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FILED
NOV 09 2005
DEPARTMENT OF REAL ESTATE

By C-3

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of)	
SARINANA, INC., dba C-21 A Better)	No. H-31548 LA
Service Realty, Inc.; and)	L-2005010040
DAVID SARINANA, individually)	
and as designated broker-officer)	
of Sarinana Inc.,)	
Respondents.)	

ORDER NUNC PRO TUNC MODIFYING
STIPULATION AND AGREEMENT

It having been called to the attention of the Real Estate Commissioner that there are errors in the Decision dated August 1, 2005, effective September 9, 2005, and good cause appearing therefor, the Decision is amended as follows:

Paragraph 2 of the Determination of Issues is amended to read as follows:

///
///
///

1 "2. The conduct, acts or omissions of Respondent
2 DAVID SARINANA, as set forth in the Accusation, constitute
3 cause to suspend or revoke the real estate license and license
4 rights of Respondent DAVID SARINANA under the provisions of
5 Code Sections 10177(d) and 10177(h) for violation of Code
6 Sections 10145, 10161.8 and 10159.2 in conjunction with
7 Regulations 2832.1, 2831, 2831.1, 2834, 2726, and 2753."

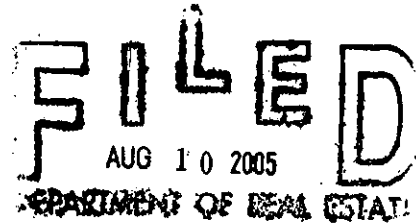
8 This Order, nunc pro tunc to August 1, 2005, shall
9 become effective at 12 o'clock noon on September 9, 2005.

10 IT IS SO ORDERED

11 11-3-05
12 JEFF DAVI
13 Real Estate Commissioner
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1 Department of Real Estate
2 320 West Fourth Street, #350
3 Los Angeles, California 90013

4 (213) 576-6982
5 (213) 576-6907



6
7
8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)
12) DRE No. H-31548 LA
13 SARINANA, INC., dba C-21 A Better) OAH No. L-2005010040
14 Service Realty, Inc.; and)
15 DAVID SARINANA, individually) STIPULATION AND AGREEMENT
16 and as designated broker-officer)
17 of Sarinana Inc.,)
18 Respondents.)

19 It is hereby stipulated by and between SARINANA,
20 INC., dba C-21 A Better Service Realty, Inc. (sometimes
21 referred to herein as "Respondent SRI"); and DAVID SARINANA
22 (sometimes referred to herein as "Respondent SARINANA"),
23 individually and as designated broker-officer of SRI, both
24 represented by Frank M. Buda, Esq., and the Complainant, acting
25 by and through Martha J. Rosett, Counsel for the Department of
26 Real Estate, as follows for the purpose of settling and
27 disposing of the Accusation filed on December 2, 2004 in this
matter:

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

8 2. Respondents have received, read and understand
9 the Statement to Respondent, the Discovery Provisions of the
10 APA and the Accusation filed by the Department of Real Estate
11 in this proceeding.

12 3. On December 9, 2004, Respondents filed Notices of
13 Defense pursuant to Section 11506 of the Government Code for
14 the purpose of requesting a hearing on the allegations in the
15 Accusation. In order to effectuate this settlement,
16 Respondents hereby freely and voluntarily withdraw said Notices
17 of Defense. Respondents acknowledge that they understand that
18 by withdrawing said Notices of Defense, they will thereby waive
19 their rights to require the Commissioner to prove the
20 allegations in the Accusation at a contested hearing held in
21 accordance with the provisions of the APA and that they will
22 waive other rights afforded to them in connection with the
23 hearing such as the right to present evidence in defense of the
24 allegations in the Accusation and the right to cross-examine
25 witnesses.

26 4. Respondents, pursuant to the limitations set
27 forth below, although not admitting or denying the truth of the

1 allegations, will not contest the factual allegations contained
2 in the Accusation filed in this proceeding and the Real Estate
3 Commissioner shall not be required to provide further evidence
4 of such allegations.

5 5. It is understood by the parties that the Real
6 Estate Commissioner may adopt the Stipulation and Agreement as
7 his Decision in this matter, thereby imposing the penalty and
8 sanctions on Respondents' real estate licenses and license
9 rights as set forth in the below "Order". In the event that
10 the Commissioner in his discretion does not adopt the
11 Stipulation and Agreement, it shall be void and of no effect,
12 and Respondents shall retain the right to a hearing and
13 proceeding on the Accusation under all the provisions of the
14 APA and shall not be bound by any stipulation or waiver made
15 herein.

