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FILED
FEB 11 2004
DEPARTMENT OF REAL ESTATE

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	No. H-30006 LA
<u>DIONNE HASANI JACKSON,</u>)	L-2003040096
individually and doing business)	
as Access Plus Financial Group)	
and WAYNE H. JACKSON,)	
Respondents.)	

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSE

On March 14, 2003, an Accusation was filed in this matter against Respondent DIONNE HASANI JACKSON.

On December 30, 2003, Respondent petitioned the Commissioner to voluntarily surrender his real estate broker license pursuant to Section 10100.2 of the Business and Professions Code.

IT IS HEREBY ORDERED that Respondent DIONNE HASANI JACKSON's petition for voluntary surrender of his real estate broker license is accepted as of the effective date of this Order as set forth below, based upon the understanding and agreement


1 expressed in Respondent's Declaration dated December 30, 2003
2 (attached as Exhibit "A" hereto). Respondent's license
3 certificate(s), pocket card(s) and any branch office license
4 certificate(s) shall be sent to the below listed address so that
5 they reach the Department on or before the effective date of this
6 Order:

7 Department of Real Estate
8 Atten: Licensing Flag Section
9 P.O. Box 187000
Sacramento, CA 95818-7000

10 This Order shall become effective at 12 o'clock noon
11 on March 2, 2004.

12 DATED: February 3, 2004.

13
14 JOHN R. LIBERATOR
Acting Commissioner

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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of)	No. H-30006 LA
)	
<u>DIONNE HASANI JACKSON,</u>)	L-2003040096
individually and doing business)	
as Access Plus Financial Group)	
and WAYNE H. JACKSON,)	
)	
Respondents.)	

DECLARATION

My name is DIONNE HASANI JACKSON and I am currently licensed as a real estate broker and/or have license rights with respect to said license. I am represented by FRANK M. BUDA, Attorney at Law. In lieu of proceeding in this matter in accordance with the provisions of the Administrative Procedure Act (Sections 11400 et seq., of the Government Code) I wish to voluntarily surrender my real estate license issued by the Department of Real Estate ("Department"), pursuant to Business and Professions Code Section 10100.2.

1 I understand that by so voluntarily surrendering my
2 license, that it can only be reinstated in accordance with the
3 provisions of Section 11522 of the Government Code. I also
4 understand that by so voluntarily surrendering my license,
5 I agree to the following:

6 The filing of this Declaration shall be deemed as my
7 petition for voluntary surrender. It shall also be deemed to be
8 an understanding and agreement by me that, I waive all rights I
9 have to require the Commissioner to prove the allegations
10 contained in the Accusation filed in this matter at a hearing
11 held in accordance with the provisions of the Administrative
12 Procedure Act (Government Code Sections 11400 et seq.), and that
13 I also waive other rights afforded to me in connection with the
14 hearing such as the right to discovery, the right to present
15 evidence in defense of the allegations in the Accusation and the
16 right to cross-examine witnesses. I further agree that upon
17 acceptance by the Commissioner, as evidenced by an appropriate
18 order, all affidavits and all relevant evidence obtained by the
19 Department in this matter prior to the Commissioner's acceptance,
20 and all allegations contained in the Accusation filed in the
21 Department Case No. H-30006 LA, may be considered by the
22 Department to be true and correct for the purpose of deciding
23 whether or not to grant reinstatement of my license pursuant to
24 Government Code Section 11522.

25 Respondent can signify acceptance and approval of the
26 terms and conditions of this Declaration by faxing a copy of its
27 signature page, as actually signed by Respondent, to the

1 Department at fax number (213) 576-6917. Respondent agrees,
2 acknowledges and understands that by electronically sending to
3 the Department a fax copy of his actual signature as it appears
4 on the Declaration, that receipt of the faxed copy by the
5 Department shall be as binding on Respondent as if the Department
6 had received the original signed Declaration.

7 I declare under penalty of perjury under the laws of
8 the State of California that the above is true and correct and
9 that I freely and voluntarily surrender my license and all
10 license rights attached thereto.

11 12/30/03 Los Angeles, CA
12 Date and Place

Dionne Kasant Jackson
DIONNE KASANT JACKSON

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1 Department at fax number (213) 576-6917. Respondent agrees,
2 acknowledges and understands that by electronically sending to
3 the Department a fax copy of his actual signature as it appears
4 on the Declaration, that receipt of the faxed copy by the
5 Department shall be as binding on Respondent as if the Department
6 had received the original signed Declaration.

7 I declare under penalty of perjury under the laws of
8 the State of California that the above is true and correct and
9 that I freely and voluntarily surrender my license and all
10 license rights attached thereto.

11

12 _____
Date and Place

_____ DIONNE HASANI JACKSON

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FILED
FEB 11 2004
DEPARTMENT OF REAL ESTATE

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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	No. H-30006 LA
DIONNE HASANI JACKSON,)	L-2003040096
individually and doing business)	
as Access Plus Financial Group)	
and <u>WAYNE H. JACKSON</u> ,)	
Respondents.)	

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSE

On March 14, 2003, an Accusation was filed in this matter against Respondent WAYNE H. JACKSON.

On December 30, 2003, Respondent petitioned the Commissioner to voluntarily surrender his real estate salesperson license pursuant to Section 10100.2 of the Business and Professions Code.

IT IS HEREBY ORDERED that Respondent WAYNE H. JACKSON's petition for voluntary surrender of his real estate salesperson license is accepted as of the effective date of this Order as set forth below, based upon the understanding and agreement expressed

1 in Respondent's Declaration dated December 30, 2003 (attached as
2 Exhibit "A" hereto). Respondent's license certificate and pocket
3 card shall be sent to the below listed address so that they reach
4 the Department on or before the effective date of this Order:

5 Department of Real Estate
6 Attn: Licensing Flag Section
7 P.O. Box 187000
8 Sacramento, CA 95818-7000

8 This Order shall become effective at 12 o'clock noon
9 on March 2, 2004.

10 DATED: February 3, 2004

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12 JOHN R. LIBERATOR
13 Acting Commissioner

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of)	No. H-30006 LA
)	
DIONNE HASANI JACKSON,)	L-2003040096
individually and doing business)	
as Access Plus Financial Group)	
and <u>WAYNE H. JACKSON</u> ,)	
)	
Respondents.)	

DECLARATION

My name is WAYNE H. JACKSON and I am currently licensed as a real estate salesperson and/or have license rights with respect to said license. I am represented by FRANK M. BUDA, Attorney at Law. In lieu of proceeding in this matter in accordance with the provisions of the Administrative Procedure Act (Sections 11400 et seq., of the Government Code) I wish to voluntarily surrender my real estate license issued by the Department of Real Estate ("Department"), pursuant to Business and Professions Code Section 10100.2.

1 I understand that by so voluntarily surrendering my
2 license, that it can only be reinstated in accordance with the
3 provisions of Section 11522 of the Government Code. I also
4 understand that by so voluntarily surrendering my license,
5 I agree to the following:

6 The filing of this Declaration shall be deemed as my
7 petition for voluntary surrender. It shall also be deemed to be
8 an understanding and agreement by me that, I waive all rights I
9 have to require the Commissioner to prove the allegations
10 contained in the Accusation filed in this matter at a hearing
11 held in accordance with the provisions of the Administrative
12 Procedure Act (Government Code Sections 11400 et seq.), and that
13 I also waive other rights afforded to me in connection with the
14 hearing such as the right to discovery, the right to present
15 evidence in defense of the allegations in the Accusation and the
16 right to cross-examine witnesses. I further agree that upon
17 acceptance by the Commissioner, as evidenced by an appropriate
18 order, all affidavits and all relevant evidence obtained by the
19 Department in this matter prior to the Commissioner's acceptance,
20 and all allegations contained in the Accusation filed in the
21 Department Case No. H-30006 LA, may be considered by the
22 Department to be true and correct for the purpose of deciding
23 whether or not to grant reinstatement of my license pursuant to
24 Government Code Section 11522.

25 Respondent can signify acceptance and approval of the
26 terms and conditions of this Declaration by faxing a copy of its
27 signature page, as actually signed by Respondent, to the

12/31/2003 09:17:21 205494459
12/28/2003 17:12 818-9018465

ACCESS PLUS
FRANK M BUDA ESQ

PAGE 03
PAGE 87

1 Department at fax number (213) 576-6917. Respondent agrees,
 2 acknowledges and understands that by electronically sending to
 3 the Department a fax copy of his actual signature as it appears
 4 on the Declaration, that receipt of the faxed copy by the
 5 Department shall be as binding on Respondent as if the Department
 6 had received the original signed Declaration.

7 I declare under penalty of perjury under the laws of
 8 the State of California that the above is true and correct and
 9 that I freely and voluntarily surrender my license and all
 10 license rights attached thereto.

