has undergone  
8 sufficient rehabilitation to warrant the reinstatement of  
9 Respondent's real estate broker license, in that:

10 I

11 On or about April 12, 1995, in Department of Real  
12 Estate case No. H-26089 LA, an Order to Desist and Refrain was  
13 served on Respondent and three (3) corporations for which he was  
14 the designated officer.

15 A Department audit examination found that Respondent  
16 had violated Section 2725, Title 10, Chapter 6, California Code  
17 of Regulations ("Regulations"). Respondent while the designated  
18 officer of one of the licensed real estate corporations did not  
19 always review, initial and date documents prepared by real estate  
20 licensees in the employment of the corporation.

21 The Department audit examination also found a number of  
22 violations of the Real Estate Law by the corporations.

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1 Respondent and the corporations were ordered to desist  
2 and refrain from performing any acts for which a real estate  
3 license was required until they complied with the Real Estate  
4 Law.

5 II

6 On September 27, 1999, a Decision After Reconsideration  
7 was rendered in Department of Real Estate case No. H-28110 LA.  
8 The Decision revoked the real estate broker license of  
9 Respondent, but granted Respondent the right to the issuance of  
10 a restricted real estate broker license.

11 In the Decision which revoked Respondent's real estate  
12 broker license, there was a Determination of Issues made that  
13 there was cause to revoke Respondent's license, individually and  
14 in his capacity as the designated officer of three licensed real  
15 estate corporations. A Department audit examination had found  
16 numerous violations of the Real Estate Law by Respondent and the  
17 three (3) real estate corporations for which Respondent was the  
18 designated officer.

19 The corporation licenses were also disciplined for  
20 numerous violations of the Real Estate Law.

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III

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2 On or about May 14, 2001, a Department audit of  
3 Respondent's books and records was completed. As part of the  
4 audit examination Respondent was interviewed by the Department's  
5 auditor. The audit found a number of violations of the Real  
6 Estate Law including, Business and Professions Code Sections  
7 10145, 10176(e), 10232.4 and 10240 and Regulations 2831, 2831.1,  
8 2832 and 2834. This evidences a lack of rehabilitation and is  
9 cause to deny Respondent's petition pursuant to Regulations  
10 2911(j) and 2911(m)(1).

IV

11  
12 On July 18, 2001, Respondent was interviewed by a  
13 Deputy Real Estate Commissioner ("Deputy"). During the  
14 interview, the Deputy showed Respondent Order to Desist and  
15 Refrain No. H-26089 LA. Respondent had no recollection of  
16 the Order to Desist and Refrain and was unable to comment on  
17 it. This evidences a lack of rehabilitation and is cause to  
18 deny Respondent's petition pursuant to Regulations  
19 2911(m)(1).

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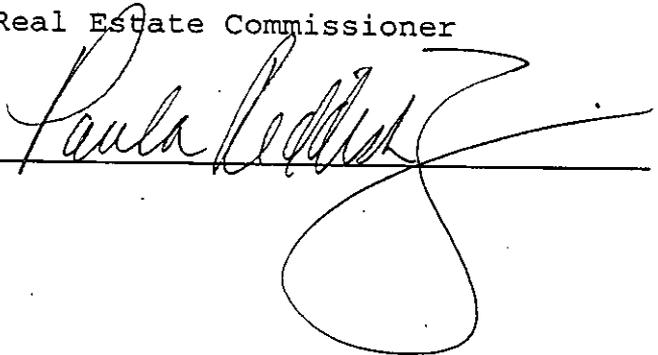
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2 The history of violations of the Real Estate Law by  
3 Respondent, the serious nature of the conduct which led to the  
4 revocation of Respondent's real estate broker license and the  
5 fact that as recently as May, 2001, a Department audit found  
6 numerous violations of the Real Estate Law by Respondent,  
7 evidences that not enough time has passed to determine that  
8 Respondent is completely rehabilitated. This is cause to deny  
9 Respondent's petition pursuant to Regulation 2911(a).

10 NOW, THEREFORE, IT IS ORDERED that Respondent's  
11 petition for reinstatement of Respondent's real estate broker  
12 license is denied.

13 This Order shall become effective at 12 o'clock noon on  
14 October 23, 2001

15 DATED: September 26, 2001

16  
17 PAULA REDDISH ZINNEMANN  
18 Real Estate Commissioner

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24 cc: Terry Fishman  
25 927 Tupelo Wood Court  
26 Thousand Oaks, CA 91320  
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Department of Real Estate  
320 West 4th Street, Suite 350  
Los Angeles, California 90013-1105  
Telephone: (213) 576-6982

**FILED**  
OCT - 5 1999  
DEPARTMENT OF REAL ESTATE

By C. B.

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of )  
R K T REAL ESTATE SERVICES, INC.; )  
SECURITY DISCOUNT LENDERS, INC.; )  
A & F REALTY SERVICES, INC., )  
doing business as Diversified )  
Pacific Partners and Diversified )  
Real Estate Services; ATLANTIC )  
REALTY OF AMERICA, INC., doing )  
business as Eagle Mortgage; )  
MORTGAGE E-MAIL COMPANY; TREASURE )  
FUNDING, INC.; 1-800-ANYLOAN; )  
and TERRY FISHMAN, individually )  
and as designated officer of )  
RKT Real Estate Services, Inc., )  
Security Discount Lenders, Inc., )  
A & F Realty Services, Inc., )  
Atlantic Realty of America, Inc., )  
Mortgage E-Mail Company, Treasure )  
Funding, Inc., and 1-800-Anyloan, )  
Respondents. )

NO. H-28110 LA  
L-1999080179

STIPULATION AND AGREEMENT

It is hereby stipulated by SECURITY DISCOUNT LENDERS, INC. (sometimes referred to herein as "Respondent"), and the Complainant, acting by and through Darlene Averetta, Counsel for the Department of Real Estate, as follows for the purpose of

1 settling and disposing of the Accusation filed on May 13, 1999,  
2 in this matter:

3 1. All issues which were to be contested and all  
4 evidence which was to be presented by Complainant and Respondent  
5 at a formal hearing on the Accusation, which hearing was to be  
6 held in accordance with the provisions of the Administrative  
7 Procedure Act (APA), shall instead and in place thereof be  
8 submitted solely on the basis of the provisions of this  
9 Stipulation and Agreement.

10 2. Respondent has received, read and understands the  
11 Statement to Respondent, the Discovery Provisions of the APA and  
12 the Accusation filed by the Department of Real Estate in this  
13 proceeding.

14 3. On May 26, 1999, Respondent SECURITY DISCOUNT  
15 LENDERS, INC. filed a Notice of Defense pursuant to Section 11506  
16 of the Government Code for the purpose of requesting a hearing on  
17 the allegations in the Accusation. In order to effectuate this  
18 settlement, Respondent hereby freely and voluntarily withdraws  
19 said Notice of Defense. Respondent acknowledges that it  
20 understands that by withdrawing said Notice of Defense, it will  
21 thereby waive it's right to require the Commissioner to prove the  
22 allegations in the Accusation at a contested hearing held in  
23 accordance with the provisions of the APA and that it will waive  
24 other rights afforded to it in connection with the hearing such  
25 as the right to present evidence in defense of the allegations in  
26 the Accusation and the right to cross-examine witnesses.  
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4. This Stipulation and Agreement is based on the factual allegations contained in the Accusation filed in this proceeding. In the interest of expedience and economy, Respondent chooses not to litigate these allegations at a formal administrative hearing, but to remain silent and understands that, as a result thereof, these factual allegations, without being admitted or denied, will serve as a prima facie basis for the disciplinary action stipulated to herein. This Stipulation and Agreement and Respondent's decision not to contest the Accusation are hereby expressly limited to this proceeding and made for the sole purpose of reaching an agreed disposition of this proceeding. Respondent's decision not to contest the factual allegations at a formal administrative hearing is made solely for the purpose of effectuating this Stipulation and Agreement and is intended to be non-binding upon Respondent in any actions against it by third parties. The Real Estate Commissioner shall not be required to provide further evidence to prove said factual allegations.

5. It is understood by the parties that the Real Estate Commissioner may adopt the Stipulation and Agreement as his Decision in this matter, thereby imposing the penalty and sanctions on Respondent's real estate license and license rights as set forth in the below "Order". In the event that the Commissioner in his discretion does not adopt the Stipulation and Agreement, it shall be void and of no effect, and Respondent shall retain it's right to a hearing and proceeding on the

1 Accusation under all the provisions of the APA and shall not be  
2 bound by any stipulation or waiver made herein.

3 6. The Order or any subsequent Order of the Real  
4 Estate Commissioner made pursuant to this Stipulation and  
5 Agreement shall not constitute an estoppel, merger or bar to  
6 any further administrative proceedings by the Department of Real  
7 Estate with respect to any matters which were not specifically  
8 alleged to be causes for accusation in this proceeding.

9 DETERMINATION OF ISSUES

10 By reason of the foregoing stipulations and waivers and  
11 solely for the purpose of settlement of the pending Accusation  
12 without a hearing, it is stipulated and agreed that the following  
13 determination of issues shall be made:

14 The conduct, acts and/or omissions of Respondent,  
15 SECURITY DISCOUNT LENDERS, INC., as set forth in the Accusation,  
16 constitute cause to discipline the license and license rights of  
17 SECURITY DISCOUNT LENDERS, INC. under the provisions of Business  
18 and Professions Code Section 10177(d) for violation of Business  
19 and Professions Code Section 10240, and Title 10, Chapter 6,  
20 California Code of Regulations Section 2840.

21 ORDER

22 WHEREFORE, THE FOLLOWING ORDER is hereby made:

23 The license and license rights of Respondent,  
24 SECURITY DISCOUNT LENDERS, INC., is hereby publicly reprovod  
25 pursuant to Business and Professions Code Section 495.

26 DATED: September 23, 1999

Darlene Averetta  
27 DARLENE AVERETTA, Counsel for  
the Department of Real Estate



\* \* \*

1  
2 I have read the Stipulation and Agreement, and its  
3 terms are understood by me and are agreeable and acceptable to  
4 me. I understand that I am waiving rights given to me by the  
5 California Administrative Procedure Act (including but not  
6 limited to Sections 11506, 11508, 11509 and 11513 of the  
7 Government Code), and I willingly, intelligently and voluntarily  
8 waive those rights, including the right of requiring the  
9 Commissioner to prove the allegations in the Accusation at a  
10 hearing at which I would have the right to cross-examine  
11 witnesses against me and to present evidence in defense and  
12 mitigation of the charges.

13 DATED: 9/20/99

Paul King  
14 SECURITY DISCOUNT LENDERS, INC.  
15 Respondent, by Paul King,  
16 Vice President

17 \* \* \*

18 The foregoing Stipulation and Agreement is hereby  
19 adopted as my Decision as to Respondent, SECURITY DISCOUNT  
20 LENDERS, INC., and shall become effective at 12 o'clock noon  
21 on October 19, 1999.