16 6. The Order or any subsequent Order of the Real
17 Estate Commissioner made pursuant to this Stipulation and
18 Agreement shall not constitute an estoppel, merger or bar to
19 any further administrative proceedings by the Department of
20 Real Estate with respect to any matters which were not
21 specifically alleged to be causes for accusation in this
22 proceeding.

23 7. This Stipulation and Respondents' decision not to
24 contest the Accusation are made for the purpose of reaching an
25 agreed disposition of this proceeding, and are expressly
26 limited to this proceeding and any other proceeding or case in
27 which the Department of Real Estate ("Department"), or another

1 licensing agency of this state, another state or if the federal
2 government is involved and otherwise shall not be admissible in
3 any other criminal or civil proceedings.

4 8. Respondents understand that by agreeing to this
5 Stipulation and Agreement, Respondents agree to be jointly and
6 severally liable for payment, pursuant to Section 10148 of the
7 Business and Professions Code, of the cost of the audit which
8 led to this disciplinary action. The amount of said cost is
9 \$9,989.94.

10 9. Respondents have received, read and understand
11 the "Notice Concerning Costs of Audits". Respondents further
12 understand that by agreeing to this Stipulation and Agreement,
13 the findings set forth below in the Determination of Issues
14 become final, and that the Commissioner may charge Respondents
15 for the costs of any subsequent audit conducted pursuant to
16 Section 10148 of the Business and Professions Code to determine
17 if the violations have been corrected. The maximum cost of
18 said audit will not exceed \$9,989.94.

19 DETERMINATION OF ISSUES

20 By reason of the foregoing stipulations and waivers
21 and solely for the purpose of settlement of the pending
22 Accusation without a hearing, it is stipulated and agreed that
23 the following Determination of Issues shall be made:

24 1. The conduct, acts or omissions of Respondent
25 SARINANA, INC., as set forth in the Accusation, constitute
26 cause to suspend or revoke the real estate license and license
27 rights of Respondent SARINANA, INC., under the provisions of

1 Business and Professions Code ("Code") Sections 10177(d) for
2 violation of Code Sections 10145 and 10161.8 in conjunction
3 with Title 10, Chapter 6 of the California Code of Regulations
4 ("Regulations"), Regulations 2832.1, 2835, 2831, 2831.1, 2834,
5 2726, 2753, and 2951.

6 2. The conduct, acts or omissions of Respondent
7 DAVID SARINANA, as set forth in the Accusation, constitute
8 cause to suspend or revoke the real estate license and license
9 rights of Respondent DAVID SARINANA under the provisions of
10 Code Sections 10177(d) and 10177(h) for violation of Code
11 Sections 10145, 10161.8 and 10159.2 in conjunction with
12 Regulations 2832.1, 2835, 2831, 2831.1, 2834, 2726, 2753 and
13 2951.

14 ORDER

15 WHEREFORE, THE FOLLOWING ORDER is hereby made:

16 A. All licenses and license rights of Respondent
17 SARINANA, INC. and Respondent DAVID SARINANA shall be suspended
18 for ninety (90) days from the effective date of this Decision;
19 provided, however, that sixty (60) days of said suspension
20 shall be stayed for two (2) years upon the following terms and
21 conditions:

22 1. Respondents shall obey all laws, rules and
23 regulations governing the rights, duties and responsibilities
24 of a real estate licensee in the State of California; and

25 2. That no final subsequent determination be made,
26 after hearing or upon stipulation, that cause for disciplinary
27 action occurred within two (2) years of the effective date of

Amended - See
pg 2 of Order Muncie Pro June

1 this Decision. Should such a determination be made, the
2 Commissioner may, in his discretion, vacate and set aside the
3 stay order and reimpose all or a portion of the stayed
4 suspensions. Should no such determination be made, the stay
5 imposed herein shall become permanent.

6 B. As to the remaining 30 days of said 90 day
7 suspensions, all licenses and licensing rights of Respondent
8 SARINANA, INC. and Respondent DAVID SARINANA shall be suspended
9 for a period of 30 days from the effective date of this
10 decision; provided, however, that if either Respondent
11 petitions, the remaining 30 days of said 90 day suspension
12 shall be stayed upon condition that:

13 1. Respondents each pay a monetary penalty pursuant
14 to Section 10175.2 of the Business and Professions Code at the
15 rate of \$50.00 per day per Respondent for a total monetary
16 penalty of \$1,500.00 per Respondent.