11 12/30/2003 Los Angeles Wayne H. Jackson
 12 Date and Place WAYNE H. JACKSON

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1 Department at fax number (213) 576-6917. Respondent agrees,
2 acknowledges and understands that by electronically sending to
3 the Department a fax copy of his actual signature as it appears
4 on the Declaration, that receipt of the faxed copy by the
5 Department shall be as binding on Respondent as if the Department
6 had received the original signed Declaration.

7 I declare under penalty of perjury under the laws of
8 the State of California that the above is true and correct and
9 that I freely and voluntarily surrender my license and all
10 license rights attached thereto.

11
12 _____
Date and Place WAYNE H. JACKSON

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)
)
DIONNE HASANI JACKSON,)
individually and doing business)
as Access Plus Financial Group)
and WAYNE H. JACKSON,)
_____)
Respondent(s)

Case No. H-30006 LA

OAH No. L-2003040096

FILED
DEC 10 2003
DEPARTMENT OF REAL ESTATE

NOTICE OF CONTINUED 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 January 13, 2004 and proceed on a day-to-day basis, as necessary, through January 22, 2004, at the hour of 9:00 A.M., (MONDAY, JANUARY 19, 2004 IS A STATE HOLIDAY) 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.

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: December 10, 2003

By

Chris Leong
CHRIS LEONG, Counsel

cc: Dionne Hasani Jackson
Wayne H. Jackson
Frank M. Buda, Esq.
Access Plus Financial Group
Sacto.
OAH
Ron Revilla, L.A. Audits

SM

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

In the Matter of the Accusation of)

Case No. H-30006 LA

DIONNE HASANI JACKSON,
individually and doing business
as Access Plus Financial Group
and WAYNE H. JACKSON,

OAH No. L-2003040096

Respondent(s)

FILED
JUL 16 2003
DEPARTMENT OF REAL ESTATE

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 January 12, 2004 and proceed on a day-to-day basis, as necessary, through January 23, 2004, at the hour of 9:00 A.M., 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.

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: July 16, 2003

By

CHRIS LEONG
CHRIS LEONG, Counsel

cc: Dionne Hasani Jackson
Wayne H. Jackson
Frank M. Buda, Esq.
Sacto.
OAH
Ron Revilla, L.A. Audits

1 CHRIS LEONG, Counsel (SBN 141079)
Department of Real Estate
2 320 West Fourth Street, Suite 350
Los Angeles, CA 90013-1105
3
4 Telephone: (213) 576-6982
-or- (213) 576-6910 (Direct)
5

FILED
MAR 14 2003
DEPARTMENT OF REAL ESTATE

6
7
8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)

No. H-30006 LA

12 DIONNE HASANI JACKSON,)
13 individually and doing business)
as Access Plus Financial Group)
14 and WAYNE H. JACKSON,)

A C C U S A T I O N

15 Respondents.)

16
17 The Complainant, Janice Waddell, a Deputy Real
18 Estate Commissioner of the State of California, for cause of
19 Accusation against, DIONNE HASANI JACKSON, individually and
20 doing business as Access Plus Financial Group (hereafter
21 "D. JACKSON") and WAYNE H. JACKSON (hereafter "W. JACKSON")
22 (hereafter sometimes both referred to as "Respondents"),
23 alleges as follows:

24 1.

25 The Complainant, Janice Waddell, a Deputy Real
26 Estate Commissioner of the State of California, makes this
27 Accusation in her official capacity.

2.

1
2 At all times material herein, Respondent D. JACKSON
3 is presently licensed and/or has license rights under the Real
4 Estate Law, Part 1 of Division 4 of the Business and
5 Professions Code (hereafter "Code"), by the State of
6 California, Department of Real Estate (hereafter "Department")
7 as a real estate broker, individually and doing business as
8 Access Plus Financial Group (hereafter "APFG").

3.

9
10 At all times material herein, Respondent W. JACKSON
11 is presently licensed and/or has license rights under the
12 Code, by the Department, as a real estate salesperson. At all
13 times herein mentioned W. JACKSON was employed by Respondent
14 D. JACKSON.

4.

15
16 At all times material herein Kandi Stephens, Hakeem
17 Wallace, Laurence Fields and Urban Real Estate Management were
18 not licensed nor have license rights under the Real Estate
19 Law, Part 1 of Division 4 of the Code, as real estate brokers
20 or salespersons.

5.

21
22 At all times material herein, Respondents engaged in
23 the business of, acted in the capacity of, advertised or
24 assumed to act as real estate brokers in the State of
25 California, for another or others, and for or in expectation
26 of compensation, within the meaning of Code Section 10131(a),
27 (b) and (d). Said activity included the operation and conduct

1 of a real estate sales business with the public wherein
2 Respondents solicited buyers and sellers of real property or
3 negotiated the sale and purchase of real property. Said
4 activity included the operation and conduct of a real estate
5 property management business with the public wherein
6 Respondents solicited tenants and owners of real property or
7 negotiated the lease of real property. Said activity included
8 the operation and conduct of a real estate mortgage loan
9 business with the public wherein Respondents solicited
10 borrowers and lenders of loans secured by interest in real
11 property or negotiated loans secured by interest in real
12 property.

13 6.

14 At all times herein, in connection with the real
15 estate sales, loan and loan servicing activity described
16 herein, Respondents accepted or receive funds, including funds
17 in trust (hereafter "trust funds") from or on behalf of actual
18 and prospective parties to transactions handled by Respondents.

19 7.

20 All further references to "Respondents", unless
21 otherwise specified, include the parties identified in
22 Paragraphs 2 and 3, above, and also include the employees, agents
23 and real estate licensees employed by or associated with said
24 parties, who at all times herein mentioned were engaged in the
25 furtherance of the business or operations of said parties
26 and who were acting within the course and scope of their
27 authority and employment.

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First Cause of Accusation

(Audit)

8.

On February 2, 2001, the Department concluded its examination of Respondent D. JACKSON'S books and records pertaining to Respondent D. JACKSON'S activities as a real estate broker, audit number LA 000283, covering a period from approximately June 1, 1999 to December 31, 2000. The examination revealed violations of the Code and of Title 10, Chapter 6, California Code of Regulations (hereafter "Regulations"), as set forth below.

9.

Respondent D. JACKSON acted in violation of the Code and the Regulations as set forth below, and as more specifically set forth in Audit Report No. LA 000283, dated February 2, 2001 and the exhibits attached to said Audit Report, in that Respondent, failed to retain a true and correct copy of the mortgage loan disclosure statements that were signed by the borrowers for all loans negotiated during the audit period, in violation of Code Section 10240 and Section 2840 of the Regulations.

Second Cause of Accusation

10.

On May 2, 2001, real estate salesperson Joseph H. Soaris (hereafter "Soaris") of Re/Max Westside Properties prepared a Deposit Receipt for Eva Johnson (hereafter "Johnson") to purchase property located at 637 W. 75th Street,

1 Los Angeles, CA (hereafter "75th Street property"). Soaris
2 represented to the Seller that he accepted a Buyer's Deposit in
3 the amount of \$1,000.00 from Johnson to purchase the 75th Street
4 property for \$260,000.00. On July 12, 2001, a real estate
5 appraiser, Roderick Ballard (hereafter "Ballard") estimated the
6 value of the 75th Street property at \$260,000 for the "Borrower,
7 Soaris".

8 11.

9 (First Deed of Trust Loan)

10 On August 7, 2001, an Adjustable Rate Note (hereafter
11 "ARN") and a Deed of Trust were prepared for Meritage Mortgage
12 Corporation (hereafter "MMC"). The Borrower, Johnson, promised
13 to pay the principal amount of \$195,000.00 plus interest at a
14 yearly rate of 9.250 percent to the order of MMC. The Deed of
15 Trust was prepared by MMC to secure the ARN in the amount of
16 \$195,000.00. Johnson acknowledged that "each of my monthly
17 payments will be in the amount of U. S. \$1,604.22". The ARN and
18 the Deed of Trust were executed on August 8, 2001.

19 12.

20 Johnson signed an Adjustable Rate Rider to incorporate
21 "into and shall be deemed to amend and supplement the Mortgage,
22 Deed of Trust or Security Deed of the same date" given by Johnson
23 to secure the ARN. MMC issued Loan No. 1000012079 and Closing
24 Instructions for Johnson to obtain a 30-year conventional loan in
25 the amount of \$195,000.00 to purchase the 75th Street property for
26 a sales price of \$260,000.00.

1
2 13.