22 IT IS SO ORDERED September 28, 1999.

23 JOHN R. LIBERATOR  
24 Acting Real Estate Commissioner

25 John R. Liberator  
26  
27



FILED

SEP 27 1999

DEPARTMENT OF REAL ESTATE

By Juan Luna

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of )

NO. H-28110 LA

R K T REAL ESTATE SERVICES, INC.; )  
SECURITY DISCOUNT LENDERS, INC.; )  
A & F REALTY SERVICES, INC., )  
 doing business as Diversified )  
 Pacific Partners and Diversified )  
 Real Estate Services; ATLANTIC )  
 REALTY OF AMERICA, INC., doing )  
 business as Eagle Mortgage; )  
 MORTGAGE E-MAIL COMPANY; TREASURE )  
 FUNDING, INC.; 1-800-ANYLOAN; )  
 and TERRY FISHMAN, individually )  
 and as designated officer of )  
 RKT Real Estate Services, Inc., )  
 Security Discount Lenders, Inc., )  
 A. & F Realty Services, Inc., )  
 Atlantic Realty of America, Inc., )  
 Mortgage E-Mail Company, Treasure )  
 Funding, Inc., and 1-800-Anyloan, )

Respondents. )

DECISION AFTER RECONSIDERATION

On July 26, 1999, a Decision was rendered in the  
 above-entitled matter, by the Real Estate Commissioner which  
 revoked the real estate licenses and license rights of  
 Respondents R K T REAL ESTATE SERVICES, INC., A & F REALTY

1 SERVICES, INC., 1-800-ANYLOAN and TERRY FISHMAN. Said Decision  
2 was to become effective on August 18, 1999, and was stayed by  
3 separate orders to September 27, 1999.

4 Respondents R K T REAL ESTATE SERVICES, INC., 1-800-  
5 ANYLOAN and TERRY FISHMAN, have petitioned for reconsideration of  
6 said Decision. I have considered the petitions of Respondents  
7 R K T REAL ESTATE SERVICES, INC., 1-800-ANYLOAN and TERRY FISHMAN  
8 and have concluded that good cause has been presented for  
9 reconsideration of the Decision of July 26, 1999 for the limited  
10 purpose of determining whether the disciplinary action therein  
11 imposed should be reduced.

12 I have reconsidered said Decision and it is hereby  
13 ordered that the disciplinary action therein imposed against the  
14 real estate licenses of Respondents R K T REAL ESTATE SERVICES,  
15 INC., 1-800-ANYLOAN and TERRY FISHMAN, be reduced by modifying  
16 the Order of said Decision to read as follows:

17 I

18 All licenses and license rights of Respondent,  
19 R K T REAL ESTATE SERVICES, INC. under the Real Estate Law are  
20 suspended for a period of ninety (90) days from the effective  
21 date of this Decision; provided, however, that sixty (60) days  
22 of said suspension shall be stayed for two (2) years upon the  
23 following terms and conditions:

24 1. Respondent shall obey all laws, rules and  
25 regulations governing the rights, duties and responsibilities  
26 of a real estate licensee in the State of California; and  
27

1 2. That no final subsequent determination be made,  
2 after hearing or upon stipulation, that cause for disciplinary  
3 action occurred within two (2) years of the effective date of  
4 this Decision. Should such a determination be made, the  
5 Commissioner may, in his discretion, vacate and set aside the  
6 stay order and reimpose all or a portion of the stayed  
7 suspension. Should no such determination be made, the stay  
8 imposed herein shall be permanent.

9 3. If Respondent petitions, the initial thirty (30)  
10 days of said ninety (90) day suspension shall be stayed upon  
11 condition that:

12 a. Respondent pays a monetary penalty pursuant to  
13 Section 10175.2 of the Business and Professions Code of One  
14 Thousand Dollars (\$1,000).

15 b. Said payment shall be in the form of a  
16 cashier's check or certified check made payable to the Recovery  
17 Account of the Real Estate Fund. Said check must be delivered  
18 to the Department prior to the effective date of the Decision  
19 in this matter, or arrangements made to deliver said check within  
20 ten (10) days after the effective date of this Decision.

21 c. No further cause for disciplinary action  
22 against the real estate license of Respondent occurs within two  
23 (2) years from the effective date of the Decision in this matter.

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1 d. If Respondent fails to pay the monetary penalty  
2 in accordance with the terms and conditions of the Decision, the  
3 Commissioner may, without a hearing, order the immediate  
4 execution of all or any part of the thirty (30) day stayed  
5 suspension in which event the Respondent shall not be entitled to  
6 any repayment nor credit, prorated or otherwise, for money paid  
7 to the Department under the terms of this Decision.

8 e. If Respondent pays the monetary penalty and if  
9 no further cause for disciplinary action against the real estate  
10 license of Respondent occurs within two (2) years from the  
11 effective date of the Decision, the stay hereby granted shall be  
12 permanent.

13 4. Pursuant to Section 10148 of the Business and  
14 Professions Code, Respondent, R K T REAL ESTATE SERVICES, INC.,  
15 shall pay the Commissioner's reasonable cost for a subsequent  
16 audit to determine if Respondent has corrected the trust fund  
17 violations found in paragraphs I, II, III and IV of the  
18 Determination of Issues. In calculating the amount of the  
19 Commissioner's reasonable cost for the subsequent audit, the  
20 Commissioner may use the estimated average hourly salary for all  
21 persons performing audits of real estate brokers, and shall  
22 include an allocation for travel time to and from the auditor's  
23 place of work. Said amount for the subsequent audit shall not  
24 exceed \$1,900.

25 Respondent shall pay such cost within sixty (60) days  
26 of receiving an invoice from the Commissioner detailing the  
27 activities performed during the audit and the amount of time

1 spent performing those activities. The Commissioner may suspend  
2 the restricted license issued to Respondent pending a hearing  
3 held in accordance with Section 11500, et seq., of the Government  
4 Code if payment is not timely made as provided for herein, or as  
5 provided for in a subsequent agreement between Respondent and the  
6 Commissioner. The suspension shall remain in effect until  
7 payment is made in full, or until Respondent enters into an  
8 agreement satisfactory to the Commissioner to provide for  
9 payment, or until a decision providing otherwise is adopted  
10 following a hearing held pursuant to this condition.

11 II

12 The license and license rights of Respondent  
13 1-800-ANYLOAN under the Real Estate Law are suspended for a  
14 period of sixty (60) days from the effective date of this  
15 Decision; provided, however, that said sixty (60) day suspension  
16 shall be stayed for one (1) year upon the following terms and  
17 conditions:

- 18 1. Respondent shall obey all laws, rules and  
19 regulations governing the rights, duties and responsibilities  
20 of a real estate licensee in the State of California; and  
21 2. That no final subsequent determination be made,  
22 after hearing or upon stipulation, that cause for disciplinary  
23 action occurred within one (1) year of the effective date of this  
24 Decision. Should such determination be made, the Commissioner  
25 may, in his discretion, vacate and set aside the stay order and  
26 reimpose all or a portion of the stayed suspension. Should no  
27



1 such determination be made, the stay imposed herein shall become  
2 permanent.

3 III

4 All licenses and licensing rights of Respondent,  
5 TERRY FISHMAN, under the Real Estate Law are revoked; provided,  
6 however, a restricted real estate broker license shall be issued  
7 to Respondent pursuant Section 10156.5 of the Business and  
8 Professions Code, if Respondent makes application therefor and  
9 pays to the Department of Real Estate the appropriate fee for the  
10 restricted license within 90 days from the effective date of this  
11 Decision. The restricted license issued to Respondent shall be  
12 subject to all of the provisions of Section 10156.7 of the  
13 Business and Professions Code and to the following limitations,  
14 conditions and restrictions imposed under authority of Section  
15 10156.6 of that Code:

16 1. The restricted license issued to Respondent may  
17 be suspended prior to hearing by Order of the Real Estate  
18 Commissioner in the event of Respondent's conviction or plea  
19 of nolo contendere to a crime which is substantially related  
20 to Respondent's fitness or capacity as a real estate licensee.

21 2. The restricted license issued to Respondent may  
22 be suspended prior to hearing by Order of the Real Estate  
23 Commissioner on evidence satisfactory to the Commissioner that  
24 Respondent has violated provisions of the California Real Estate  
25 Law, the Subdivided Lands Law, or Regulations of the Real Estate  
26 Commissioner or conditions attaching to the restricted license.



1                   3. Respondent shall not be eligible to apply for the  
2 issuance of an unrestricted real estate license nor for the  
3 removal of any of the conditions, limitations or restrictions  
4 of a restricted license until one (1) year has elapsed from the  
5 effective date of this Decision.

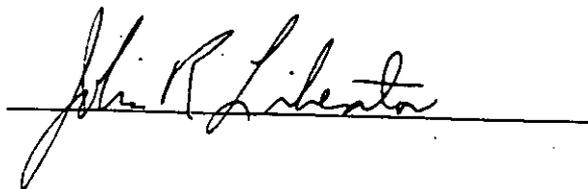
6                   4. Respondent shall, within nine (9) months from the  
7 effective date of this Decision, present evidence satisfactory  
8 to the Real Estate Commissioner that Respondent has, since the  
9 most recent issuance of an original or renewal real estate  
10 license, taken and successfully completed the continuing education  
11 requirements of Article 2.5 of Chapter 3 of the Real Estate Law  
12 for renewal of a real estate license. If Respondent fails to  
13 satisfy this condition, the Commissioner may order the suspension  
14 of the restricted license until the Respondent presents such  
15 evidence. The Commissioner shall afford Respondent the opportunity  
16 for a hearing pursuant to the Administrative Procedure Act to  
17 present such evidence.

18                   5. Respondent shall not be the designated officer  
19 of a licensed real estate corporation during the term of the  
20 restricted license.

21                   As hereby modified and amended, the Decision of  
22 July 26, 1999, shall become effective at 12 o'clock noon  
23 on October 20, 1999.

24                   IT IS SO ORDERED September 27, 1999.

25                   JOHN R. LIBERATOR  
26                   Acting Real Estate Commissioner

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FILED  
SEP 15 1999  
DEPARTMENT OF REAL ESTATE

By C. [Signature]

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BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

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In the Matter of the Accusation of )  
)  
) R K T REAL ESTATE SERVICES, INC.; )  
) SECURITY DISCOUNT LENDERS, INC.; )  
) A & F REALTY SERVICES, INC., )  
) doing business as Diversified )  
) Pacific Partners and Diversified )  
) Real Estate Services; ATLANTIC )  
) REALTY OF AMERICA, INC., doing )  
) business as Eagle Mortgage; )  
) MORTGAGE E-MAIL COMPANY; TREASURE )  
) FUNDING, INC.; 1-800-ANYLOAN; )  
) and TERRY FISHMAN, individually )  
) and as designated officer of )  
) RKT Real Estate Services, Inc., )  
) Security Discount Lenders, Inc., )  
) A & F Realty Services, Inc., )  
) Atlantic Realty of America, Inc., )  
) Mortgage E-Mail Company, Treasure )  
) Funding, Inc., and 1-800-Anyloan, )  
)  
) Respondents. )  
)

No. H-28110 LA

ORDER STAYING EFFECTIVE DATE

On July 26, 1999, a Decision was rendered in the  
above-entitled matter to become effective August 18, 1999.