17 2. Said payment shall be in the form of a cashier's
18 check or certified check made payable to the Recovery Account
19 of the Real Estate Fund. Said check must be received by the
20 Department prior to the effective date of the Decision in this
21 matter.

22 3. No further cause for disciplinary action against
23 the real estate licenses of Respondents occurs within two years
24 from the effective date of the Decision in this matter.

25 4. If Respondents fail to pay the monetary penalty
26 in accordance with the terms and conditions of the Decision,
27 the Commissioner may, without a hearing, order the immediate

1 execution of all or any part of the stayed suspension in which
2 event the Respondents shall not be entitled to any repayment
3 nor credit, prorated or otherwise, for the money paid to the
4 Department under the terms of this Decision.

5 5. If Respondents pay the monetary penalty and if no
6 further cause for disciplinary action against the real estate
7 licenses of Respondents occurs within two years from the
8 effective date of the Decision, the stay hereby granted shall
9 become permanent.

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

23 D. Respondent DAVID SARINANA shall, within six
24 months from the effective date of this Decision, take and pass
25 the Professional Responsibility Examination administered by the
26 Department including the payment of the appropriate examination
27 fee. If Respondent DAVID SARINANA fails to satisfy this

1 condition, the Commissioner may order suspension of her license
2 until she passes the examination.

3 E. All licenses and licensing rights of Respondent


4 DAVID SARINANA shall be indefinitely suspended unless or until
5 he provides proof satisfactory to the Commissioner, of having
6 taken and successfully completed the trust fund accounting and
7 handling course specified in paragraph (3) of subdivision (a)
8 of Business and Professions Code Section 10170.5. Proof of
9 satisfaction of this requirement includes evidence that
10 Respondent DAVID SARINANA has successfully completed the trust
11 fund accounting and handling continuing education course within
12 120 days prior to the effective date of the Decision in this
13 matter.

14 F. Pursuant to Section 10148 of the Business and

15 Professions Code, Respondent DAVID SARINANA shall be jointly
16 and severally liable with Respondent SARINANA, INC., for
17 payment of the Commissioner's reasonable cost for: a) the audit
18 which led to this disciplinary action and, b) a subsequent
19 audit to determine if Respondents have corrected the trust fund
20 violations found in the Determination of Issues. In
21 calculating the amount of the Commissioner's reasonable cost,
22 the Commissioner may use the estimated average hourly salary
23 for all persons performing audits of real estate brokers, and
24 shall include an allocation for travel costs, including mileage
25 to and from the auditor's place of work and per diem.
26 Respondents shall pay such cost within 60 days of receiving an
27 invoice from the Commissioner detailing the activities

1 performed during the audit and the amount of time spent
2 performing those activities. The Commissioner may, in his
3 discretion, vacate and set aside the stay order if payment is
4 not timely made as provided herein, or as provided for in a
5 subsequent agreement between the Respondents and the
6 Commissioner. The vacation and the set aside of the stay shall
7 remain in effect until payment is made in full, or until
8 Respondents enter into an agreement satisfactory to the
9 Commissioner to provide for payment.

10
11 DATED: 7/18/05


12 MARTHA J. ROSETT
13 Counsel for Complainant


14 * * *

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


27

1 Respondents may signify acceptance and approval of the
 2 terms and conditions of this Stipulation and Agreement by faxing
 3 a copy of its signature page, as actually signed by Respondents,
 4 to the Department at the following fax number (213) 576-6917.
 5 Respondents agree, acknowledge and understand that by
 6 electronically sending to the Department a fax copy of their
 7 actual signatures as they appear on the Stipulation, that receipt
 8 of the faxed copy by the Department shall be as binding on
 9 Respondents as if the Department had received the original signed
 10 Stipulation and Agreement.