3 On August 8, 2001, Johnson executed a Loan
4 No. 1000012079 Family Rider to incorporate "into and shall be
5 deemed to amend and supplement the Mortgage, Deed of Trust, or
6 Security Deed of the same date given" by Johnson. Johnson was
7 required to "maintain insurance against rent loss in addition to
8 the other hazards for which insurance" is required by the Section
9 5 of the Deed of Trust. MMC provided a copy of a Federal
10 Regulation Z Statement to Johnson, disclosing an amount financed
11 of \$192,131.86 at an annual percentage rate of 10.240 percent.
12 Johnson signed a MMC "Critical Contact Information" form giving
13 Laurence Field's name and telephone number as the alternate
14 contact on Loan No. 1000012079.

15 14.

16 (Second Deed of Trust Loan)

17 On August 7, 2001, a Note and a "Deed of Trust and
18 Request for Notice of Default" (hereafter "DTRND") were prepared
19 for MMC. Johnson promised to pay \$65,000.00 to MMC in return for
20 a loan that she received from them. Johnson promised to pay
21 interest at a yearly rate of 12.50 percent on the principal
22 amount of the loan. The DTRND was signed by Johnson on August 8,
23 2001 and recorded on August 21, 2001 as Document No. 01-1552884.
24 MMC issued Closing Instructions for Johnson to obtain a 15-year
25 conventional loan in the amount of \$65,000.00 to purchase the
26 75th Street property for a sales price of \$260,000.00. A Summary
27 Report was prepared by Urban Real Estate Management (hereafter

1 "UREM") for the 75th Street property. UREM represented that the
2 expense for the complete exterior and interior for the
3 restoration of the 75th Street property came to a Grand Total of
4 \$75,405.00.

5 15.

6 On August 8, 2001, Johnson executed a Family Rider to
7 incorporate "into and shall be deemed to amend and supplement
8 the Mortgage, Deed of Trust, or Security Deed of the same date
9 given" by Johnson. Johnson was required to "maintain insurance
10 against rent loss in addition to the other hazards for which
11 insurance is required by Section 5 of the Deed of Trust". MMC
12 provided a copy of a Federal Regulation Z Statement to Johnson
13 disclosing an amount financed of \$64,213.58 at an annual
14 percentage rate of 12.595 percent. Johnson signed the Federal
15 Regulation Z Disclosure Statement on August 8, 2001.

16 Johnson signed a Balloon Payment Rider to attach the rider and
17 make "a part of that certain Deed of Trust from Eva Johnson, an
18 unmarried woman to Meritage Mortgage Corporation" in the
19 principal amount of \$65,000.00. Johnson signed a "Balloon Note
20 Addendum" and a "Prepayment Addendum to Promissory Note".

21 Johnson signed a MMC "Critical Contact Information" form
22 identifying Laurence Fields' name and telephone number as the
23 alternate contact.

24 16.

25 (Purchase Transaction)

26 On August 6, 2001, William R. Johnson executed a
27 Corporation Grant Deed to grant to Johnson the following

1 described property: Lot 141 of the Figueroa Boulevard Tract, in
2 the City of Los Angeles, County of Los Angeles, State of
3 California, as per Map recorded in Book 10, Page 132 of Maps, in
4 the office of the County Recorder. The Corporation Grant Deed
5 was recorded on August 21, 2001, by the Los Angeles County
6 Recorder's Office as Document No. 01-1552882 (75th Street).

7 17.

8 On August 8, 2001, two loan applications were prepared
9 for Johnson to obtain two loans in the respective amounts of
10 \$195,000.00 and \$65,000.00 for the purchase of the 75th Street
11 property at a price in the amount of \$260,000.00. The loan
12 applications were prepared for Johnson on the same day that she
13 executed the promissory notes in the respective amounts of
14 \$195,000.00 and \$65,000.00 to purchase the 75th Street property
15 for \$260,000.00.

16 18.

17 W. JACKSON signed both loan applications representing
18 himself as the interviewer for MMC during the time he was
19 employed by D. JACKSON. W. JACKSON prepared the loan
20 applications for Johnson representing that her base employment
21 income is \$3,500.00 a month and that her projected rental income
22 from the 3 units of the 75th Street property was \$1,800.00 per
23 month. W. JACKSON represented that Johnson's total income was
24 \$5,300.00 per month. W. JACKSON represented that Johnson had
25 total assets in the amount \$124,000.00, including personal
26 property worth \$100,000.00 and \$15,000.00 in a Wells Fargo Bank
27 Account.

1
2
3 In fact, the second set of forms sent to the lender for
4 Johnson was the Uniform Residential Loan Application which
5 overstated her income and her assets. APFG stated that Johnson
6 had \$15,000.00 in multiple Wells Fargo banking accounts. In
7 fact, she actually had just over \$1,000.00 in checking and
8 savings accounts combined. On the documents, APFG stated that
9 Johnson had \$100,000.00 in "Other Assets, Personal Property".
10 This was false. In fact, Johnson's total earnings for the 2001
11 calendar year were \$31,645.88. W. JACKSON overstated Johnson's
12 annual income by \$10,354.12. Johnson's balance in her Wells
13 Fargo Bank account for the period ending July 25, 2001, was
14 \$1,038.64. W. JACKSON misrepresented that Johnson had a
15 balance of \$15,000.00 in her Wells Fargo Bank account when her
16 loan application was prepared in August 2001. W. JACKSON of APFG
17 prepared a Uniform Underwriting and Transmittal Summary.
18 W. JACKSON also prepared a Real Estate Settlement Procedures Act
19 Good Faith Estimate for Johnson. W. JACKSON represented to the
20 Borrower, Johnson, that the proposed total payments for the First
21 and Second Trust Deed Loans, including principal, interest, taxes
22 and insurance was projected at \$2,633.77.

23
24 On August 13, 2001, an Evidence of Property Insurance
25 was issued as evidence that TOPA Insurance provided Policy No.
26 P1182679 to Johnson, an unmarried woman, for insurance in the
27 amount of \$282,000.00 per loan No. 1000012079. On August 21,

1 2001, South Coast Title Company Escrow Services (hereafter
2 "SCTCES") issued Escrow No. 5790-DL Closing Statement for the
3 Seller, Curry Temple Community Development (hereafter "CTCD")
4 to sell the 75th Street property to Johnson. The SCTCES
5 disbursed \$26,000.00 to The North Star Foundation (hereafter
6 "TNSF") from the Seller's proceeds for the sale of the 75th
7 property. Re/Max Westside Properties received a sales
8 commission in the amount of \$11,000.00 for negotiating the sale
9 of the 75th Street property. CTCD received a check in the
10 amount of \$1,781.31 from SCTCES. SCTCES issued Amended Escrow
11 No. 5790-DL Instructions for authorization and instructions "to
12 pay the sum of \$26,000.00 to the North Star Foundation".
13 SCTCES issued Escrow No. 5790-DL Closing Statement for Johnson
14 to purchase the 75th Street property from the CTCD for a Total
15 Consideration of \$260,000.00. SCTCES disclosed the liens in
16 the amounts of \$195,000.00 and \$65,000.00 by the notes that
17 Johnson executed in favor of MMC to purchase the 75th Street
18 property.

19 21.

20 On August 29, 2001, Johnson executed a Grant Deed to
21 grant to the TNSF, the property described as 75th Street property.
22 The Grant Deed does not provide the full legal description
23 encompassing all of the units (637, 637 ½, 639, and 639 ½) within
24 Lot 141 of the Figueroa Boulevard Tract (75th Street property).
25 On October 18, 2001, the Grant Deed was recorded as Document
26 No. 01 1986400 by the Los Angeles County Recorder's Office. The
27 Grant Deed was recorded, via a copy, as a "Deed in Lieu of

1 Foreclosure". The following statements were added to a copy of
2 the Grant Deed under the heading, "the undersigned declares" (1.)
3 The grantee herein was the Beneficiary. (2.) The amount of the
4 unpaid debt together with cost was ---- \$280,000. (3.) The
5 Amount paid by the grantee over and above the unpaid debt was --
6 \$0. (4.) The Documentary transfer tax is ---none. The Los
7 Angeles County Recorder's Office was directed to mail the Grant
8 Deed to the TNSF at 5012 South La Brea Ave., Suite 4, Los
9 Angeles, CA 90056, after it was recorded. W. JACKSON filed a
10 fictitious business name statement to transact business under the
11 fictitious business name of TNSF.

12 22.

13 (Leases negotiated for Unit A of the 75th Street property)

14 On the respective dates of July 23, 2001, July 27,
15 2001 and August 2, 2001, before escrow closed on the purchase
16 of the 75th Street property, three Residential Leases were
17 negotiated to lease Unit A of 637 W. 75th Street, LA, CA 90044.
18 The lease agreements were signed by Johnson representing
19 herself as the landlord of the 75th Street property.

20 23.

21 On July 23, 2001, A Residential Lease Agreement was
22 prepared between Johnson as "Landlord", and Jeff Tillman as
23 "Tenant", to lease Unit A of the 75th Street property for a
24 period of one (1) year to commence on September 5, 2001.
25 "Tenant shall pay Landlord the annual rent of \$12,000.00 during
26 said term, in annual monthly payments of \$1,000.00, each
27 payable monthly on the first day of each month in advance.