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1 On August 12, 1999, the effective date of said  
Decision was stayed until September 17, 1999.

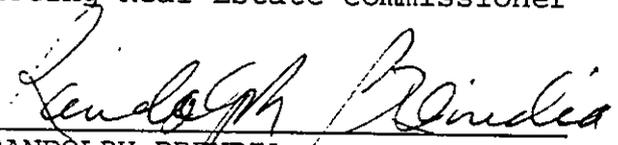
2 IT IS HEREBY ORDERED that the effective date of  
3 the Decision of July 26, 1999, as to R K T REAL ESTATE SERVICES,  
4 INC. and 1-800-ANYLOAN and is stayed for an additional period of  
5 ten (10) days.

6 The Decision of July 26, 1999, shall become effective  
7 at 12 o'clock noon on September 27, 1999.

8 DATED: September 15, 1999.

9 JOHN R. LIBERATOR  
10 Acting Real Estate Commissioner

11 By:

  
12 RANDOLPH BRENDIA  
13 Regional Manager  
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FILED  
SEP 15 1999  
DEPARTMENT OF REAL ESTATE

By C. B.

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Respondents. )

No. H-28110 LA

ORDER STAYING EFFECTIVE DATE

On July 26, 1999, a Decision was rendered in the  
above-entitled matter to become effective August 18, 1999.

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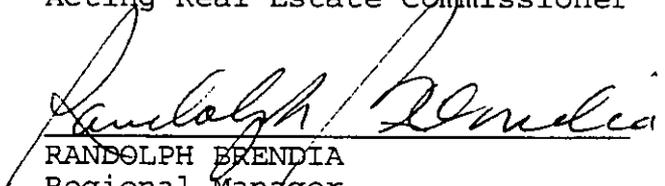
On August 18, 1999, the effective date of said  
1 Decision was stayed until September 17, 1999.

2 IT IS HEREBY ORDERED that the effective date of  
3 the Decision of July 26, 1999, as to TERRY FISHMAN is stayed for  
4 an additional period of ten (10) days.

5 The Decision of July 26, 1999, shall become effective  
6 at 12 o'clock noon on September 27, 1999.

7 DATED: September 15, 1999.

8 JOHN R. LIBERATOR  
9 Acting Real Estate Commissioner

10 By:   
11

RANDOLPH BRENDIA  
12 Regional Manager  
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FILED  
AUG 18 1999  
DEPARTMENT OF REAL ESTATE

By C. J.

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BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

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R K T REAL ESTATE SERVICES, INC.; )  
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Respondents. )

No. H-28110 LA

ORDER STAYING EFFECTIVE DATE

On July 26, 1999, a Decision was rendered in the  
above-entitled matter to become effective August 18, 1999.

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1 IT IS HEREBY ORDERED that the effective date of the  
2 Decision of July 26, 1999, is stayed as to TERRY FISHMAN for a  
3 period of thirty (30) days.

4 The Decision of July 26, 1999, shall become effective  
5 at 12 o'clock noon on September 17, 1999.

6 DATED: August 18, 1999.

7 JOHN R. LIBERATOR  
8 Acting Real Estate Commissioner

9 By: *Randolph Brendia*

10 RANDOLPH BRENDIA  
11 Regional Manager  
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BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

In the Matter of the Accusation of )  
R K T REAL ESTATE SERVICES, INC.; )  
SECURITY DISCOUNT LENDERS, INC.; )  
A & F REALTY SERVICES, INC., dba )  
Diversified Pacific Partners and )  
Diversified Real Estate Services; )  
ATLANTIC REALTY OF AMERICA, INC., )  
dba Eagle Mortgage; MORTGAGE E-MAIL )  
COMPANY; TREASURE FUNDING, INC.; )  
1-800-ANYLOAN; and TERRY FISHMAN; )  
individually and as D.O. of R K T )  
Real Estate Services, Inc., )  
Security Discount Lenders, Inc., )  
A & F Realty Services, Inc., )  
Atlantic Realty of America, Inc., )  
Mortgage E-Mail Company, Treasure )  
Funding, Inc., and 1-800-Anyloan, )

) Case No. H-28110 LA  
)  
) L-1999080179

FILED  
AUG 18 1999  
DEPARTMENT OF REAL ESTATE

By C. J. [Signature]

Respondent (s)

NOTICE OF HEARING ON ACCUSATION

To the above-named Respondent(s):

You are hereby notified that a hearing will be held before the Department of Real Estate at the Office of Administrative Hearings, 320 West Fourth Street, Suite 630, Los Angeles, CA 90013-1105 on WEDNESDAY and THURSDAY, OCTOBER 6 and 7, 1999, at the hour of 9:00 A.M., as to SECURITY DISCOUNT LENDERS, INC., ATLANTIC REALTY OF AMERICA, INC., MORTGAGE E-MAIL COMPANY, and TREASURE FUNDING, INC., or as soon thereafter as the matter can be heard, upon the Accusation served upon you. If you object to the place of hearing, you must notify the presiding administrative law judge of the Office of Administrative Hearings within ten (10) days after this notice is served on you. Failure to notify the presiding administrative law judge within ten days will deprive you of a change in the place of the hearing.

You may be present at the hearing. You have the right to be represented by an attorney at your own expense. You are not entitled to the appointment of an attorney to represent you at public expense. You are entitled to represent yourself without legal counsel. If you are not present in person nor represented by counsel at the hearing, the Department may take disciplinary action against you based upon any express admission or other evidence including affidavits, without any notice to you.

**Notice of Hearing on Acucsation**

Security Discount Lenders, Inc.  
Atlantic Realty of America, Inc.  
Mortgage E-Mail Company  
Treasure Funding, Inc.

-Page 2-

You may present any relevant evidence and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the production of books, documents or other things by applying to the Department of Real Estate.

The hearing shall be conducted in the English language. If you want to offer the testimony of any witness who does not proficiently speak the English language, you must provide your own interpreter and pay his or her costs. The interpreter must be certified in accordance with Sections 11435.30 and 11435.55 of the Government Code.

DEPARTMENT OF REAL ESTATE

Dated: August 18, 1999

By

  
DARLENE AVERETTA, Counsel

cc: Security Discount Lenders, Inc.  
Atlantic Realty of America, Inc.  
Mortgage E-Mail Company  
Treasure Funding, Inc.  
Frank M. Buda, Esq.  
David L. Allen, Esq.  
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FILED  
AUG 12 1999  
DEPARTMENT OF REAL ESTATE

By C. B.

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BEFORE THE DEPARTMENT OF REAL ESTATE  
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15 REALTY OF AMERICA, INC., doing )  
business as Eagle Mortgage; )  
16 MORTGAGE E-MAIL COMPANY; TREASURE )  
FUNDING, INC.; 1-800-ANYLOAN; )  
17 and TERRY FISHMAN, individually )  
and as designated officer of )  
18 RKT Real Estate Services, Inc., )  
Security Discount Lenders, Inc., )  
19 A & F Realty Services, Inc., )  
Atlantic Realty of America, Inc., )  
20 Mortgage E-Mail Company, Treasure )  
Funding, Inc., and 1-800-Anyloan, )  
21 Respondents. )  
22

No. H-28110 LA

ORDER STAYING EFFECTIVE DATE

On July 26, 1999, a Decision was rendered in the  
above-entitled matter to become effective August 18, 1999.

///  
///

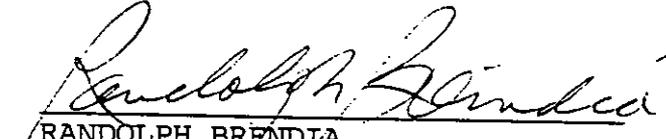
1 IT IS HEREBY ORDERED that the effective date of the  
2 Decision of July 26, 1999, is stayed as to R K T REAL ESTATE  
3 SERVICES, INC. and 1-800-ANYLOAN for a period of thirty (30)  
4 days.

5 The Decision of July 26, 1999, shall become effective  
6 at 12 o'clock noon on September 17, 1999.

7 DATED: August 12, 1999.

8 JOHN R. LIBERATOR  
9 Acting Real Estate Commissioner

10 By:

  
11 RANDOLPH BRENDIA  
12 Regional Manager  
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FILED  
JUL 30 1999  
DEPARTMENT OF REAL ESTATE

By C. 37

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of )  
R K T REAL ESTATE SERVICES, INC.; )  
SECURITY DISCOUNT LENDERS, INC.; )  
A & F REALTY SERVICES, INC., )  
doing business as Diversified )  
Pacific Partners and Diversified )  
Real Estate Services; ATLANTIC )  
REALTY OF AMERICA, INC., doing )  
business as Eagle Mortgage; )  
MORTGAGE E-MAIL COMPANY; TREASURE )  
FUNDING, INC.; 1-800-ANYLOAN; )  
and TERRY FISHMAN, individually )  
and as designated officer of )  
RKT Real Estate Services, Inc., )  
Security Discount Lenders, Inc., )  
A & F Realty Services, Inc., )  
Atlantic Realty of America, Inc., )  
Mortgage E-Mail Company, Treasure )  
Funding, Inc., and 1-800-Anyloan, )  
Respondents. )

NO. H-28110 LA

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 July 8, 1999, and the findings of fact set forth herein based on one or more of the following: 1) Respondents' express admissions; (2) affidavits; and (3) other evidence.

## FINDINGS OF FACT

### I

On May 13, 1999, Thomas McCrady made the Accusation in his official capacity as a Deputy Real Estate Commissioner of the State of California.

The Accusation, Statement to Respondent, and Notice of Defense were mailed, by certified mail, to Respondents R K T REAL ESTATE SERVICES, INC., A & F REALTY SERVICES, INC. and TERRY FISHMAN's last known main office and mailing addresses on file with the Department of Real Estate ("Department") on May 13, 1999; and to Respondent 1-800-ANYLOAN's last known main office and mailing addresses on file with the Department on June 10, 1999.

The Accusation, Statement to Respondent, and Notice of Defense were mailed again, by regular mail, to Respondents R K T REAL ESTATE SERVICES, INC. and A & F REALTY SERVICES, INC.'s last known main office and mailing addresses on file with the Department on June 9, 1999; and to 1-800-ANYLOAN and TERRY FISHMAN's last known main office and mailing addresses on file with the Department on June 10, 1999.

On July 8, 1999, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondents R K T REAL ESTATE SERVICES, INC., A & F REALTY SERVICES, INC., 1-800-ANYLOAN and TERRY FISHMAN's default was entered herein.