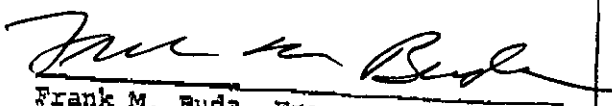
11
12 DATED: 7/11/05


 13 DAVID SARINANA, individually
 14 Respondent

15 DATED: 7/11/05


 16 DAVID SARINANA, designated
 17 broker-officer, on behalf of
 18 Respondent SARINANA, INC.

19 DATED: 7-11-05


 20 Frank M. Buda, Esq.
 21 Counsel for Respondent

22 ///
 23 ///
 24 ///
 25 ///
 26 ///
 27 ///

1 Respondents may signify acceptance and approval of the
2 terms and conditions of this Stipulation and Agreement by faxing
3 a copy of its signature page, as actually signed by Respondents,
4 to the Department at the following fax number (213) 576-6917.
5 Respondents agree, acknowledge and understand that by
6 electronically sending to the Department a fax copy of their
7 actual signatures as they appear on the Stipulation, that receipt
8 of the faxed copy by the Department shall be as binding on
9 Respondents as if the Department had received the original signed
10 Stipulation and Agreement.

11

12 DATED: _____

DAVID SARINANA, individually
Respondent

13

14

15 DATED: _____

DAVID SARINANA, designated
broker-officer, on behalf of
Respondent SARINANA, INC.

16

17

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19 DATED: _____

Frank M. Buda, Esq.
Counsel for Respondent

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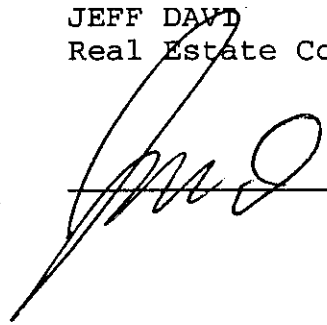
1
2 The foregoing Stipulation and Agreement is hereby
3 adopted as my Decision in this matter and shall become
4 effective at 12 o'clock noon on September 9, 2005.

5 IT IS SO ORDERED

8-1-05

6 JEFF DAVID
7 Real Estate Commissioner

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Sacto/oa

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

FILED
FEB - 3 2005
DEPARTMENT OF REAL ESTATE

By Jane B. Crow

In the Matter of the Accusation of

SARINANA, INC., dba C-21 A Better Service
Realty, Inc., and DAVID SARINANA,
individually and as designated broker-officer of
Sarinana, Inc.,

}

Case No. H-31548 LA

OAH No. L-2005010040

Respondent

NOTICE OF HEARING ON ACCUSATION

To the above named respondent:

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, California on MAY 23 & 24, 2005, 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: February 3, 2005

By Martha J. Rosett
MARTHA J. ROSETT, Counsel

cc: Sarinana, Inc./David Sarinana
Frank M. Buda, Esq.
Sacto./OAH

*Sacto
Jan*

FILED
DEC 2 2004
DEPARTMENT OF REAL ESTATE

1 MARTHA J. ROSETT, Counsel (SBN 142072)
2 Department of Real Estate
3 320 West Fourth Street, Suite #350
4 Los Angeles, California 90013-1105
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By *Laura B. Dona*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of)	No. H-31548 LA
)	
SARINANA, INC., dba C-21 A Better)	<u>A C C U S A T I O N</u>
Service Realty, Inc., and)	
DAVID SARINANA, individually and)	
as designated broker-officer of)	
Sarinana, Inc.,)	
)	
Respondents.)	

The Complainant, Janice Waddell, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against SARINANA, INC., dba C-21 A Better Service Realty, Inc., and DAVID SARINANA, individually and as designated broker-officer of SARINANA, INC., is informed and alleges as follows:

1.

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

1 2.

2 At all times material herein, Respondent SARINANA,
3 INC., dba, C-21 A Better Service Realty, Inc., was and now is
4 presently licensed and/or has license rights under the Real
5 Estate Law, Part 1 of Division 4 of the California Business and
6 Professions Code (hereinafter "Code"), as a corporate real estate
7 broker. At all times material herein, Respondent SARINANA, INC.
8 was authorized to act by and through DAVID SARINANA as the
9 designated officer and broker responsible, pursuant to the
10 provisions of Code Section 10159.2 for the supervision and
11 control of the activities conducted on behalf of SARINANA, INC.
12 by SARINANA, INC.'s officers and employees.

13 3.

14 At all times material herein, Respondent DAVID SARINANA
15 was licensed by the Department as a real estate broker. At all
16 times material herein, Respondent DAVID SARINANA served as the
17 designated officer and broker responsible, pursuant to the
18 provisions of Code Section 10159.2, for the supervision and
19 control of the activities conducted on behalf of SARINANA, INC.'s
20 officers and employees.

21 4.