1 Tenant shall pay a security deposit of \$1,000.00 to be returned
2 upon termination of this Lease and the payment of all rents due
3 and performance of all other obligations." These deposits were
4 trust funds.

5 24.

6 On July 27, 2001, A Residential Lease Agreement was
7 prepared between Johnson as "Landlord" and Henry Washington as
8 "Tenant", to lease Unit A of the 75th Street property for a
9 period of one (1) year to commence on September 10, 2001.
10 "Tenant shall pay Landlord the annual rent of \$12,000.00 during
11 said term, in annual monthly payments of \$1,000.00, each
12 payable monthly on the first day of each month in advance.
13 Tenant shall pay a security deposit of \$1,000.00 to be returned
14 upon termination of this Lease and the payment of all rents due
15 and performance of all other obligations."

16 25.

17 On August 2, 2001, a Residential Lease Agreement was
18 prepared between Johnson as "Landlord" and Andre Bassett as
19 "Tenant" to lease Unit A of the 75th Street property for a
20 period of one (1) year to commence on September 15, 2001.
21 "Tenant shall pay Landlord the annual rent of \$12,000.00 during
22 said term, in annual monthly payments of \$1,000.00, each
23 payable monthly on the first day of each month in advance.
24 Tenant shall pay a security deposit of \$1,000.00 to be returned
25 upon termination of this Lease and the payment of all rents due
26 and performance of all other obligations." The Residential
27 Leases were prepared to represent a total rental income of

1 \$3,000.00 per month for the rental of three of the four units
2 (637, 637 ½, 639, and 639 ½). These rents and deposits were
3 trust funds.

4 26.

5 (Patricia Avie's Lease and rental payment)

6 On August 15, 2001, Kandi Stephens (hereafter
7 "Stephens") of APFG issued a "Deposit Receipt" to confirm
8 receipt of \$470.00 in cash from Patricia Avie (hereafter
9 "Avie"). On October 2, 2001, a Residential Lease Agreement was
10 negotiated between Johnson as "Landlord" and Avie as "Tenant",
11 to lease the "premises located at 637 W. 75th Street in the City
12 of Los Angeles" for a term of one (1) year. Avie agreed to pay
13 the sum of \$1,000.00 per month in advance on the 5th day of each
14 calendar month beginning on December 5, 2001 to UREM at 5010 S.
15 La Brea Avenue, Suite 4, Los Angeles, California.

16 27.

17 On November 6, Stephens of APFG received \$250.00 from
18 Avie. Upon receipt of the trust funds, unlicensed property
19 manager, Stephens provided a receipt to Avie. On November 16,
20 2001, Hakeem Wallace (hereafter "Wallace") issued a "Cash
21 Receipt" "for property located at 637 W. 75th Street". Wallace
22 confirmed receipt of \$250.00 in cash from Avie as a "one time
23 \$100.00 non-refundable processing fee".

24 28.

25 On November 29, 2001, TNSF prepared a Month-To-Month
26 Tenancy Rental Agreement for Avie. Avie agreed to lease "those
27 premises described as ... located at 637 W. 75th Street at a

1 monthly rental of \$1,000.00 per month payable in advance on the
2 1st day of each and every month". Stephens accepted Avie's
3 security deposit. Avie rented the unit starting on September 15,
4 2001. Avie is paying monthly rental payment in the amount of
5 \$143.00 plus \$200.00 to W. JACKSON. The name of the person that
6 collects Avie's monthly rental fee is W. JACKSON. These rents
7 and deposits are trust funds.

8 29.

9 (Paula Wood's lease and rental payments)

10 On September 6, 2001, Stephens accepted \$1,300.00 in
11 cash from Paula Wood (hereafter "Wood") for the rental of
12 property located at 637 ½ West 75th Street. On November 4,
13 2001, a Residential Lease Agreement was negotiated between
14 TNSF and Wood. Wood agreed to lease property located at 639 ½
15 West 75th Street for a term of one (1) year commencing on
16 November 4, 2001 and ending on November 4, 2002. Wood agreed
17 to pay a monthly rent in the amount of \$970.00 for the rental
18 of a 75th Street unit. Wallace, collected \$511.00 from Wood for
19 the rental of the unit located at 639 ½ West 75th Street. The
20 lease agreement between Wood and TNSF was negotiated by
21 Stephens. Wood paid a security deposit in the amount of
22 \$2,100.00 to APFG. The persons that accepted Wood's security
23 deposit are Stephens and Wallace. Wood rented this unit since
24 the beginning of December 2001. Wood is paying monthly rental
25 payments in the amount of \$511.00. The Grant Deed signed by
26 Johnson was altered and recorded only for the property
27

1 described as 637 West 75th Street and did not include the
2 639 1/2 West 75th Street property.

3 30.

4 (Peggy Claxton's lease and rental payments)

5 On September 4, 2001, Stephens received \$900.00 in
6 cash from Peggy Claxton (hereafter "Claxton") for property
7 located at 639 West 75th Street, Los Angeles (hereafter "639
8 West 75th Street unit"). On October 4, 2001, Stephens accepted
9 \$300.00 in cash from Claxton for the rental of the 639 West 75th
10 Street unit. On November 2, 2001, Stephens accepted \$200.00 in
11 cash from Claxton for the rental of the 639 West 75th Street
12 unit. On November 16, 2001, Stephens accepted \$300.00 in cash
13 from Claxton for the rental of the 639 West 75th Street unit.

14 31.

15 On November 21, 2001, after the Grant Deed was
16 recorded on October 18, 2001, TNSF represented themselves as
17 the landlord of the 639 W. 75th Street unit. TNSF negotiated a
18 "Lease Agreement - Residential" with Claxton to lease the 639
19 West 75th Street unit for a term of one (1) year beginning on
20 November 21, 2001. Claxton agreed to pay TNSF "the sum of
21 \$1,700.00 as security deposit". TNSF agreed to return the
22 \$1,700.00, and any interest on the deposit, to Claxton "upon
23 full performance of the terms of this lease". Claxton agreed
24 to pay "in advance on the first day of each month a total rent
25 of \$850.00".

26 ///

32.

1
2 TNSF prepared another lease for Claxton despite the
3 one (1) year lease agreement that TNSF previously negotiated
4 with her. TNSF prepared a Month-To-Month Tenancy Rental
5 Agreement for Claxton. Claxton agreed to lease "those premises
6 described as 639 W. 75th Street" at "a monthly rental of
7 \$1,000.00 per month payable in advance on the 1st day of each
8 and every month". The Grant Deed Johnson signed was altered
9 and was recorded only for the property described as 637 West
10 75th Street and did not include the 639 West 75th Street unit.

33.

11
12 On December 3, 2001, W. JACKSON accepted \$100.00 from
13 Claxton. The \$100.00 was accepted as a one time "non-
14 refundable processing fee included in deposit if tenant cancels
15 contract". W. JACKSON noted a balance due of \$200.00 from
16 Claxton. W. JACKSON accepted a cash rental payment of \$113.00
17 from Claxton for the rental of the 639 West 75th Street
18 property. D. JACKSON signed a Receipt No. 2945 to verify
19 receipt of the \$113.00 cash rental payment that W. JACKSON
20 received from Claxton. W. JACKSON noted, "639 W. 75th 2/5/02 -
21 Received from Peggy Claxton - Two hundred and sixty three
22 \$263.00 - by: Wayne Jackson."

34.

23
24 On January 4, 2002, D. Jackson issued Receipt No. 2947
25 to confirm receipt of \$100.00 in cash from Claxton. D. JACKSON
26 represented that Claxton owed a balance due in the amount of
27 \$200.00. Claxton paid a security deposit of \$2,000.00 to APFG.

1 Stephens accepted her security deposit. Claxton rented the unit
2 since the beginning of November, 2001. Claxton has been paying
3 monthly rental payments in the amount of \$263.00 to W. JACKSON.

4 35.

5 (Chalon L. Ross' lease and rental payments)

6 On December 8, 2001, TNSF prepared a Month-To- Month
7 Tenancy Rental Agreement for Chalon Ross (hereafter "Ross").
8 Ross agreed to lease "those premises described as ... located
9 at 637 1/2 W. 75th Street at a monthly rental of \$1,000.00 per
10 month payable in advance on the 1st day of each and every
11 month". The Grant Deed Johnson signed was altered and recorded
12 only for the property commonly known as 637 West 75th Street and
13 did not include the 637 1/2 W. 75th Street property. W. JACKSON,
14 signed a "Cash Receipt" to confirm receipt of \$300.00 from Ross
15 "for property located at 639 1/2 W. 75th Street." W. JACKSON, on
16 behalf of UREM, received \$1,500.00 from Ross. W. JACKSON
17 represented that "this deposit does not guarantee placement in
18 a property; however, it could be applied to the move in deposit
19 at the appropriate time".