### II

R K T REAL ESTATE SERVICES, INC. ("R K T REAL ESTATE"); A & F REALTY SERVICES, INC., doing business as Diversified Pacific Partners and Diversified Real Estate Services ("A & F REALTY"); 1-800-ANYLOAN aka LOAN SAVINGS ("ANYLOAN"); and TERRY FISHMAN, individually and as designated officer of R K T Real Estate Services, Inc., Security Discount Lenders, Inc., A & F Realty Services, Inc., Atlantic Realty of America, Inc., Mortgage E-Mail Company, Treasure Funding, Inc. and 1-800-Anyloan ("FISHMAN"), sometimes collectively referred to herein as "Respondents", 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 ("Code").

### III

From approximately February 24, 1995, to present, R K T REAL ESTATE was, and currently is, licensed by the Department as a corporate real estate broker by and through FISHMAN as the designated officer and broker.

### IV

From approximately August 19, 1991, to present, A & F REALTY was, and currently is, licensed by the Department as a corporate real estate broker by and through FISHMAN as the designated officer and broker.

### V

From approximately October 9, 1998, to present, ANYLOAN was, and currently is, licensed by the Department as a corporate real estate broker by and through FISHMAN as the designated officer and broker.

### VI

From approximately March 4, 1991, to present, FISHMAN was licensed by the Department, individually as a real estate broker, and as a designated broker-officer. As a designated broker-officer, FISHMAN is and was responsible, pursuant to the provisions of Code Section 10159.2, for the supervision and control of the activities requiring a real estate license conducted on behalf of R K T REAL ESTATE, SECURITY DISCOUNT LENDERS, INC., A & F REALTY, ATLANTIC REALTY OF AMERICA, INC., MORTGAGE E-MAIL COMPANY, TREASURE FUNDING, INC. and ANYLOAN, by their officers, agents and employees as necessary to secure full compliance with the provisions of the Real Estate Law.

### VII

#### Prior Discipline

On or about April 12, 1995, in Case No. H-26089 LA, a case then pending before the Department, an Order to Desist and Refrain was served on A & F REALTY SERVICES, INC., A & F REALTY SERVICES, INC., doing business as Executive Funding, MORTGAGE AMERICA NATIONWIDE and TERRY FISHMAN. Said Order found that A & F REALTY SERVICES, INC., had violated Code Sections 10161.8 and 10160, and Section 2715 of Title 10, Chapter 6, California Code of Regulations ("Regulation"); that A & F REALTY SERVICES, INC., doing business as Executive Funding, had violated Code Sections 10145(a) 10240 and 10161.8, and Regulation 2831; and that TERRY FISHMAN, had violated Regulation 2725. A & F REALTY SERVICES, INC.,

A & F REALTY SERVICES, INC., doing business as Executive Funding and TERRY FISHMAN were ordered to desist and refrain from performing any and all activities for which a real estate license was required until they complied with all provisions of the Real Estate Law as discussed in the Order.

#### VIII

All further references to "Respondents", unless otherwise specified, include the parties identified in Paragraphs II through V, above, and also include the officers, directors, managers, employees, agents and real estate licensees employed by or associated with said parties, who at all times herein mentioned were engaged in the furtherance of the business or operations of said parties and who were acting within the course and scope of their authority, agency or employment.

#### IX

On or about December 4, 1998, the Department completed an examination of Respondents R K T REAL ESTATE and FISHMAN's books and records pertaining to the real estate and trust fund handling activities described in Findings X and XI, below, covering a period from approximately January 1, 1998, through September 30, 1998. Said examination revealed violations of the Code and the Regulations as set forth below.

#### X

At all times material herein, Respondents R K T REAL ESTATE and FISHMAN engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers in the State of California within the meaning of Code Section 10131(b).

#### XI

At all times material herein, in connection with the activities described in Paragraph X, above, Respondents R K T REAL ESTATE and FISHMAN accepted or received funds, including funds in trust (hereinafter "trust funds") from or on behalf of parties to transactions handled by Respondents R K T REAL ESTATE and FISHMAN. Thereafter, Respondents R K T REAL ESTATE and FISHMAN made deposits and/or disbursements of such funds. From time to time herein mentioned, said trust funds were deposited and/or maintained by Respondents R K T REAL ESTATE and FISHMAN in bank accounts at Glendale Federal Bank, located at 23754 Valencia Blvd., Valencia, California 91355. Said bank accounts included, but were not necessarily limited to, the following: Account Number 103-820935-3, "RKT Real Estate Services Inc. for LA Salle National Bank,

Prop.#026-10242 Woodworth" ("T/A #1"); Account Number 103-820678-9, "RKT Real Estate Services Inc. for Del Norte, Prop.#024-482 E. Ave. 28/481-483 Clifton St." ("T/A #2"); Account Number 103-820974-8, "RKT Real Estate Services for FNB Real Estate Corp., Prop.#411-300 S. Hobart ("T/A #3"); Account Number 103-8204402-8, "RKT Real Estate Services for FNB Real Estate Corp., 409-5965 Washington Blvd. ("T/A #4"); Account Number 103-820953-5, "RKT Real Estate Services Inc. for Prop.#207-1483 Martin Luther King St. ("T/A #5"); Account Number 103-820657-6, "RKT for National Investors, Prop.#022-1175 Westmoreland ("T/A #6"); Account Number 103-820693 0, "RKT Real Estate Services for Del Norte Inc. Prop.#023-6307 & 6309 Crenshaw Blvd. ("T/A #7").

## XII

In the course of activities described in Findings X and XI, above, and during the examination period described in Paragraph IX, Respondents R K T REAL ESTATE and FISHMAN acted in violation of the Code and the Regulations in that:

(a) Respondents R K T REAL ESTATE and FISHMAN commingled trust funds with R K T REAL ESTATE funds, and trust funds received in cash were not always deposited directly into T/A #1 and T/A #2, in violation of Code Section 10145.

(b) Respondents R K T REAL ESTATE and FISHMAN failed to maintain a complete and accurate control record for T/A #1, T/A #2 and T/A #3. The manual control records were missing the date the funds were received, from whom the funds were received and the amount received, in violation of Regulation 2831.

(c) Respondents R K T REAL ESTATE and FISHMAN failed to designate T/A #1, T/A #2 and T/A #3, as trust accounts on their Bank Signature Cards, and trust fund rents were not always deposited within three (3) business days of receipt, in violation Regulation 2832.

(d) Respondents R K T REAL ESTATE and FISHMAN caused, permitted and/or allowed Wendy Zinn, who at the time, was neither licensed by the Department nor covered by an adequate fidelity bond, as a signatory on T/A #1, T/A #2 and T/A #3. Respondent FISHMAN could not sign on T/A #1, T/A #2 and T/A #3 during the audit period. G. Ronald Gurne, a licensed real estate salesperson, could sign on T/A #1, T/A #2 and T/A #3; however, there was no written authorization from Respondent FISHMAN for G. Ronald Gurne or Wendy Zinn to sign on T/A #1, T/A #2 and T/A #3. Said conduct, acts and/or omissions are in violation of Regulation 2834.

### XIII

On or about November 4, 1998, the Department completed an examination of Respondents A & F REALTY and FISHMAN's books and records pertaining to the real estate activities described in Finding XIV, below, covering a period from approximately January 1, 1998, through September 30, 1998. Said examination revealed violations of the Code and Regulations as set forth below.

### XIV

At all times material herein, A & F REALTY and FISHMAN engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers in the State of California within the meaning of Code Section 10131(d).

### XV

In the course of activities described in Finding XIV, above, and during the examination period described in Finding XIII, Respondents A & F REALTY and FISHMAN acted in violation of the Code and the Regulations in that:

(a) Respondents A & F REALTY and FISHMAN did not provide lenders with a Lender Disclosure Statement for the Gomez, Mejia and Pineda loan files examined, in violation of Code Section 10232.4.

(b) Respondents A & F REALTY and FISHMAN failed to deliver to all borrowers, a statement, in writing, containing all the information required by Code Section 10241, in that the Mortgage Loan Disclosure Statements in the loan files examined were not complete, in violation of Code Section 10240 and Regulation 2840 or Regulation 2840.1.

(c) Respondents A & F REALTY and FISHMAN failed to notify the Real Estate Commissioner, within five (5) days, of Respondents' employment of salespersons Antonio A. Orelly, Rocio Perez and Angel A. Tzec, in violation of Code Section 10161.8(a) and Regulation 2752.

(d) Respondents A & F REALTY and FISHMAN used the unlicensed fictitious business names "Diversified Finance Service", "Diversified Financial" and "MPV Investments, Inc.", in violation of Regulation 2731.

XVI

On or about April 12, 1995, in Case No. H-26089 LA, a case then pending before the Department, an Order to Desist and Refrain was entered in accordance with the provisions of Code Section 10086. Said Order directed Respondents A & F REALTY and FISHMAN to desist and refrain from performing all activities for which a real estate license is required until they complied with all provisions of the Real Estate Law as discussed in the Order, including Code Sections 10161.8 and 10240. Said Order was duly filed and served upon Respondents A & F REALTY and FISHMAN:

XVII

Respondents A & F REALTY and FISHMAN's conduct, in violating Code Sections 10161.8 and 10240, and as described herein above, after being ordered to desist and refrain from said conduct, violated Code Section 10086.

XVIII

On or about November 18, 1999, the Department completed an examination of Respondents ANYLOAN and FISHMAN's books and records pertaining to the real estate activities described in Finding XIX, below, covering a period from approximately October 9, 1998, through November 16, 1998. Said examination revealed violations of the Code and Regulations as set forth below.

XIX

At all times material herein, ANYLOAN and FISHMAN engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers in the State of California within the meaning of Code Section 10131(d).

XX

In the course of activities described in Finding XIX, above, and during the examination period described in finding XVIII, Respondents ANYLOAN and FISHMAN acted in violation of the Code and the Regulations, in that:

(a) Respondents ANYLOAN and FISHMAN failed to maintain a signed Broker-Salesperson Relationship Agreement with Marlow Hooper, a licensed real estate salesperson in their employ, in violation Regulation 2726.

(b) Respondents ANYLOAN and FISHMAN failed to maintain on file and/or deliver to all borrowers including, but not necessarily limited to, Elmer & Margarita Jackson, Jose & Ruth Carbajal and Marjorie Robinson, a statement, in writing, containing all the information required by Code Section 10241, in violation of Code Section 10240 and Regulation 2840 or Regulation 2840.1.

XXI

FISHMAN did not adequately supervise the property management activities of R K T REAL ESTATE. FISHMAN could not sign on any of the trust accounts during the audit period. Trust funds were commingled with R K T REAL ESTATE funds. Trust funds, including cash received from tenants, were not deposited directly into T/A #1 and T/A #2. FISHMAN had no ownership interest in R K T REAL ESTATE. FISHMAN went to R K T REAL ESTATE offices only once or twice a week, and he did not review the bank reconciliations for the trust accounts. FISHMAN did not have a business card for R K T REAL ESTATE, and he did not perform any real estate activity at the R K T REAL ESTATE office; and licensed real estate salesperson G. Ronald Gurne, who was the President and 50% shareholder of R K T REAL ESTATE, paid the rent on the office space for R K T REAL ESTATE.