22 All further references to "Respondents", unless
23 otherwise specified, include SARINANA, INC. and DAVID SARINANA,
24 the parties identified in Paragraphs 2 and 3 above, and also
25 include the officers, directors, employees, agents and real
26 estate licensees employed by or associated with said parties, who
27 at all times material herein were engaged in the furtherance of

1 the business or operations of said parties and who were acting
2 within the course and scope of their authority, agency or
3 employment.

4 5.

5 At all times material herein, Respondent engaged in the
6 business of, acted in the capacity of, advertised or assumed to
7 act as a real estate broker in the State of California, within
8 the meaning of Code Section 10131(a), for another or others, for
9 or in expectation of compensation. Said activity included
10 selling, offering to sell, buying or offering to buy, soliciting
11 prospective sellers or purchasers, and negotiating the purchase,
12 sale or exchange of real property for another or others in
13 expectation of compensation, and performing escrow activities in
14 relation to these purchase and sale transactions pursuant to the
15 exemption set forth in Financial Code Section 17006(a)(4).

16 The Audit

17 (Audit No. LA 010241)

18 6.

19 In connection with the aforesaid real estate brokerage
20 activities, Respondent accepted or received funds, including
21 funds in trust (hereinafter "trust funds") from or on behalf of
22 actual and prospective purchasers and sellers, and thereafter
23 made deposits and/or disbursements of such funds. From time to
24 time herein mentioned, said trust funds were deposited into a
25 trust account maintained by Respondent at Comerica Bank-
26 California, 21535 Hawthorne Blvd., Torrance, CA 90503, identified
27 as, "Sarinana Inc. DBA A Better Service Realty Escrow Trust

1 Account," Account No. 1891-06033-5. This account was used to
2 handle trust funds received and disbursed in connection with
3 escrow activities. Respondent DAVID SARINANA and licensed real
4 estate salesperson Eisa Gutierrez were signatories on the
5 account. Blanca Sarinana, not licensed by the Department, was
6 also a signatory on this account.

7 7.

8 On or about June 14, 2002, the Department completed its
9 examination of Respondent SARINANA, INC.'s books and records,
10 pertaining to the real estate activities described in Paragraphs
11 5 and 6 above, covering a period from approximately September 1,
12 1999 through December 31, 2001. The primary purpose of the
13 examination was to determine Respondent's compliance with the
14 Real Estate Laws. The examination, Audit No. LA 010241, revealed
15 violations of the Code and of Title 10, Chapter 6, California
16 Code of Regulations ("Regulations"), as set forth below, and as
17 more specifically set forth in Audit Report No. LA 010241 and
18 related exhibits.

19 8.

20 In the course of activities described in Paragraphs 5
21 and 6 above, and during the examination period described in
22 Paragraph 7, Respondent acted in violation of the Code and the
23 Regulations in that:

24 a) The escrow trust account had a net overage in the
25 amount of \$27,323.70. The net overage resulted from an
26 identified overage, mainly escrow fees not disbursed, totaling
27 \$53,879.39. This total overage was off-setting a total shortage

1 of \$26,621.35. As detailed below, the shortage consisted of
2 overdrawn escrow balances totaling \$12,341.88, bank charges and
3 bank errors in the amount of \$691.55, and an unidentified
4 shortage of \$13,587.92, in violation of Code Section 10145 and
5 Regulations 2832.1 and 2951;

6 1) As of December 31, 2001, escrows handled by the
7 Respondents had overdrawn balances totaling \$12,341.88.

8 These escrows included:

<u>Escrow No.</u>	<u>Beneficiary</u>	<u>Amount Overdrawn</u>
215398	Garcia	\$ 10,775.00
215369	Carranza	\$ 750.00
983334	Maglanoc	\$ 485.00
215333	Riccardy	\$ 111.73
994224	Rendon	\$ 80.00
204909	Van Tieu Do	\$ 76.06

16 Respondents did not have written consent from the owners of
17 the funds to reduce the balance of the funds in the trust
18 account to an amount less than the existing aggregate trust
19 fund liability, in violation of Code Section 10145 and
20 Regulations 2832.1 and 2951;

21 2) Respondent maintained escrow fees in the trust account
22 beyond twenty-five days, in violation of Code Section
23 10176(e) and Regulations 2835 and 2951;

24 b) Respondent's columnar record of all trust funds
25 received and disbursed was incomplete and inaccurate. The
26 records lacked the dates of deposit and a daily balance.
27 Additional record-keeping errors included entries to void checks