20 36.

21 On February 8, 2002, D. JACKSON issued Receipt
22 No. 2950 to confirm receipt of \$116.00 for payment of the
23 January 2002 rental of the 637 1/2 West 75th Street unit. Ross
24 resided in Unit No. 1/2 at 637 W. 75th Street in Los Angeles, CA.
25 The lease agreement was negotiated by D. JACKSON. Ross paid a
26 security deposit in the amount of \$1,800.00 to UREM. W.
27 JACKSON accepted the security deposit paid by Ross. Ross

1 rented the unit since December 8, 2001. Ross is paying monthly
2 rental payments in the amount of \$257.00 to UREM. W. JACKSON
3 and D. JACKSON accepted the monthly rental fee from Ross.

4 37.

5 (Rental receipts and Section 8 checks)

6 On November 8, 2001, W. JACKSON issued Check No. 1069
7 from UREM's bank account. The check was made payable to Calmco
8 in the amount of \$1,604.22 to pay the November mortgage loan
9 payment respective to the ARN that Johnson executed on
10 75th Street property. This is the check that was returned to
11 Johnson as insufficient funds. W. JACKSON filed a Fictitious
12 Business Name Statement to do business as UREM. W. JACKSON
13 disbursed the trust funds to Calmco from the general UREM
14 account.

15 38.

16 On December 10, 2001, the City of Los Angeles Housing
17 Authority (hereafter "CLAHA") issued Check No. 957845 payable
18 to TNSF in the amount of \$1,999.00. The CLAHA issued the check
19 to subsidize the respective monthly rental payments of Avie and
20 Claxton for properties commonly known as "637 W. 75th St. and
21 639 W. 75th St.". On January 1, 2002, the CLAHA issued Check
22 No. 972363 payable to TNSF in the amount of \$1,853.00. The
23 CLAHA issued the check to subsidize the respective monthly
24 rental payments of Paula Blanche (hereafter "Blanche"), Avie
25 and Claxton for properties commonly known as "639 1/2 W. 75th St.,
26 637 W. 75th St., and 639 W. 75th St.". On February 1, 2002,
27 CLAHA issued Check No. 989079 payable to the TNSF in the amount

1 of \$1,853.00. The CLAHA issued the check to subsidize the
2 respective monthly rental payments of Blanche, Avie and Claxton
3 for properties commonly known as "639 ½ W. 75th St., 637 W.
4 75th St., and 639 W. 75th St." On February 11, 2002, the CLAHA
5 issued Check No. 991405 payable to TNSF in the amount of
6 \$1,867.00. The CLAHA issued the check to subsidize the monthly
7 rental payments of Ross, for the rental of property commonly
8 known as 639 ½ W. 75th St.

9 39.

10 On January 2, 2002, Soaris of Re/Max prepared a
11 Residential Income Property Purchase Agreement (hereafter
12 "Deposit Receipt") for Nancy E. Green (hereafter "Green") to
13 purchase the 75th Street property from W. JACKSON, through TNSF,
14 for \$325,000.00. Soaris represented that he received a good
15 faith deposit in the amount of \$5,000.00 from Green to purchase
16 the 75th Street property for the total purchase price of
17 \$325,000.00.

18 40.

19 On January 3, 2002, W. JACKSON signed an Exclusive
20 Authorization and Right to Sell Agreement Multiple Listing
21 Authorization to sell the 75th Street property. W. JACKSON
22 represented to ReMax Beach Cities Realty (hereafter "ReMax")
23 that he assumed ownership of the 75th Street property by the
24 Grant Deed that was mailed to TNSF and recorded as Document
25 No. 01 1986400. W. JACKSON agreed to give ReMax the exclusive
26 right to sell the 75th Street property at a price of \$350,000.
27 W. JACKSON as the "Seller", "warrants that Seller is the owner

1 of the property or that Seller has the written authority to
2 execute this Listing Agreement on the owner's behalf and that
3 the validity of this Listing Agreement is not contingent upon
4 Seller's obtaining any other signatures, consents or approvals.
5 Seller is to deliver possession of the property to buyer upon
6 close of escrow or sooner upon mutual written agreement."

7 41.

8 A Property Profile was prepared by South Coast Title
9 Company (hereafter "SCTC"). SCTC prepared the profile
10 representing that TNSF purchased the 75th Street property from
11 Johnson on October 18, 2001 for \$260,000.00. Washington Mutual
12 issued an Approval Letter for Green to obtain a 30-year loan in
13 the amount of \$260,000.00 at an interest rate of 7.750 percent.
14 Washington Mutual informed Green that "in approximately 5 to 7
15 days, you will receive a Commitment Letter that will set forth
16 all of these conditions".

17 42.

18 On January 3, 2002, W. JACKSON made a Counter Offer to
19 sell the 75th Street property for the purchase price of
20 \$335,000.00 providing that the Seller retains the choice of
21 services. Green made a Counter Offer No. 1 to W. JACKSON's
22 Counter offer to purchase the 75th Street property for
23 \$330,000.00. On January 7, 2002, Green followed her Counter
24 Offer with an offer to purchase the 75th Street property for
25 \$335,000.00 providing that "all heaters to be operational prior
26 to closing" and front balcony needs a drop off to storm drains to
27 prevent water buildup".

43.

1
2 On January 8, 2002, W. JACKSON on behalf of TNSF, made
3 a Counter Offer No. 2 to Green's offer to sell the 75th Street
4 property for \$335,000.00, providing that the Seller "repair
5 draining problem. Cost not to exceed \$1,000.00. All heaters to
6 be in working condition." On January 9, 2002, Green approved W.
7 JACKSON's Counter Offer to purchase the 75th Street property for
8 \$335,000.00.

9
44.

10 On January 9, 2002, Green, A.K.A. Nancy E. Harris
11 issued a Check No. 237 payable to Fidelity Title Escrow in the
12 amount of \$5,000.00 for deposit in escrow to purchase the 75th
13 Street property. Fidelity National Title Company (hereafter
14 "FNTC") prepared Escrow No. 10206-MT Sale Escrow Instructions
15 for Green to obtain a new loan in the amount of \$268,000.00.
16 Green represented that she would deposit the balance of the
17 down payment in the amount of \$62,000.00 for the purchase of
18 the 75th Street property at the Total Consideration in the
19 amount of \$335,000.00. FNTC represented that title to the 75th
20 Street property would be vested in Green's name. FNTC also
21 represented that title would be free of all encumbrances except
22 the usual liens and "a First Deed of Trust to record, securing
23 a note in the amount of \$268,000.00 in favor of a lender of
24 Buyer's Choice to be determined during escrow".

25
45.

26 On January 10, 2002, FNTC Escrow Division received
27 Green's Check No. 237. The FNTC Escrow Division issued Receipt

1 No. 1220 to verify receipt of the funds for deposit to purchase
2 the 75th Street property. On January 14, 2002, W. JACKSON signed
3 a Seller's Affidavit of Non-Foreign Status as President of TNSF.
4 W. Jackson did not indicate that TNSF was a tax-exempt entity and
5 a nonprofit organization. On January 16, 2002, real estate
6 salesperson Kenneth Smith (hereafter "Smith") of Re/Max Beach
7 Cities signed an Agent's Inspection Disclosure for the 75th Street
8 property. Smith noted that the 75th Street property was to be
9 "Sold in as-is Condition".

10 46.

11 On January 28, 2002, FNTC prepared a Notice of Default
12 and Election to Sell Under Deed of Trust. The Notice stated:
13 FNTC is giving notice that as of January 24, 2002, an amount of
14 \$7,339.73 is delinquent "under a Deed of Trust dated 8/7/2001,
15 executed by Eva Johnson, an unmarried woman, as Trustor, to
16 secure certain obligations in favor of Meritage Mortgage
17 Corporation, as beneficiary, recorded 8/21/2001, as Instrument
18 01-1552883". FNTC requested that the Los Angeles County
19 Recorder's Office record the Notice of Default and mail it to the
20 Fidelity National Foreclosure Solutions "when recorded". The Los
21 Angeles County Recorder's Office recorded the Notice of Default
22 as Document No. 02-0208911. On January 29, 2002, APFG faxed a
23 schedule of deposits and rents that they collected from the
24 Section 8 tenants, Claxton, Avie Wood and Ross. FNTC Escrow
25 Division received an Escrow No. 10106-MT Instruction - Rent
26 Statement from the APFG to convey the deposits and rents that
27 they accepted from the Section 8 tenants for close of escrow.

1
2 Third Cause of Accusation

3 47.