XXII

FISHMAN did not adequately supervise the activities of SECURITY DISCOUNT LENDERS, INC. ("SECURITY DISCOUNT"), that required a real estate license. FISHMAN had no ownership interest in SECURITY DISCOUNT. FISHMAN had an agreement with SECURITY DISCOUNT to receive \$500 a month as designated officer of SECURITY DISCOUNT; however, he went to SECURITY DISCOUNT offices only once or twice a week. FISHMAN did not have a business card for SECURITY DISCOUNT, and he did not perform any real estate activity at the SECURITY DISCOUNT office. Licensed real estate salesperson Paul King, who was the President and 100 % shareholder of SECURITY DISCOUNT, paid the rent on the office space for SECURITY DISCOUNT.

XXIII

FISHMAN did not adequately supervise the activities of A & F REALTY that required a real estate license. FISHMAN did not perform any real estate activity at A & F REALTY's main office, which was FISHMAN's residence. FISHMAN and Respondent A & F REALTY had a written agreement with licensed real estate salesperson Gerardo Corona ("Corona"), wherein they received \$500 a month for being Corona's real estate broker. Corona's mortgage loan business was performed, in part, under the unlicensed fictitious business names "Diversified Finance Service" and "Diversified Financial". FISHMAN went to the Diversified Finance Service office only once a week and performed no real estate activity there. Corona paid the rent on the branch office space located at 229 S. Garfield Ave., Monterey Park, California. FISHMAN and Respondent A & F REALTY had a written agreement with licensed real estate salesperson Virginia M. Pineda ("Pineda"), wherein they received \$550 a month for being Pineda's real estate broker. Pineda's mortgage loan business was performed, in part, under the unlicensed fictitious business name "MVP Investments, Inc.". FISHMAN went to Pineda's branch office only once or twice a week. Pineda paid the rent on the branch office space located at 2369 Colorado Blvd., #105, Los Angeles, California. FISHMAN performed no real estate activity at Pineda's branch office.

XXIV

FISHMAN did not adequately supervise the activities of ATLANTIC REALTY OF AMERICA, INC. ("ATLANTIC REALTY"), that required a real estate license. FISHMAN did not have an ownership interest in ATLANTIC REALTY. He had an agreement with ATLANTIC REALTY wherein he received \$550 a month to be the designated broker. FISHMAN went to the ATLANTIC REALTY office only once or twice a week. He did not have a business card for ATLANTIC REALTY, and he did not perform any real estate activity at the ATLANTIC REALTY office. Danny O. Barriga, a licensed real estate salesperson, and 100% owner of ATLANTIC REALTY, paid the rent on the office space for ATLANTIC REALTY.

XXV

FISHMAN did not adequately supervise the activities of MORTGAGE E-MAIL COMPANY ("MORTGAGE E-MAIL"), that required a real estate license. FISHMAN did not have an ownership interest in MORTGAGE E-MAIL. He had an agreement with MORTGAGE E-MAIL wherein he received \$500 a month to be the designated broker. FISHMAN went to the MORTGAGE E-MAIL office only once or twice a week, and he did not perform any real estate activity at the MORTGAGE E-MAIL office.

XXVI

FISHMAN did not adequately supervise the activities of TREASURE FUNDING, INC. ("TREASURE FUNDING"), that required a real estate license. FISHMAN did not have an ownership interest in TREASURE FUNDING. He had an agreement with TREASURE FUNDING wherein he received \$500 a month to be the designated broker. FISHMAN went to the TREASURE FUNDING office only once or twice a week. He did not have a business card for TREASURE FUNDING, and he did not perform any real estate activity at the TREASURE FUNDING office. Sheida Azima, the President and 100% owner of TREASURE FUNDING, paid the rent on the office space for TREASURE FUNDING. FISHMAN could not sign on the Trust Account. Sheida Azima, who was not licensed by the Department, could sign on the Trust Account, and there was no fidelity bond or written authorization from FISHMAN authorizing her to sign on the Trust Account. Shohreh Azima (also known as Shohreh Mohamadi Nam), a licensed real estate salesperson, could sign on the Trust Account, and there was no written authorization from FISHMAN authorizing her to sign on the Trust Account.

XXVII

The conduct, acts and/or omissions of Respondent FISHMAN, in violating the Real Estate Law, and in allowing Respondents R K T REAL ESTATE, SECURITY DISCOUNT, A & F REALTY, ATLANTIC REALTY, MORTGAGE E-MAIL, TREASURE FUNDING and ANYLOAN, to violate the Real Estate Law, as described herein above, constitutes a failure by Respondent FISHMAN, as the officer designated by a corporate broker licensee, to exercise the supervision and control over the activities of R K T REAL ESTATE, SECURITY DISCOUNT, A & F REALTY, ATLANTIC REALTY, MORTGAGE E-MAIL, TREASURE FUNDING and ANYLOAN, as required by Code Section 10159.2.

DETERMINATION OF ISSUES

I

The conduct, acts and/or omissions of Respondents R K T REAL ESTATE and FISHMAN, as described in Finding XII(a), herein above, are in violation of Code Section 10145.

II

The conduct, acts and/or omissions of Respondents R K T REAL ESTATE and FISHMAN, as described in Finding XII(b), herein above, are in violation of Regulation 2831.

III

The conduct, acts and/or omissions of Respondents R K T REAL ESTATE and FISHMAN, as described in Finding XII(c), herein above, are in violation of Regulation 2832.

IV

The conduct, acts and/or omissions of Respondents R K T REAL ESTATE and FISHMAN, as described in Finding XII(d), herein above, are in violation of Regulation 2834.

V

Cause for disciplinary action against R K T REAL ESTATE and FISHMAN exists pursuant to Code Sections 10176(e) and 10177(d).

VI

The conduct, acts and/or omissions of Respondents A & F REALTY and FISHMAN, as described in Finding XV(a), herein above, are in violation of Code Section 10232.4.

VII

The conduct, acts and/or omissions of Respondents A & F REALTY and FISHMAN, as described in Finding XV(b), herein above, are in violation of Code Section 10240 and Regulations 2840 and 2840.1.

VIII

The conduct, acts and/or omissions of Respondents A & F REALTY and FISHMAN, as described in Finding XV(c), herein above, are in violation of Code Section 10161.8(a) and Regulation 2752.

IX

The conduct, acts and/or omissions of Respondents A & F REALTY and FISHMAN, as described in Finding XII(d), herein above, are in violation of Regulation 2731.

X

Cause for disciplinary action against Respondents A & F REALTY and FISHMAN exists pursuant to Code Sections 10165 and 10177(d).

XI

The conduct, acts and/or omissions of Respondents ANYLOAN and FISHMAN, as described in Finding XX(a), herein above, are in violation of Regulation 2726.

XII

The conduct, acts and/or omissions of Respondents ANYLOAN and FISHMAN, as described in Finding XX(b), herein above, are in violation of Code Section 10240 and Regulations 2840 and 2840.1.

XIII

Cause for disciplinary action against ANYLOAN and FISHMAN, exists pursuant to Code Section 10177(d).

XIV

The conduct, acts and/or omissions of Respondent FISHMAN, as described in Findings XXI through XXVII, are in violation of Code Section 10159.2.

XV

Cause for disciplinary action against FISHMAN exists pursuant to Code Sections 10177(d) and 10177(h).

XVI

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

ORDER

The licenses and license rights of Respondents R K T REAL ESTATE SERVICES, INC., A & F REALTY SERVICES, INC., 1-800-ANYLOAN and TERRY FISHMAN, under the provisions of Part 1 of Division 4 of the Business and Professions Code, are revoked.

This Decision shall become effective at 12 o'clock noon on August 18, 1999.

DATED: July 26, 1999.

JOHN R. LIBERATOR  
Acting Real Estate Commissioner

John R. Liberator

*Modified (except A+F)  
See Decision after Recon.*

1 DARLENE AVERETTA, Counsel  
2 (SBN 159969)  
3 Department of Real Estate  
4 320 West 4th Street, Suite 350  
5 Los Angeles, California 90013-1105

6 Telephone: (213) 576-6982  
7 (Direct) (213) 576-6904

FILED  
MAY 13 1999  
DEPARTMENT OF REAL ESTATE

By C. B. [Signature]

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of ) NO. H-28110 LA

12 R K T REAL ESTATE SERVICES, INC.; )  
13 SECURITY DISCOUNT LENDERS, INC.; ) ACCUSATION  
14 A & F REALTY SERVICES, INC., )  
15 doing business as Diversified )  
16 Pacific Partners and Diversified )  
17 Real Estate Services; ATLANTIC )  
18 REALTY OF AMERICA, INC., doing )  
19 business as Eagle Mortgage; )  
20 MORTGAGE E-MAIL COMPANY; TREASURE )  
21 FUNDING, INC.; 1-800-ANYLOAN; )  
22 and TERRY FISHMAN, individually )  
23 and as designated officer of )  
24 RKT Real Estate Services, Inc., )  
25 Security Discount Lenders, Inc., )  
26 A & F Realty Services, Inc., )  
27 Atlantic Realty of America, Inc., )  
Mortgage E-Mail Company, Treasure )  
Funding, Inc., and 1-800-Anyloan, )

Respondents. )

23 The Complainant, Thomas McCrady, a Deputy Real Estate  
24 Commissioner of the State of California, for cause of Accusation  
25 against R K T REAL ESTATE SERVICES, INC.; SECURITY DISCOUNT  
26 LENDERS, INC.; A & F REALTY SERVICES, INC., doing business as

1 Diversified Pacific Partners and Diversified Real Estate Services;  
2 ATLANTIC REALTY OF AMERICA, INC., doing business as Eagle  
3 Mortgage; MORTGAGE E-MAIL COMPANY; TREASURE FUNDING, INC.;  
4 1-800-ANYLOAN; and TERRY FISHMAN, individually and as designated  
5 officer of RK T Real Estate Services, Inc., Security Discount  
6 Lenders, Inc., A & F Realty Services, Inc., Atlantic Realty of  
7 America, Inc., Mortgage E-Mail Company, Treasure Funding, Inc.,  
8 and 1-800-Anyloan, is informed and alleges as follows:

9 1.

10 The Complainant, Thomas McCrady, a Deputy Real Estate  
11 Commissioner of the State of California, makes this Accusation in  
12 his official capacity.

13 2.

