

SANTA
FLAG

1 Department of Real Estate
2 320 W. 4th St., Room 350
3 Los Angeles, California 90013
4 Telephone: (213) 576-6982

FILED
DEC 29 2005
DEPARTMENT OF REAL ESTATE
[Signature]

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of) No. H-31954 LA
12 U.S. MORTGAGE FUND, INC.,) L-2005 080 421
13) STIPULATION AND AGREEMENT
14 Respondent.)

15 It is hereby stipulated by and between U.S. MORTGAGE
16 FUND, INC. (sometimes referred to as Respondent), and its
17 attorney, Frank M. Buda, and the Complainant, acting by and
18 through James R. Peel, Counsel for the Department of Real
19 Estate, as follows for the purpose of settling and disposing of
20 the Accusation filed on May 25, 2005, in this matter.

22 1. All issues which were to be contested and all
23 evidence which was to be presented by Complainant and
24 Respondent at a formal hearing on the Accusation, which hearing
25 was to be held in accordance with the provisions of the
26 Administrative Procedure Act ("APA"), shall instead and in place
27 thereof be submitted solely on the basis of the provisions of

1 this Stipulation and Agreement ("Stipulation").

2 2. Respondent has received, read and understands the
3 Statement to Respondent, the Discovery Provisions of the
4 Administrative Procedure Act ("APA") and the Accusation filed by
5 the Department of Real Estate in this proceeding.

6 3. On June 3, 2005, Respondent filed a Notice of
7 Defense pursuant to Section 11506 of the Government Code for the
8 purpose of requesting a hearing on the allegations in the
9 Accusation. Respondent hereby freely and voluntarily withdraws
10 said Notice of Defense. Respondent acknowledges that it
11 understands that by withdrawing said Notice of Defense it will
12 thereby waive its right to require the Commissioner to prove the
13 allegations in the Accusation at a contested hearing held in
14 accordance with the provisions of the APA and that it will waive
15 other rights afforded to it in connection with the hearing such
16 as the right to present evidence in defense of the allegations
17 in the Accusation and the right to cross-examine witnesses.

18 4. This Stipulation is based on the factual
19 allegations contained in the Accusation filed in this
20 proceeding. In the interest of expedience and economy,
21 Respondent chooses not to contest these factual allegations, but
22 to remain silent and understands that, as a result thereof,
23 these factual statements, will serve as a prima facie basis for
24 the disciplinary action stipulated to herein. The Real Estate
25 Commissioner shall not be required to provide further evidence
26 to prove such allegations.
27

1 5. This Stipulation and Respondent's decision not to
2 contest the Accusation is made for the purpose of reaching an
3 agreed disposition of this proceeding and is expressly limited
4 to this proceeding and any other proceeding or case in which the
5 Department of Real Estate ("Department"), the state or federal
6 government, or an agency of this state, another state or the
7 federal government is involved.

8 6. It is understood by the parties that the Real
9 Estate Commissioner may adopt the Stipulation as his decision
10 in this matter thereby imposing the penalty and sanctions on
11 Respondent's real estate license and license rights as set forth
12 in the below "Order". In the event that the Commissioner in his
13 discretion does not adopt the Stipulation, the Stipulation shall
14 be void and of no effect, and Respondent shall retain the right
15 to a hearing on the Accusation under all the provisions of the
16 APA and shall not be bound by any stipulation or waiver made
17 herein.
18

19 7. The Order or any subsequent Order of the Real
20 Estate Commissioner made pursuant to this Stipulation shall not
21 constitute an estoppel, merger or bar to any further
22 administrative or civil proceedings by the Department of Real
23 Estate with respect to any conduct which was not specifically
24 alleged to be causes for accusation in this proceeding.

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DETERMINATION OF ISSUES

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2 By reason of the foregoing stipulations and waivers
3 and solely for the purpose of settlement of the pending
4 Accusation without a hearing, it is stipulated and agreed that
5 the following determination of issues shall be made:

6 The conduct, acts and/or omissions of Respondent
7 U.S. MORTGAGE FUND, INC., as set forth in the Accusation,
8 constitutes cause for the suspension or revocation of all of the
9 real estate licenses and license rights of Respondent under the
10 provisions of Section 10177(d) of the Business and Professions
11 Code ("Code") for violation Regulation 2742, Title 10, Chapter
12 6, California Code of Regulations.

ORDER

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14 The license and licensing rights of Respondent U.S.
15 MORTGAGE FUND, INC. under the Real Estate Law is hereby publicly
16 reproved.
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20 DATED: Nov. 17, 2005

James R. Peel
JAMES R. PEEL, Counsel for the
Department of Real Estate

* * *

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22
23 We have read the Stipulation and Agreement, have
24 discussed it with our attorney, and its terms are understood by
25 us and are agreeable and acceptable to us. We understand that
26 we are waiving rights given to us by the California
27 Administrative Procedure Act (including but not limited to

1 Sections 11506, 11508, 11509 and 11513 of the Government Code),
2 and we willingly, intelligently and voluntarily waive those
3 rights, including the right of requiring the Commissioner to
4 prove the allegations in the Accusation at a hearing at which we
5 would have the right to cross-examine witnesses against us and
6 to present evidence in defense and mitigation of the charges.

7 Respondent can signify acceptance and approval of the
8 terms and conditions of this Stipulation and Agreement by faxing
9 a copy of the signature page, as actually signed by Respondent,
10 to the Department at the following telephone/fax number:

11 (213) 576-6917. Respondent agrees, acknowledges and understands
12 that by electronically sending to the Department a fax copy of
13 his or her actual signature as it appears on the Stipulation and
14 Agreement, that receipt of the faxed copy by the Department
15 shall be as binding on Respondent as if the Department had
16 received the original signed Stipulation and Agreement.