4 (630 W. 105th Street property)

5 On November 17, 1999, loan agent W. JACKSON of APFG
6 prepared a Uniform Residential Loan Application for Todd Turner
7 (hereafter "Turner") to originate a 30 year fixed rate loan for
8 the purchase property located at 630 W. 105th Street, Los
9 Angeles, CA (hereafter "105th Street"). W. JACKSON represented
10 on the loan application that he conducted a face-to-face
11 interview with Turner to originate a conventional loan in the
12 amount of \$76,000.00 for the purchase of the 105th Street
13 property. On November 20, 1999, W. JACKSON, prepared a
14 Mortgage Loan Disclosure Statement/Good Faith Estimate for
15 Turner. W. JACKSON disclosed a total in the amount of
16 \$5,005.25 for fees, commissions, costs and expenses required to
17 originate a loan in the amount of \$76,000.00 at a proposed
18 interest rate of 10.496 percent. W. JACKSON prepared a Good
19 Faith Estimate - RESPA, for Turner expressing a Note Rate of
20 10.490 percent to obtain a loan in the amount \$76,000.00 for
21 the purchase of the 105th Street property at a price of
22 \$95,000.00.

23 48.

24 On December 15, 1999, appraiser Carlton Haugh
25 (hereafter "Haugh") estimated the value of the 105th Street
26 property at \$110,000.00 for APFG. On December 17, 1999, APFG
27 submitted a Pre-Qualification Request for Turner to obtain a

1 second loan in the amount of \$19,000.00 for the purchase of the
2 105th Street property. D. JACKSON stated that "Borrower wants to
3 buyout prepay penalty if there is one". Lyon Financial provided
4 APFG with a Conditional Approval Commitment for Turner to obtain
5 a loan in the amount of \$19,000.00 secured by a lien, in second
6 position, on the 105th Street property.

7 49.

8 On December 24, 1999, South Hills Escrow Company
9 (hereafter "SHEC") prepared a HUD-1 Settlement Statement for
10 Turner to obtain a second loan in the amount of \$19,000.00 for
11 the purchase of the 105th Street property. On January 5, 2000,
12 D. JACKSON signed a Broker Demand and Assignment Warranty for
13 an origination fee in the amount of \$760.00. D. JACKSON
14 informed WMC Mortgage to "please call when docs ready. We'll
15 pick up." WMC Mortgage provided a "Notice of Loan Approval and
16 Underwriting Conditions" to APFG.

17 50.

18 On January 18, 2000, SHEC issued an Escrow
19 No. 00001964-002SM Final HUD-1 Settlement Statement for Turner to
20 obtain a New First Loan and a New Second Loan in the respective
21 amounts of \$76,000.00 and \$19,000.00 for the purchase of the 105th
22 Street property for a contract sales price of \$95,000.00.
23 On January 19, 2000, SHEC issued Check No. 010407 payable to APFG
24 in the amount of \$4,597.79, including a commission of \$3,837.79,
25 for originating Turner's loans for the purchase of the 105th
26 Street property.

27 ///

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51.

On January 16, 2001, Deborah Bowling (hereafter "Bowling") offered \$135,000.00 to purchase the 105th Street property as a For Sale By Owner (FSBO) sale transaction.

On January 19, 2001, Haugh valued the 105th Street property at an estimated price of \$135,000.00 for APFG to originate a loan for Bowling. American Title Insurance Company (hereafter "ATIC") issued a Preliminary Title Report on 630 West 10th (sic) property for Tri-Wes Escrow. W. JACKSON of APFG prepared a loan application for Bowling to originate a 30-year year conventional loan in the amount of \$121,500.00 for the purchase of the 105th Street property.

52.

On January 23, 2001, Tri Wes Realty - Escrow Division (hereafter "TWRED") issued Escrow No. 121169 Sale Escrow Instructions for Bowling to purchase the 105th Street property from Turner for a Total Consideration of \$135,000.00. Tri Wes Realty was not a party or an agent to the sale or loan transaction. On January 30, 2001, APFG prepared a Truth-In-Lending Disclosure Statement for Bowling to originate a loan in the amount financed of \$123,945.00. On February 6, 2001, W. JACKSON prepared a Good Faith Estimate - RESPA for Bowling disclosing the estimated closing costs to obtain a 30-year loan in the amount of \$128,250.00 for the purchase of the 105th Street property. W. JACKSON noticed the incorrect address on ATIC's Preliminary Title Report. He informed Janet of the Easy Street

1 Mortgage Corporation (hereafter "ESMC") that "a supplement has
2 been ordered". On February 7, 2001, ATIC issued a Supplemental
3 Title Report to correct the property address that was incorrectly
4 entered on the Preliminary Title Report. On February 13, 2001,
5 ESCMC requested APFG provide a Verification of Deposits as a
6 condition for approving a loan for Bowling to purchase the 105th
7 Street property.

8 53.

9 On February 18, 2001, W. JACKSON, advised Janet of ESCMC
10 that "we are unable to satisfy PTD #4 (HUD-1) until the Escrow
11 Officer Returns on Tuesday. I hope all is going well on waiving
12 PTD #4". On February 22, 2001, TWRED issued Buyer/ Borrower
13 Closing Statement for Bowling to obtain a new loan in the amount
14 of \$128,250.00 for the purchase of the 105th Street property at a
15 total consideration of \$135,000.00. On March 16, 2001, TWRED
16 issued an Escrow File No. 121169 HUD-1 Settlement Statement for
17 Bowling to purchase the 105th Street property at a Contract Sales
18 price of \$135,000.00.

19 54.

20 On December 11, 2001, a Notice of Trustee Sale was
21 signed by Rosario Brockway to give notice that the note, executed
22 on 105th Street property, was in default under a Deed of Trust
23 dated March 2, 2001. "The total amount secured by said
24 instrument as of the time of initial publication of this notice
25 is \$137,299.27 which includes the amount of the unpaid balance
26 (including accrued and unpaid interest) and reasonable estimated
27

1 costs, expenses, and advances at the time of initial publication
2 of this notice."

3 55.

4 The law office of Steven J. Melmet prepared a "Notice
5 of Default and Election to Sell Under Deed of Trust." for
6 Bowling's Loan No. 1001343225. Laurence Fields (hereafter
7 "Fields") told Bowling that he and W. JACKSON would do all the
8 improvements and manage the tenants. Fields did deal with the
9 tenants, collected deposits and monthly rents, but never passed
10 these funds to Bowling so that she could make the mortgage
11 payments. After a few months, W. JACKSON and Fields told Bowling
12 that if she would sign a quit claim deed, giving them the
13 ownership of the properties, that they would catch up the
14 mortgage payments and restore her credit rating. Bowling refused
15 to sign the deed, knowing that she would still be responsible for
16 the existing loans.

17 Fourth Cause of Accusation

18 56.

19 (Bowling's 120-122 E. 61st property)

20 On November 15, 2000, a "Residential Purchase Agreement
21 and Joint Escrow Instructions" was prepared for Bowling to offer
22 \$198,000.00 for the purchase of property located at 120-122 E.
23 61st Street (hereafter "61st Street property"). Bowling
24 represented that she would obtain a loan in the amount of a new
25 first Deed of Trust in the amount of \$158,400.00 and a "2nd
26 Mortgage in the amount of \$39,600.00 at an interest rate of 14.99
27 percent to purchase the 61st Street property".

1
2
3 57.

4 On November 20, 2000, TWRED prepared Escrow No. 121120
5 Sale Escrow Instructions for Bowling to purchase the 61st Street
6 property for a Total Consideration of \$198,000.00. TWRED issued
7 Escrow No. 121120 HUD-1 Settlement Statement for Bowling to close
8 escrow for the purchase of the 61st Street property. Tri Wes
9 Realty was not a party or an agent to the loan or sale
10 transaction.

11 58.

12 On December 7, 2000, W. JACKSON, prepared a Uniform
13 Residential Loan Application for Bowling to originate a 30-year
14 adjustable rate mortgage loan in the amount of \$178,200.00 for
15 the purchase of the 61st Street property. D. JACKSON, prepared
16 two "Mortgage Loan Disclosure Statements / Good Faith Estimates"
17 for Bowling. The Disclosure Statements were prepared for Bowling
18 to obtain a loan secured by a 1st Deed of Trust and another loan
19 secured by a 2nd Deed of Trust in the respective amounts of
20 \$178,200.00 and \$39,600.00. D. JACKSON disclosed that \$5,206.90
21 was the total required from Bowling to pay for "initial fees,
22 commissions, costs and expenses" on the 1st Deed of Trust loan.
23 The amount was increased by \$1,782.00 to double the Lender
24 Origination Fee payment. A Truth-In-Lending Disclosure Statement
25 was prepared for Bowling to obtain a loan in the amount of
26 \$181,752.00 at an annual percentage rate of 9.194 percent.
27 D. JACKSON disclosed that \$1,166.90 was the total required from

1 Bowling to pay for "initial fees, commissions, costs and
2 expenses" on the 2nd Deed of Trust loan. A Truth-In-Lending
3 Disclosure Statement was prepared for Bowling to obtain a loan in
4 the amount financed of \$20,196.00 at an annual percentage rate of
5 14.588 percent.