14 R K T REAL ESTATE SERVICES, INC. ("R K T REAL ESTATE");  
15 SECURITY DISCOUNT LENDERS, INC. ("SECURITY DISCOUNT"); A & F  
16 REALTY SERVICES, INC., doing business as Diversified Pacific  
17 Partners and Diversified Real Estate Services ("A & F REALTY");  
18 ATLANTIC REALTY OF AMERICA, INC., doing business as Eagle Mortgage  
19 ("ATLANTIC REALTY"); MORTGAGE E-MAIL COMPANY ("MORTGAGE E-MAIL");  
20 TREASURE FUNDING, INC. ("TREASURE FUNDING"); 1-800-ANYLOAN  
21 ("ANYLOAN"); and TERRY FISHMAN, individually and as designated  
22 officer of R K T Real Estate Services, Inc., Security Discount  
23 Lenders, Inc., A & F Realty Services, Inc., Atlantic Realty of  
24 America, Inc., Mortgage E-Mail Company, Treasure Funding, Inc.  
25 and 1-800-Anyloan ("FISHMAN"), sometimes collectively referred  
26 to herein as "Respondents", are presently licensed and/or have  
27 license rights under the Real Estate Law, Part 1 of Division 4



1 of the California Business and Professions Code ("Code").

2 3.

3 From approximately February 24, 1995, to present,  
4 R K T REAL ESTATE was, and currently is, licensed by the  
5 Department of Real Estate of the State of California  
6 ("Department") as a corporate real estate broker by and  
7 through FISHMAN as the designated officer and broker.

8 4.

9 From approximately June 6, 1995, to present, SECURITY  
10 DISCOUNT was, and currently is, licensed by the Department as  
11 a corporate real estate broker by and through FISHMAN as the  
12 designated officer and broker.

13 5.

14 From approximately August 19, 1991, to present,  
15 A & F REALTY was, and currently is, licensed by the Department  
16 as a corporate real estate broker by and through FISHMAN as the  
17 designated officer and broker.

18 6.

19 From approximately May 22, 1997, to present, ATLANTIC  
20 REALTY was, and currently is, licensed by the Department as a  
21 corporate real estate broker by and through FISHMAN as the  
22 designated officer and broker.

23 7.

24 From approximately September 25, 1997, to present,  
25 MORTGAGE E-MAIL was, and currently is, licensed by the Department  
26 as a corporate real estate broker by and through FISHMAN as the  
27 designated officer and broker.



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From approximately February 7, 1995, to present, TREASURE FUNDING was, and currently is, licensed by the Department as a corporate real estate broker by and through FISHMAN as the designated officer and broker.

9.

From approximately October 9, 1998, to present, ANYLOAN was, and currently is, licensed by the Department as a corporate real estate broker by and through FISHMAN as the designated officer and broker.

10.

From approximately March 4, 1991, to present, FISHMAN was licensed by the Department, individually as a real estate broker, and as specified herein above, as a designated broker-officer. As a designated broker-officer, FISHMAN is and was responsible, pursuant to the provisions of Code Section 10159.2, for the supervision and control of the activities requiring a real estate license conducted on behalf of R K T REAL ESTATE, SECURITY DISCOUNT, A & F REALTY, ATLANTIC REALTY, MORTGAGE E-MAIL, TREASURE FUNDING and ANYLOAN, by their officers, agents and employees as necessary to secure full compliance with the provisions of the Real Estate Law.

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///  
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Prior Discipline

On or about April 12, 1995, in Case No. H-26089 LA, a case then pending before the Department, an Order to Desist and Refrain was served on A & F REALTY SERVICES, INC., A & F REALTY SERVICES, INC., doing business as Executive Funding, MORTGAGE AMERICA NATIONWIDE and TERRY FISHMAN. Said Order found that A & F REALTY SERVICES, INC., had violated Code Sections 10161.8 and 10160, and Section 2715 of Title 10, Chapter 6, California Code of Regulations ("Regulation"); that A & F REALTY SERVICES, INC., doing business as Executive Funding, had violated Code Sections 10145(a) 10240 and 10161.8, and Regulation 2831; and that TERRY FISHMAN, had violated Regulation 2725. A & F REALTY SERVICES, INC., A & F REALTY SERVICES, INC. doing business as Executive Funding and TERRY FISHMAN were ordered to desist and refrain from performing any and all activities for which a real estate license was required until they complied with all provisions of the Real Estate Law as discussed in the Order.

12.

All further references to "Respondents", unless otherwise specified, include the parties identified in Paragraphs 2 through 10, above, and also include the officers, directors, managers, employees, agents and real estate licensees employed by or associated with said parties, who at all times herein mentioned were engaged in the furtherance of the business or operations of said parties and who were acting within the course and scope of their authority, agency or employment.



FIRST CAUSE OF ACCUSATION

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13.

On or about December 4, 1998, the Department completed an examination of Respondents R K T REAL ESTATE and FISHMAN's books and records pertaining to the real estate and trust fund handling activities described in Paragraphs 14 and 15, below, covering a period from approximately January 1, 1998, through September 30, 1998. Said examination revealed violations of the Code and the Regulations as set forth below.

14.

At all times material herein, Respondent R K T REAL ESTATE and FISHMAN engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers in the State of California within the meaning of Code Section 10131(b). Said activity included the operation and conduct of a property management business with the public wherein Respondents R K T REAL ESTATE and FISHMAN, for another or others, and for or in expectation of compensation, leased or rented or offered to lease or rent, or placed for rent, or solicited listings of places for rent, or solicited for prospective tenants, or negotiated the sale, purchase or exchange of leases, or collected rents from real property, or improvements, or from business opportunities.

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2 At all times material herein, in connection with the  
3 activities described in Paragraph 14, above, Respondents R K T  
4 REAL ESTATE and FISHMAN accepted or received funds, including  
5 funds in trust (hereinafter "trust funds") from or on behalf of  
6 parties to transactions handled by Respondents R K T REAL ESTATE  
7 and FISHMAN. Thereafter, Respondents R K T REAL ESTATE and FISHMAN  
8 made deposits and/or disbursements of such funds. From time to  
9 time herein mentioned, said trust funds were deposited and/or  
10 maintained by Respondents R K T REAL ESTATE and FISHMAN in bank  
11 accounts at Glendale Federal Bank, located at 23754 Valencia  
12 Blvd., Valencia, California 91355. Said bank accounts included,  
13 but were not necessarily limited to, the following: Account  
14 Number 103-820935-3, "RKT Real Estate Services Inc. for LA Salle  
15 National Bank, Prop.#026-10242 Woodworth" ("T/A #1"); Account  
16 Number 103-820678-9, "RKT Real Estate Services Inc. for Del Norte,  
17 Prop.#024-482 E. Ave. 28/481-483 Clifton St." ("T/A #2"); Account  
18 Number 103-820974-8, "RKT Real Estate Services for FNB Real Estate  
19 Corp., Prop.#411-300 S. Hobart ("T/A #3"); Account Number  
20 103-8204402-8, "RKT Real Estate Services for FNB Real Estate  
21 Corp., 409-5965 Washington Blvd. ("T/A #4"); Account Number  
22 103-820953-5, "RKT Real Estate Services Inc. for Prop.#207-1483  
23 Martin Luther King St. ("T/A #5"); Account Number 103-820657-6,  
24 "RKT for National Investors, Prop.#022-1175 Westmoreland ("T/A  
25 #6"); Account Number 103-820693-0, "RKT Real Estate Services for  
26 Del Norte Inc. Prop.#023-6307 & 6309 Crenshaw Blvd. ("T/A #7").  
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2 In the course of activities described in  
3 Paragraphs 14 and 15, above, and during the examination period  
4 described in Paragraph 13, Respondents R K T REAL ESTATE and  
5 FISHMAN acted in violation of the Code and the Regulations in  
6 that:

7 (a) Respondents R K T REAL ESTATE and FISHMAN  
8 commingled trust funds with R K T REAL ESTATE funds, and trust  
9 funds received in cash were not always deposited directly into T/A  
10 #1 and T/A #2, in violation of Code Section 10145.

11 (b) Respondents R K T REAL ESTATE and FISHMAN failed to  
12 maintain a complete and accurate control record for T/A #1, T/A #2  
13 and T/A #3. The manual control records were missing the date the  
14 funds were received, from whom the funds were received and the  
15 amount received, in violation of Regulation 2831.

16 (c) Respondents R K T REAL ESTATE and FISHMAN failed  
17 to designate for T/A #1, T/A #2 and T/A #3, as trust accounts on  
18 their Bank Signature Cards, and trust fund rents were not always  
19 deposited within three (3) business days of receipt, in violation  
20 Regulation 2832.

21 (d) Respondents R K T REAL ESTATE and FISHMAN caused,  
22 permitted and/or allowed Wendy Zinn, who at the time was neither  
23 licensed by the Department nor covered by an adequate fidelity  
24 bond, as a signatory on T/A #1, T/A #2 and T/A #3. Respondent  
25 FISHMAN could not sign on T/A #1, T/A #2 and T/A #3 during the  
26 audit period. G. Ronald Gurne, a licensed real estate  
27 salesperson, could sign on T/A #1, T/A #2 and T/A #3; however,

1 there was no written authorization from Respondent FISHMAN for G.  
2 Ronald Gurne or Wendy Zinn to sign on T/A #1, T/A #2 and T/A #3.  
3 Said conduct, acts and/or omissions are in violation of Regulation  
4 2834.

5 17.

6 The conduct, acts and/or omissions of R K T REAL ESTATE  
7 and FISHMAN, as described in Paragraph 16, above, constitutes  
8 cause for the suspension or revocation of all real estate licenses  
9 and license rights of Respondents R K T REAL ESTATE and FISHMAN  
10 under the provisions of Code Sections 10176(e) and 10177(d).

11 SECOND CAUSE OF ACCUSATION

12 18.

13 Complainant incorporates herein by reference the  
14 Preamble and the allegations of Paragraphs 1 through 17,  
15 inclusive, herein above.

16 19.

17 On or about November 4, 1998, the Department completed  
18 an examination of Respondents SECURITY DISCOUNT and FISHMAN's  
19 books and records pertaining to the real estate activities  
20 described in Paragraph 20, below, covering a period from  
21 approximately January 1, 1998, through September 30, 1998. Said  
22 examination revealed violations of the Code and Regulations as set  
23 forth below.

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At all times material herein, Respondent SECURITY DISCOUNT and FISHMAN engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers in the State of California within the meaning of Code Section 10131(d). Said activity included the operation and conduct of a mortgage loan brokerage business with the public wherein Respondents SECURITY DISCOUNT and FISHMAN for another or others, and for or in expectation of compensation, solicited borrowers or lenders for, or negotiated loans, or collected payments, or performed 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.

21.

In the course of activities described in Paragraph 20, above, and during the examination period described in Paragraph 19, Respondents SECURITY DISCOUNT and FISHMAN acted in violation of the Code and the Regulations in that Respondents SECURITY DISCOUNT and FISHMAN failed to maintain on file and/or deliver to all borrowers (including but not necessarily limited to Piran, Patel, Martin, Leung and Macias), a statement, in writing, containing all the information required by Code Section 10241, in violation of Code Section 10240 and Regulation 2840 or Regulation 2840.1.