1 that had already cleared the bank, such as check nos. 34712, 9545
2 and 22402, which were issued and then voided or cancelled, but
3 cashed by the bank. Entries were made for the receipt of funds
4 when no deposit of funds had been made, with examples being in
5 the Riccardy escrow listed in section (a)(1) above, wherein a
6 deposit for \$111.73 was recorded on September 27, 2001, but no
7 funds were actually deposited until 2002, and in the Van Tieu Do
8 escrow listed in section (a)(1) above, wherein a deposit for
9 \$76.06 was recorded on October 27, 2000, but no funds were
10 actually deposited until 2002. These constitute violations of
11 Code Section 10145 and Regulations 2831 and 2951;

12 c) Respondents' separate records for each beneficiary
13 or transaction were inaccurate, lacking the dates of the
14 deposits. Additional record-keeping errors included entries of
15 void checks that had already cleared the bank and entries for
16 receipt of funds when no deposit of funds had been made, as set
17 forth in subsection (b) above. These constitute violations of
18 Code Section 10145 and Regulations 2831.1 and 2951;

19 d) Respondents, while acting in the capacity of escrow
20 holder, did not always place funds received on behalf of another
21 into the trust account within the next business day of receipt,
22 in violation of Code Section 10145 and Regulations 2832(e) and
23 2951;

24 e) Respondents allowed an unlicensed individual,
25 Blanca Sarinana, who was not covered by a fidelity bond, to be an
26 authorized signer on the trust account, in violation of Code
27 Section 10145 and Regulations 2834 and 2951;

1 f) Respondents failed to advise all parties in writing
2 that they had an ownership interest in the agency holding the
3 escrows. Examples of escrows in which no written disclosure was
4 evident include the following:

<u>Escrow No.</u>	<u>Beneficiaries</u>
215362	Limon/King Family
215598	Sanchez/Mason
215391	Morales/VR California Holdings
215393	Feeney/Arias
215057	Campbell/Oriza, et al

11 Respondent's failure to disclose all parties in writing
12 that they had an ownership interest in the agency handling the
13 escrow is in violation of Regulation 2950(h);

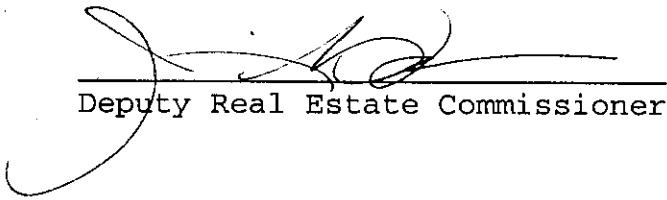
14 g) Respondents did not have written agreements with
15 each of its salespersons. In some instances, the agreements were
16 either not dated, not signed by all parties or contained blank
17 spaces regarding commissions and/or compensation. Examples of 10
18 salespersons who for whom, as of the time of the audit,
19 Respondents did not maintain written agreements included Rogelio
20 Reneteria Salas, Jacqueline Albor Morales, Hector Moreno, David
21 H. Amezquita, Obed Evis, Eisa Marie Gutierrez, Eveline Ileen
22 Marsh, Fabio Antonio Luigi Martinez, Jose Reyes, and Alfredo
23 Rafael Rosas. Examples of salespersons for whom the written
24 agreements were incomplete included Mariano Alvarez, Jr., Irma
25 Saucedo-Zepeda, Leslie Cruz, and Fernando Moreno. These failures
26 to maintain complete and accurate written salesperson agreements
27 constitute violations of Regulation 2726;

1 Respondent SARINANA, INC. designated pursuant to Code Section
2 10159.2, for failing to supervise the activities of the
3 corporation, in violation of Code Sections 10177(h), 10177(d)
4 and/or 10177(g).

5 WHEREFORE, Complainant prays that a hearing be
6 conducted on the allegations of this Accusation and that upon
7 proof thereof, a decision be rendered imposing disciplinary
8 action against all licenses and license rights of Respondent
9 SARINANA, INC., dba C-21 A Better Service Realty, Inc. and
10 Respondent DAVID SARINANA, individually and as designated broker-
11 officer of Respondent SARINANA, INC., under the Real Estate Law
12 (Part 1 of Division 4 of the Business and Professions Code), and
13 for such other and further relief as may be proper under other
14 applicable provisions of law.

15 Dated at Los Angeles, California

16 this 2nd day of November, 2004.

17
18 
19 Deputy Real Estate Commissioner

20
21
22 cc: David Sarinana
23 Sarinana, Inc.
24 Janice Waddell
25 Sacto.
26 (CT)
27 Audits