6 59.

7 On December 12, 2000, Darcy Thomas (hereafter "Thomas")
8 signed a Grant Deed to "hereby grant(s) to Deborah Bowling, a
9 single woman" the property commonly known as the 61st Street
10 property. The Grant Deed was recorded on December 21, 2000 as
11 Document No. 00 1987254. On December 18, 2000, Bowling executed
12 a Deed of Trust to secure the payment of a Note in the principal
13 sum of \$158,400.00 on property "which has the address of
14 120-122 E. 61st Street, Los Angeles, CA 90003". The Deed of Trust
15 was recorded on December 21, 2000, as Document No. 00 1987256.
16 On December 21, 2000, TWRED issued File No. 121120 HUD-1
17 Settlement Statement for Thomas to sell the 61st Street property
18 to Bowling for a contract sales price of \$198,000.00.

19 60.

20 (Unlicensed agent Fields)

21 On April 4, 2001, Conching Matthews (hereafter
22 "Matthews") gave \$20.00 in cash to the UREM to apply for the
23 rental of real property. UREM issued Receipt No. 222442 to
24 confirm the payment of \$20.00 in cash to apply for the rental of
25 real property. Fields on behalf of UREM accepted \$1,800.00 in
26 cash from Matthews for a security deposit to rent property
27 located at 122 East 61st Street (hereafter "122 East 61st").

1 Unlicensed UREM issued Receipt No. 222451 to confirm a deposit of
2 \$1,800.00 in cash from Matthews to "move in" the 122 East 61st
3 property. In fact, the \$1,800 security deposit was not given to
4 Bowling.

5 61.

6 On May 23, 2001, UREM accepted \$200.00 in cash from
7 Matthews to pay for the rental of the 122 East 61st property.
8 UREM issued Receipt No. 222477 to confirm the payment of \$200 in
9 cash from Matthews to rent the 122 East 61st property. On June
10 22, 2001, Fields on behalf of UREM prepared a 1-year Residential
11 Lease for Matthews to rent the 122 East 61st property from
12 Bowling. Matthews agreed to pay Bowling "\$795.00 per month in
13 advance on the 1st day of each calendar month beginning June 23,
14 2001". On June 30, 2001 and July 29, 2001, Matthews gave \$441.00
15 in cash to unlicensed UREM to pay for the July and August rental
16 of the 122 East 61st property.

17 62.

18 Fields negotiated a Residential Lease for Kristal
19 Williams (hereafter "Williams") to lease real property located at
20 120 East 61st property in Los Angeles, CA (hereafter "120 East
21 61st property") from Bowling. Matthews agreed to pay a monthly
22 fee of \$800.00 for the rental of the 120 East 61st property.
23 Fields accepted a security deposit in the amount of \$350.00 from
24 Williams for the rental of the 120 East 61st property. The
25 tenants were always required to pay cash and none of these funds
26 were ever given to Bowling to make the mortgage payments. On
27 August 30, 2001, Bowling received a letter from Citi Financial

1 Mortgage notifying her that "you are in default. You have not
2 made your payments as required by your note and Mortgage / Deed
3 of Trust".

4 Fifth Cause of Accusation

5 63.

6 (1453 West 80th Street)

7 On October 18, 2000, TWRED issued Escrow No. 121125
8 Sale Escrow Instructions. TWRED issued the instructions for
9 Bowling to obtain a "First Trust Deed" loan in the amount of
10 \$212,000.00 and a "Second Trust Deed" loan in the amount of
11 \$53,000.00 for the purchase of real property located at 1453 West
12 80th Street, in Los Angeles, CA 90049 (hereafter "West 80th
13 property"). The escrow instructions were prepared to purchase
14 the West 80th property for the total consideration of \$265,000.00.
15 The Tri Wes Realty was not a party or an agent of the sale or
16 loan transaction. On October 24, 2000, Roderick Ballard
17 estimated the value of the West 80th property at \$268,000 for
18 APFG.

19 64.

20 On November 6, 2000, a Residential Purchase Agreement
21 and Joint Escrow Instructions was prepared for Bowling to
22 purchase West 80th property for the total purchase price of
23 \$265,000.00. Bowling represented that she would obtain a "first
24 loan in the amount of \$212,000" at a "10.49 percent initial
25 adjustable rate" interest. Bowling represented that she would
26 obtain a 2nd mortgage loan at an interest rate of 14.49 percent
27

1 for the purchase of the West 80th property. The Deposit Receipt
2 was prepared after TWRED opened Escrow No. 121125 for Bowling.

3 65.

4 On November 7, 2000, a Residential Lease was prepared
5 for Thelma Morgan (hereafter "Morgan") to lease property located
6 at 7430 Corbin Ave., #24, Reseda, CA. The lease was prepared to
7 represent to the lender, Millenium Funding Group (hereafter
8 "MFG") that Bowling vacated her home and was collecting rents in
9 the amount of \$1,500.00 from Morgan. Morgan is a Section 8
10 tenant and cannot afford to pay a monthly rental fee of \$1,500.00
11 unless she receives subsidization payments from the City of Los
12 Angeles Housing Authority. Morgan has been paying her rental
13 payments of \$634.00 a month to Fields. Fields picks up the rent.
14 The security deposit in the amount of \$634.00 was given to Fields
15 who negotiated this lease.

16 66.

17 On November 10, 2000, a Residential Lease was prepared
18 for Kimberly Davis (hereafter "Davis") to lease property located
19 at 1453 ½ W. 80th Street, Los Angeles, CA, from Bowling. Davis
20 agreed to pay a security deposit in the amount of \$1,800.00 and
21 pay a monthly rental fee of \$900.00 for the rental of the 1453 ½
22 W. 80th Street unit "to commence on December 1, 2000 and to end on
23 December 1, 2001. Davis has been paying rental payments of
24 \$700.00 a month to Fields. Fields picks up the rent. Fields has
25 the security deposit of \$700.00. Fields negotiated the lease.

67.

1 A residential lease was prepared for Adrian McGee
2 (hereafter "McGee") to lease property located at 1453 ¼ W. 80th
3 Street, Los Angeles, CA, from Bowling. McGee agreed to pay a
4 security deposit in the amount of \$1,200.00 and pay a monthly
5 rental fee of \$600.00 for the rental of the 1453 ¼ W. 80th Street
6 unit "to commence on December 1, 2000 and to end on December 1,
7 2001". On December 5, 2000, Jay Pollizzi, the underwriter for
8 MFG, issued Loan Status Notifications to Wayne of APFG for
9 Bowling to obtain a 30-year loan and a 15-year loan for the
10 purchase of the 1453 ¼ W. 80th Street property.
11

68.

12 On December 6, 2000, W. JACKSON prepared a Uniform
13 Residential Loan Application for Bowling to originate a 30-year
14 conventional loan at a fixed interest rate of 9.125 percent.
15 W. JACKSON prepared the loan application for Bowling to originate
16 a loan secured by a First Deed of Trust. W. JACKSON represented
17 on the loan application that Bowling intended to use the 1453 ¼
18 W. 80th Street property as her "primary residence". W. JACKSON
19 prepared a Uniform Residential Loan Application for Bowling to
20 originate a 15-year conventional loan at a fixed interest rate of
21 14.49 percent. W. JACKSON prepared the loan application for
22 Bowling to originate a loan secured by a 2nd Deed of Trust on
23 the 1453 ¼ W. 80th property. A letter was issued "to whom it may
24 concern" representing that Bowling was "looking forward to
25 occupying 1453 W. 80th Street" property. Bowling claims that she
26 "didn't write this letter or see it". Two Good Faith Estimates
27

1 "didn't write this letter or see it". Two Good Faith Estimates
2 were prepared for Bowling disclosing the Estimated Closing Costs
3 required to obtain a new first and a new second loan in the
4 respective amounts of \$212,000 and \$53,000. Two Preliminary
5 Truth In Lending Disclosure Statements were prepared for Bowling
6 to obtain a 30-year loan and a 15-year loan in the respective
7 amounts financed of \$214,792.72 and \$57,620.00. An "Annual
8 Percentage Rate" of 8.978 percent and an "Annual Percentage Rate"
9 of 12.850 percent were assigned to the 30-year and 15-year loans,
10 respectively.

11 69.