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1 22.

2 The conduct, acts and/or omissions of SECURITY DISCOUNT  
3 and FISHMAN, as described in Paragraph 21, above, constitutes  
4 cause for the suspension or revocation of all real estate licenses  
5 and license rights of Respondents SECURITY DISCOUNT and FISHMAN  
6 under the provisions of Code Section 10177(d).

7 THIRD CAUSE OF ACCUSATION

8 23.

9 Complainant incorporates herein by reference the  
10 Preamble and the allegations of Paragraphs 1 through 22,  
11 inclusive, herein above.

12 24.

13 On or about November 4, 1998, the Department completed  
14 an examination of Respondents A & F REALTY and FISHMAN's books  
15 and records pertaining to the real estate activities described  
16 in Paragraph 25, below, covering a period from approximately  
17 January 1, 1998, through September 30, 1998. Said examination  
18 revealed violations of the Code and Regulations as set forth  
19 below.

20 25.

21 At all times material herein, A & F REALTY and FISHMAN  
22 engaged in the business of, acted in the capacity of, advertised  
23 or assumed to act as real estate brokers in the State of  
24 California within the meaning of Code Section 10131(d). Said  
25 activity included the operation and conduct of a mortgage loan  
26 brokerage business with the public wherein Respondents A & F  
27 REALTY and FISHMAN for another or others, and for or in



1 expectation of compensation, solicited borrowers or lenders for,  
2 or negotiated loans, or collected payments, or performed services  
3 for borrowers or lenders or note owners, in connection with loans  
4 secured directly or collaterally by liens on real property or on  
5 a business opportunity.

6 26.

7 In the course of activities described in  
8 Paragraph 25, above, and during the examination period described  
9 in Paragraph 24, Respondents A & F REALTY and FISHMAN acted in  
10 violation of the Code and the Regulations in that:

11 (a) Respondents A & F REALTY and FISHMAN did not  
12 provide lenders with a Lender Disclosure Statement for the Gomez,  
13 Mejia and Pineda loan files examined, in violation of Code Section  
14 10232.4.

15 (b) Respondents A & F REALTY and FISHMAN failed to  
16 deliver to all borrowers, a statement, in writing, containing all  
17 the information required by Code Section 10241, in that the  
18 Mortgage Loan Disclosure Statements in the loan files examined  
19 were not complete, in violation of Code Section 10240 and  
20 Regulation 2840 or Regulation 2840.1.

21 (c) Respondents A & F REALTY and FISHMAN failed to  
22 notify the Real Estate Commissioner, within five (5) days, of  
23 Respondents' employment of salespersons Antonio A. Orelly, Rocio  
24 Perez and Angel A. Tzec, in violation of Code Section 10161.8(a)  
25 and Regulation 2752.

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1 (d) Respondents A & F REALTY and FISHMAN used the  
2 unlicensed fictitious business names "Diversified Finance  
3 Service", "Diversified Financial" and "MPV Investments, Inc.",  
4 in violation of Regulation 2731.

5 27.

6 The conduct, acts and/or omissions of A & F REALTY and  
7 FISHMAN, as described in Paragraph 26, above, constitutes cause  
8 for the suspension or revocation of all real estate licenses and  
9 license rights of Respondents A & F REALTY and FISHMAN under the  
10 provisions of Code Sections 10165 and 10177(d).

11 28.

12 On or about April 12, 1995, in Case No. H-26089 LA,  
13 a case then pending before the Department, an Order to Desist and  
14 Refrain was entered in accordance with the provisions of Code  
15 Section 10086. Said Order directed Respondents A & F REALTY and  
16 FISHMAN to desist and refrain from performing all activities for  
17 which a real estate license is required until they complied with  
18 all provisions of the Real Estate Law as discussed in the Order,  
19 including Code Sections 10161.8 and 10240. Said Order was duly  
20 filed and served upon Respondents A & F REALTY and FISHMAN.

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Respondents A & F REALTY and FISHMAN's conduct, in violating Code Sections 10161.8 and 10240, and as described herein above, after being ordered to desist and refrain from said conduct, violated Code Section 10086. Said violation is further cause for the suspension or revocation of all licenses and license rights of Respondents A & F REALTY and FISHMAN under the provisions of Code Section 10177(d).

FOURTH CAUSE OF ACCUSATION

30.

Complainant incorporates herein by reference the Preamble and the allegations of Paragraphs 1 through 29, inclusive, herein above.

31.

On or about November 12, 1998, the Department completed an examination of Respondents ATLANTIC REALTY and FISHMAN's books and records pertaining to the real estate activities described in Paragraph 32, below, covering a period from approximately January 1, 1998, through September 30, 1998. Said examination revealed violations of the Code and Regulations, as set forth below.

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1 32.

2 At all times material herein, ATLANTIC REALTY and  
3 FISHMAN engaged in the business of, acted in the capacity of,  
4 advertised or assumed to act as real estate brokers in the State  
5 of California within the meaning of Code Section 10131(a). Said  
6 activity included the operation and conduct of a real estate sale  
7 business with the public wherein Respondents ATLANTIC REALTY and  
8 FISHMAN sold or offered to sell, bought or offered to buy,  
9 solicited prospective sellers or purchasers of, solicited or  
10 obtained listings of, or negotiated the purchase, sale or exchange  
11 of real property or a business opportunity.

12 33.

13 In the course of activities described in  
14 Paragraph 32, above, and during the examination period described  
15 in Paragraph 31, Respondents ATLANTIC REALTY and FISHMAN acted in  
16 violation of the Regulations in that, Respondents ATLANTIC REALTY  
17 and FISHMAN used the unlicensed fictitious business names  
18 "Atlantic Realty" and "Atlantic Realty of America", in violation  
19 of Regulation 2731.

20 34.

21 The conduct, acts and/or omissions of ATLANTIC REALTY  
22 and FISHMAN, as described in Paragraph 33, above, constitutes  
23 cause for the suspension or revocation of all real estate licenses  
24 and license rights of Respondents ATLANTIC REALTY and FISHMAN  
25 under the provisions of Code Section 10177(d).

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FIFTH CAUSE OF ACCUSATION

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Complainant incorporates herein by reference the Preamble and the allegations of Paragraphs 1 through 34, inclusive, herein above.

36.

On or about October 29, 1999, the Department completed an examination of Respondents MORTGAGE E-MAIL and FISHMAN's books and records pertaining to the real estate activities described in Paragraph 37, below, covering a period from approximately January 1, 1998, through September 30, 1998. Said examination revealed violations of the Code and Regulations as set forth below.

37.

At all times material herein, MORTGAGE E-MAIL and FISHMAN engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers in the State of California within the meaning of Code Section 10131(d). Said activity included the operation and conduct of a mortgage loan brokerage business with the public wherein Respondents MORTGAGE E-MAIL and FISHMAN for another or others, and for or in expectation of compensation, solicited borrowers or lenders for, or negotiated loans, or collected payments, or performed 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.



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2 In the course of activities described in Paragraph  
3 37, above, and during the examination period described in  
4 Paragraph 36, Respondents MORTGAGE E-MAIL and FISHMAN acted in  
5 violation of the Code and the Regulations in that:

6 (a) Respondents MORTGAGE E-MAIL and FISHMAN failed  
7 to deliver to all borrowers, a statement, in writing, containing  
8 all the information required by Code Section 10241, in that the  
9 Mortgage Loan Disclosure Statements in the loan files examined  
10 were not complete, in violation of Code Section 10240 and/or  
11 Regulation 2840.

12 (b) Respondents MORTGAGE E-MAIL and FISHMAN failed  
13 to obtain a branch office license for 19360 Rinaldi St., #512,  
14 Northridge, California, in violation of Code Section 10163.

15  
16 The conduct, acts and/or omissions of MORTGAGE E-MAIL  
17 and FISHMAN, as described in Paragraph 39, above, constitutes  
18 cause for the suspension or revocation of all real estate licenses  
19 and license rights of Respondents MORTGAGE E-MAIL and FISHMAN  
20 under the provisions of Code Sections 10165 and 10177(d).

21 SIXTH CAUSE OF ACCUSATION

22  
23 Complainant incorporates herein by reference the  
24 Preamble and the allegations of Paragraphs 1 through 39,  
25 inclusive, herein above.

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1 41.

2 On or about October 29, 1998, the Department completed  
3 an examination of Respondents TREASURE FUNDING and FISHMAN's books  
4 and records pertaining to the real estate and trust fund handling  
5 activities described in Paragraphs 42 and 43, below, covering a  
6 period from approximately January 1, 1998, through September 30,  
7 1998. Said examination revealed violations of the Code and the  
8 Regulations as set forth below.

9 42.

10 At all times material herein, TREASURE FUNDING and  
11 FISHMAN engaged in the business of, acted in the capacity of,  
12 advertised or assumed to act as real estate brokers in the  
13 State of California within the meaning of Code Section 10131(d).  
14 Said activity included the operation and conduct of a mortgage  
15 loan brokerage business with the public wherein Respondents  
16 TREASURE FUNDING and FISHMAN for another or others, and for or in  
17 expectation of compensation, solicited borrowers or lenders for,  
18 or negotiated loans, or collected payments, or performed services  
19 for borrowers or lenders or note owners, in connection with loans  
20 secured directly or collaterally by liens on real property or on a  
21 business opportunity.

22 43.

23 At all times material herein, in connection with the  
24 activities described in Paragraph 42, above, Respondents TREASURE  
25 FUNDING and FISHMAN accepted or received trust funds from or on  
26 behalf of parties to transactions handled by TREASURE FUNDING and  
27 FISHMAN. Thereafter, Respondents TREASURE FUNDING and FISHMAN



1 made deposits and/or disbursements of such funds. From time to  
2 time herein mentioned, said trust funds were deposited and/or  
3 maintained by Respondents TREASURE FUNDING and FISHMAN in a bank  
4 account at Wells Fargo Bank, located at 10801 Avenue of the Stars,  
5 Los Angeles, California 90067. Said bank account included, but  
6 was not necessarily limited to, Account Number 0619-084551,  
7 "Treasure Funding Inc. Trust Account" ("Trust Account").

8 44.

9 In the course of activities described in  
10 Paragraphs 42 and 43, above, and during the examination period  
11 described in Paragraph 41, Respondents TREASURE FUNDING and  
12 FISHMAN acted in violation of the Code and the Regulations in  
13 that:

14 (a) as of September 30, 1998, the Trust Account had a  
15 shortage in the amount of approximately Three Hundred Twenty  
16 Dollars and Two Cents (\$320.02). Respondents caused, permitted  
17 and/or allowed the withdrawal or disbursement of trust funds from  
18 the Trust Account, without the prior written consent of every  
19 principal who then was an owner of funds in the account, thereby  
20 reducing the balance of funds in the said account to an amount  
21 less than the existing aggregate trust fund liability of the  
22 broker to all owners of the trust funds.