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1 Further, if the Respondent is represented, the
2 Respondent's legal counsel can signify his or her agreement to
3 the terms and conditions of the Stipulation and Agreement by
4 submitting that signature via fax. The Commissioner has asked
5 that the attorney will concurrently or within 24 hours of
6 obtaining Respondent's signature to the agreement deposit in the
7 mail the original settlement/stipulation containing the original
8 signature of both Respondent and Respondent's counsel.

9 DATED: _____

U.S. MORTGAGE FUND, INC.,
Respondent
by Wayne Stamm

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11
12 DATED: _____

FRANK M. BUDA
Counsel for Respondent

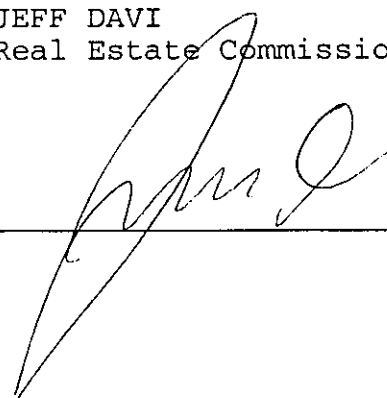
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14 * * *

15 The foregoing Stipulation and Agreement is hereby
16 adopted as my Decision and Order in this matter, and shall
17 become effective at 12 o'clock noon on January 18, 2006.

18 IT IS SO ORDERED 11-26-05, 2005.

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20 JEFF DAVI
Real Estate Commissioner

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FAX NO.

1 Further, if the Respondent is represented, the
 2 respondent's legal counsel can signify his or her agreement to
 3 the terms and conditions of the Stipulation and Agreement by
 4 submitting that signature via fax. The Commissioner has asked
 5 that the attorney will concurrently or within 24 hours of
 6 obtaining Respondent's signature to the agreement deposit in the
 7 mail the original settlement/stipulation containing the original
 8 signature of both Respondent and Respondent's counsel.

9 DATED: 11-14-05

Robert F. Sommers
 U.S. MORTGAGE FUND, INC.,
 Respondent
 by ~~Wayne Starn~~ Robert F. Sommers

11 DATED: 11-14-05

Frank M. Buda
 FRANK M. BUDA
 Counsel for Respondent

13 * * *

14
 15 The foregoing Stipulation and Agreement is hereby
 16 adopted as my Decision and Order in this matter, and shall
 17 become effective at 12 o'clock noon on _____.

18 IT IS SO ORDERED _____, 2005.

19
 20 JEFF DAVI
 Real Estate Commissioner

SACD.
Flag

1 JAMES R. PEEL, Counsel (SBN 47055)
2 Department of Real Estate
3 320 West Fourth Street, Suite 350
4 Los Angeles, CA 90013-1105

5 Telephone: (213) 576-6982
6 -or- (213) 576-6913 (Direct)

FILED
MAY 25 2005
DEPARTMENT OF REAL ESTATE
[Signature]

7
8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of) No.H-31954 LA
12 US MORTGAGE FUND, INC.,) ACCUSATION
13 Respondent.)

14
15 The Complainant, Janice A. Waddell, a Deputy Real
16 Estate Commissioner of the State of California, for cause of
17 accusation against US MORTGAGE FUND, INC., alleges as follows:

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

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II

1 US MORTGAGE FUND, INC. (hereinafter referred to as
2 "Respondent") is presently licensed and/or has license rights
3 under the Real Estate Law (Part 1 of Division 4 of the Business
4 and Professions Code, hereinafter "Code").

III

6 At all times herein mentioned, respondent US MORTGAGE
7 FUND, INC. was licensed by the Department of Real Estate of the
8 State of California as a corporate real estate broker.

IV

10 On June 1, 2001, pursuant to the provisions of the
11 California Bank and Corporation Tax Law, more particularly
12 Section 23302 of the Revenue and Taxation Code, the Franchise Tax
13 Board transmitted a list to the Office of the Secretary of State
14 containing the names of domestic corporations, the exercise of
15 whose powers, rights and privileges in this State had been
16 suspended under that law, which included the above-named
17 corporation.

V

19 The conduct of respondent US MORTGAGE FUND, INC., as
20 alleged above, was in violation of Section 2742, Title 10,
21 Chapter 6, California Code of Regulations, and subjects its real
22 estate license and license rights to suspension or revocation
23 pursuant to Sections 10177(d) and (f) of the Code.

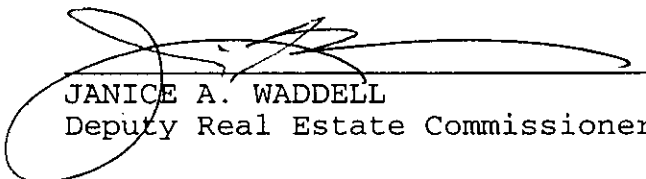
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1 WHEREFORE, Complainant prays that a hearing be
2 conducted on the allegations of this Accusation and that upon
3 proof thereof, a decision be rendered imposing disciplinary
4 action against all licenses and license rights of respondent
5 US MORTGAGE FUND, INC., under the Real Estate Law (Part 1 of
6 Division 4 of the Business and Professions Code) and for such
7 other and further relief as may be proper under other applicable
8 provisions of law.

9 Dated at Los Angeles, California

10 this 12 day of May, 2005.

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14 
15 JANICE A. WADDELL
16 Deputy Real Estate Commissioner
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23 cc: US Mortgage Fund, Inc.
24 Janice A. Waddell
25 Sacto.
26 LWA
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