12 On December 11, 2000, Ray Alvaro (hereafter "Alvaro"),
13 Assistant Manager of Howard Enterprises, signed a Request for
14 Verification of Rental or Mortgage Account (hereafter "RVR").
15 Alvaro signed the RVR to verify that Bowling was paying \$950.00
16 for the rental of property located at 7430 Corbin Avenue, Reseda,
17 CA (hereafter "Corbin property"). The RVR was signed
18 representing to the lender that Bowling was vacating her Corbin
19 residence to occupy a unit in the 1453 ¼ W. 80th property. On
20 January 4, 1996, the Los Angeles County Clerk's Office filed a
21 fictitious business name statement for Howard Enterprises. The
22 statement was filed by W. JACKSON and D. JACKSON, as husband and
23 wife. On December 13, 2000, MFG faxed the Loan Status
24 Notification forms with "Document Request Forms" to Wayne /
25 Monique of the Access Plus for "pre-approval with conditions" of
26 a 30-year and a 15-year loan.
27

70.

1
2 On December 14, 2000, the Beneficiary, MFG prepared a
3 Deed of Trust to secure the repayment of a Note in the principal
4 sum of \$212,000.00 on the West 80th Street property. Bowling
5 signed the Deed of Trust on December 15, 2000. The Deed of Trust
6 was recorded on December 21, 2000 as Document 00 1987088. MFG,
7 the Beneficiary, prepared a Deed of Trust to secure the repayment
8 of a Note in the principal sum of \$53,000 on the West 80th Street
9 property. Bowling signed the Deed of Trust on December 15, 2000.
10 The Deed of Trust was recorded on December 21, 2000 as Document
11 No. 00 1987087. On December 15, 2000, Leah Smith executed
12 Escrow No. 121125 Grant Deed to grant the West 80th Street
13 property to Bowling. The Grant Deed was recorded on December 21,
14 2000 as Document No. 00 1987086.

71.

15
16 On December 18, 2000, MFG requested a "Copy of the
17 Insurance Binder" from Tri West Realty Escrow Officer Tracey.
18 Tracey provided a copy of an "Evidence of Property Insurance"
19 representing that an Insurance Policy Number TD00120798 was
20 issued for Deborah Bowling. On December 21, 2000, TWRED issued
21 File No. 121125 HUD-1 Settlement Statements for the Seller Leah
22 Smith, and the Buyer, Deborah Bowling. The Settlement Statements
23 were issued for Bowling to obtain a new loan in the principal
24 amount of \$212,000.00 and a new Second loan in the amount of
25 \$53,000.00 to purchase the 3-unit West 80th Street property for
26 \$265,000.00. The amount of \$934.00 was debited from Bowling's
27 ledger to pay for a 1-year hazard insurance premium.

72.

1
2 On August 29, 2001, Bowling called the insurance
3 carrier, American Reliable, to determine if her insurance
4 policies were active. Bowling requested American Reliable fax a
5 letter to her confirming that no new or existing policies were
6 issued for her. Dan Dressenberger of American Reliable issued a
7 letter to Bowling. Dressenberger wrote, "the two "Evidence of
8 Property Insurance" forms that you faxed to me did not have a
9 recognizable policy number with American Reliable Insurance. I
10 also did a name search on our system for any new or existing
11 policies for you, but the search came back negative." On August
12 17, 2001, Wendover Financial Services Corporation (hereafter
13 "WFSC") referenced a Service No. 2507277 loan on the W. 80th
14 property in a letter to Bowling. WFSC informed Bowling that "the
15 above referenced account is in default due to non-payment of the
16 installment of 06-01-01 and all subsequent installments. As of
17 08-17-01, your total delinquency is \$6,403.74".

18 73.

19 On October 6, 1999, an agent for APFG prepared a
20 Residential Purchase Agreement for Elaine Anderson (hereafter
21 "Anderson") to purchase property located at 818 82nd Street in Los
22 Angeles, CA (hereafter "82nd Street property") for \$135,000.00.
23 On October 22, 1999, Steve Harris, the Property Manager of Howard
24 Enterprises, verified Anderson's rental of property located at
25 1728 W. 67^h Street, Los Angeles, CA 90047 since September 1,
26 1999. D. JACKSON signed the "Verification of Rent" form for
27 APFG, representing that Anderson was not late in her rent

1 payments. On November 10, 1999, Anderson executed an ARN
2 promising to pay Title West Mortgage, Inc. (hereafter "TWMI") the
3 principal sum of \$108,000, plus interest at the yearly rate of
4 8.99 percent. Anderson signed a Deed of Trust to secure the ARN
5 on the 82nd Street property. Anderson signed an Occupancy Rider
6 promising and assuring TWMI that she intended to occupy the 82nd
7 Street property as her primary/secondary residence.

8 74.

9 On November 12, 1999, D. JACKSON of APFG prepared a
10 Uniform Residential Loan Application for Anderson to originate a
11 30-year loan in the amount of \$108,000 for the purchase of the
12 82nd Street property. D. JACKSON represented on the loan
13 application that Anderson's total monthly income was \$3,124.00.
14 Anderson's paycheck stubs from Wessey Real Estate or Realty
15 Management Services were used to qualify Anderson for a loan to
16 purchase the 82nd Street property. Anderson's pay stubs reflects
17 the salaried pay in the amount of \$1,562.00 twice a month.
18 Anderson never purchased property located at 818 West 82nd Street
19 or knew about owning a home at that address, or any other
20 address. Anderson was never employed by Wessey Real Estate or
21 Realty Management Services. The agent or agents gave false
22 information about Anderson's income and assets.

23 If TWMI had known that the borrower's income was misrepresented
24 and that the borrower never intended to occupy the property, he
25 would not have approved the funding of the subject loan. All of
26 the funds received on behalf of owners of real properties,
27

1 tenants, borrowers and sellers as deposits and rents were trust
2 funds.

3 75.

4 The conduct, acts and/or omissions of Respondents
5 D. JACKSON and W. JACKSON, as described herein above in
6 Paragraphs 10 through 74, constitutes making a substantial
7 misrepresentation, the making of false promise(s) of a
8 character likely to influence, persuade or induce, and/or fraud
9 or dishonest dealing, and/or negligence, and is cause for the
10 suspension or revocation of all real estate licenses and
11 license rights of Respondents D. JACKSON and W. JACKSON under
12 the provisions of Code Sections 10176(a), (b), (c), (i) and/or
13 10177(g).

14 76.

15 The conduct, acts and/or omissions of Respondent
16 D. JACKSON, as described herein above in Paragraphs 7 through
17 74, is in violation of Code Section 10240 and Regulation 2840
18 and is cause for the suspension or revocation of all real
19 estate licenses and license rights of Respondent D. JACKSON
20 under the provisions of Code Sections 10177(d) and/or 10177(g).

21 77.

22 The conduct, acts and/or omissions of Respondent
23 D. JACKSON, as described herein above in Paragraphs 7 through
24 74, constitutes failure to exercise reasonable supervision over
25 the activities of W. JACKSON, a salesperson licensed to
26 Respondent D. JACKSON and is cause for the suspension or
27 revocation of all real estate licenses and license rights of

1 Respondent D. JACKSON under the provisions of Code Section
2 10177(h).

3 78.

4 The conduct, acts and/or omissions of Respondent
5 D. JACKSON, as described herein above in Paragraphs 10 through
6 74, is in violation of Code Section 10137 and is cause for the
7 suspension or revocation of all real estate licenses and
8 license rights of Respondent D. JACKSON under the provisions of
9 Code Sections 10137, 10177(d) and/or 10177(g).

10 79.

11 The conduct, acts and/or omissions of Respondent
12 D. JACKSON, as described herein above in Paragraphs 7 through
13 74, is in violation of Code Section 10145 and the conduct, acts
14 and/or omissions of Respondent W. JACKSON, as described herein
15 above in Paragraphs 7 through 74, is in violation of Code
16 Section 10145(c) and is cause for the suspension or revocation
17 of all real estate licenses and license rights of Respondents
18 D. JACKSON and W. JACKSON under the provisions of Code Sections
19 10177(d) and/or 10177(g).

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1
2 WHEREFORE, Complainant prays that a hearing be
3 conducted on the allegations of this Accusation and that upon
4 proof thereof, a decision be rendered imposing disciplinary
5 action against all licenses and/or license rights of
6 Respondents, DIONNE HASANI JACKSON, individually and doing
7 business as Access Plus Financial Group and WAYNE H. JACKSON,
8 under the Real Estate Law (Part 1 of Division 4 of the Business
9 and Professions Code), and for such other and further relief as
10 may be proper under other applicable provisions of law.

11 Dated at Los Angeles, California

12 this 12 day of March, 2003.

13
14 
15 Deputy Real Estate Commissioner

16
17
18
19
20
21
22
23 cc: Dionne Hasani Jackson
24 Wayne H. Jackson
25 Janice Waddell
26 Sacto
27 AK
L.A. Audits