23 (b) Respondents TREASURE FUNDING and FISHMAN failed to  
24 maintain accurate separate records for the Trust Account, and for  
25 each beneficiary or transaction for borrowers Hawa, Velazquez and  
26 Jobrani, in violation of Regulation 2831.1.

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1 (c) Respondents TREASURE FUNDING and FISHMAN failed to  
2 maintain a reconciliation of the Trust Account records,  
3 reconciling the control record with the separate record, in  
4 violation of Regulation 2831.2.

5 (d) FISHMAN could not sign on the Trust Account and  
6 Respondents TREASURE FUNDING and FISHMAN caused, permitted and/or  
7 allowed Sheida Azima, who at the time, was neither licensed by the  
8 Department nor covered by an adequate fidelity bond as a signatory  
9 on the Trust Account, and there was no written authorization from  
10 Respondent FISHMAN authorizing her to sign on the Trust Account.  
11 Shohreh Azima (also known as Shohreh Mohamadi Nam) a licensed real  
12 estate salesperson, could sign on the Trust Account, but there was  
13 no written authorization from Respondent FISHMAN authorizing her  
14 to sign on the Trust Account. Said conduct, acts and/or omissions  
15 or in violation of Regulation 2834.

16 45.

17 The conduct, acts and/or omissions of TREASURE FUNDING  
18 and FISHMAN, as described in Paragraph 44, above, constitutes  
19 cause for the suspension or revocation of all real estate licenses  
20 and license rights of Respondents TREASURE FUNDING and FISHMAN  
21 under the provisions of Code Section 10177(d).

22 SEVENTH CAUSE OF ACCUSATION

23 46.

24 Complainant incorporates herein by reference the  
25 Preamble and the allegations of Paragraphs 1 through 45,  
26 inclusive, herein above.  
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1 47.

2 On or about November 18, 1999, the Department completed  
3 an examination of Respondents ANYLOAN and FISHMAN's books and  
4 records pertaining to the real estate activities described in  
5 Paragraph 48, below, covering a period from approximately  
6 October 9, 1998, through November 16, 1998. Said examination  
7 revealed violations of the Code and Regulations as set forth  
8 below.

9 48.

10 At all times material herein, ANYLOAN and FISHMAN  
11 engaged in the business of, acted in the capacity of, advertised  
12 or assumed to act as real estate brokers in the State of  
13 California within the meaning of Code Section 10131(d). Said  
14 activity included the operation and conduct of a mortgage loan  
15 brokerage business with the public wherein Respondents ANYLOAN  
16 and FISHMAN for another or others, and for or in expectation of  
17 compensation, solicited borrowers or lenders for, or negotiated  
18 loans, or collected payments, or performed services for borrowers  
19 or lenders or note owners, in connection with loans secured  
20 directly or collaterally by liens on real property or on a  
21 business opportunity.

22 49.

23 In the course of activities described in  
24 Paragraph 48, above, and during the examination period described  
25 in Paragraph 47, Respondents ANYLOAN and FISHMAN acted in  
26 violation of the Code and the Regulations, in that:  
27



1 (a) Respondents ANYLOAN and FISHMAN failed to maintain  
2 a signed Broker-Salesperson Relationship Agreement with Marlow  
3 Hooper, a licensed real estate salesperson in their employ, in  
4 violation Regulation 2726.

5 (b) Respondents ANYLOAN and FISHMAN failed to maintain  
6 on file and/or deliver to all borrowers including, but not  
7 necessarily limited to, Elmer & Margarita Jackson, Jose & Ruth  
8 Carbajal and Marjorie Robinson, a statement, in writing,  
9 containing all the information required by Code Section 10241, in  
10 violation of Code Section 10240 and Regulation 2840 or Regulation  
11 2840.1.

12 50.

13 The conduct, acts and/or omissions of ANYLOAN and  
14 FISHMAN, as described in Paragraph 49, above, constitutes cause  
15 for the suspension or revocation of all real estate licenses  
16 and license rights of Respondents ANYLOAN and FISHMAN under the  
17 provisions of Code Section 10177(d).

18 EIGHTH CAUSE OF ACCUSATION

19 (Violation of Code Section 10159.2)

20 51.

21 Complainant incorporates herein by reference the  
22 Preamble and the allegations of Paragraphs 1 through 50,  
23 inclusive, herein above.

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1 52.

2 FISHMAN did not adequately supervise the property  
3 management activities of R K T REAL ESTATE. FISHMAN could not  
4 sign on any of the trust accounts during the audit period. Trust  
5 funds were commingled with R K T REAL ESTATE funds. Trust funds,  
6 including cash received from tenants, were not deposited directly  
7 into T/A#1 and T/A#2. FISHMAN had no ownership interest in R K T  
8 REAL ESTATE. FISHMAN went to R K T REAL ESTATE offices only once  
9 or twice a week, and he did not review the bank reconciliations  
10 for the trust accounts. FISHMAN did not have a business card for  
11 R K T REAL ESTATE, and he did not perform any real estate activity  
12 at the R K T REAL ESTATE office; and licensed real estate  
13 salesperson G. Ronald Gurne, who was the President and 50%  
14 shareholder of R K T REAL ESTATE, paid the rent on the office  
15 space for R K T REAL ESTATE.

16 53.

17 FISHMAN did not adequately supervise the activities of  
18 SECURITY DISCOUNT that required a real estate license. FISHMAN  
19 had no ownership interest in SECURITY DISCOUNT. FISHMAN had an  
20 agreement with SECURITY DISCOUNT to receive \$500 a month as  
21 designated officer of SECURITY DISCOUNT; however, he went to  
22 SECURITY DISCOUNT offices only once or twice a week. FISHMAN did  
23 not have a business card for SECURITY DISCOUNT, and he did not  
24 perform any real estate activity at the SECURITY DISCOUNT office.  
25 Licensed real estate salesperson Paul King, who was the President  
26 and 100 % shareholder of SECURITY DISCOUNT, paid the rent on the  
27 office space for SECURITY DISCOUNT.



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FISHMAN did not adequately supervise the activities of A & F REALTY that required a real estate license. FISHMAN did not perform any real estate activity at A & F REALTY's main office, which was FISHMAN's residence. FISHMAN and Respondent A & F REALTY had a written agreement with licensed real estate salesperson Gerardo Corona ("Corona"), wherein they received \$500 a month for being Corona's real estate broker. Corona's mortgage loan business was performed, in part, under the unlicensed fictitious business names "Diversified Finance Service" and "Diversified Financial". FISHMAN went to the Diversified Finance Service office only once a week and performed no real estate activity there. Corona paid the rent on the branch office space located at 229 S. Garfield Ave., Monterey Park, California. FISHMAN and Respondent A & F REALTY had a written agreement with licensed real estate salesperson Virginia M. Pineda ("Pineda"), wherein they received \$550 a month for being Pineda's real estate broker. Pineda's mortgage loan business was performed, in part, under the unlicensed fictitious business name "MVP Investments, Inc.". FISHMAN went to Pineda's branch office only once or twice a week. Pineda paid the rent on the branch office space located at 2369 Colorado Blvd., #105, Los Angeles, California. FISHMAN performed no real estate activity at Pineda's branch office.

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2 FISHMAN did not adequately supervise the activities of  
3 TREASURE FUNDING that required a real estate license. FISHMAN did  
4 not have an ownership interest in TREASURE FUNDING. He had an  
5 agreement with TREASURE FUNDING wherein he received \$500 a month  
6 to be the designated broker. FISHMAN went to the TREASURE FUNDING  
7 office only once or twice a week. He did not have a business card  
8 for TREASURE FUNDING, and he did not perform any real estate  
9 activity at the TREASURE FUNDING office. Sheida Azima, the  
10 President and 100% owner of TREASURE FUNDING, paid the rent on  
11 the office space for TREASURE FUNDING. FISHMAN could not sign  
12 on the Trust Account. Sheida Azima, who was not licensed by the  
13 Department, could sign on the Trust Account, and there was no  
14 fidelity bond or written authorization from FISHMAN authorizing  
15 her to sign on the Trust Account. Shohreh Azima (also known as  
16 Shohreh Mohamadi Nam), a licensed real estate salesperson, could  
17 sign on the Trust Account, and there was no written authorization  
18 from FISHMAN authorizing her to sign on the Trust Account.

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2 The conduct, acts and/or omissions of Respondent  
3 FISHMAN, in violating the Real Estate Law, and in allowing  
4 Respondents R K T REAL ESTATE, SECURITY DISCOUNT, A & F REALTY,  
5 ATLANTIC REALTY, MORTGAGE E-MAIL, TREASURE FUNDING and ANYLOAN,  
6 to violate the Real Estate Law, as described herein above,  
7 constitutes a failure by Respondent FISHMAN, as the officer  
8 designated by a corporate broker licensee, to exercise the  
9 supervision and control over the activities of R K T REAL ESTATE,  
10 SECURITY DISCOUNT, A & F REALTY, ATLANTIC REALTY, MORTGAGE E-MAIL,  
11 TREASURE FUNDING and ANYLOAN, as required by Code Section 10159.2.  
12 Said conduct is cause to suspend or revoke the real estate  
13 licenses and license rights of Respondent FISHMAN under Code  
14 Section 10177(d) or 10177(h).

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1 WHEREFORE, Complainant prays that a hearing be conducted  
2 on the allegations of this Accusation and that upon proof thereof,  
3 a decision be rendered imposing disciplinary action against all  
4 licenses and license rights of Respondents R K T REAL ESTATE  
5 SERVICES, INC.; SECURITY DISCOUNT LENDERS, INC.; A & F REALTY  
6 SERVICES, INC., doing business as Diversified Pacific Partners and  
7 Diversified Real Estate Services; ATLANTIC REALTY OF AMERICA,  
8 INC., doing business as Eagle Mortgage; MORTGAGE E-MAIL COMPANY;  
9 TREASURE FUNDING, INC.; 1-800-ANYLOAN; and TERRY FISHMAN,  
10 individually and as designated officer of R K T Real Estate  
11 Services, Inc., Security Discount Lenders, Inc., A & F Realty  
12 Services, Inc., Atlantic Realty of America, Inc., Mortgage E-Mail  
13 Company, Treasure Funding, Inc., and 1-800-Anyloan, under the  
14 Real Estate Law (Part 1 of Division 4 of the Business and  
15 Professions Code), and for such other and further relief as may be  
16 proper under other applicable provisions of law.

17 Dated at Los Angeles, California  
18 this 13th day of May, 1999.

19  
20 THOMAS MCCRADY  
Deputy Real Estate Commissioner

21 cc: R K T Real Estate Services, Inc.  
22 Security Discount Lenders, Inc.  
23 A & F Realty Services, Inc.  
24 Atlantic Realty of America, Inc.  
25 Mortgage E-Mail Company  
26 Treasure Funding, Inc.  
27 1-800-Anyloan  
Terry Fishman  
V. Weaver/LA Audits  
Thomas McCrady  
S. Roberts  
SACTO