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FILED

MAR 16 2012

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

DEPARTMENT OF REAL ESTATE
BY: *[Signature]*

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)	No. H-37416 LA
12)	L-2011 100 481
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SUMMIT RIDGE, INC.;
 TONY NELSON, formerly
 designated officer,
 and LILIANA MARISA VERA
 individually and as
 designated officer of
 Summit Ridge, Inc.,
 Respondents.

STIPULATION AND AGREEMENT

19 It is hereby stipulated by and between SUMMIT RIDGE,
20 INC., and LILIANA MARISA VERA (sometimes referred to as
21 Respondents), and their attorney, Hugo Troncoso, and the
22 Complainant, acting by and through James R. Peel, Counsel for
23 the Department of Real Estate, as follows for the purpose of
24 settling and disposing of the Accusation filed on August 1,
25 2011, in this matter.

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

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

12 3. On September 28, 2011, Respondents filed a Notice
13 of Defense pursuant to Section 11506 of the Government Code for
14 the purpose of requesting a hearing on the allegations in the
15 Accusation. Respondents hereby freely and voluntarily withdraw
16 said Notice of Defense. Respondents acknowledge that they
17 understand that by withdrawing said Notice of Defense they will
18 thereby waive their rights to require the Commissioner to prove
19 the allegations in the Accusation at a contested hearing held in
20 accordance with the provisions of the APA and that they will
21 waive other rights afforded to them in connection with the
22 hearing such as the right to present evidence in defense of the
23 allegations in the Accusation and the right to cross-examine
24 witnesses.
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2 4. This Stipulation is based on the factual
3 allegations contained in the Accusation filed in this
4 proceeding. In the interest of expedience and economy,
5 Respondents choose not to contest these factual allegations, but
6 to remain silent and understand that, as a result thereof, these
7 factual statements, will serve as a prima facie basis for the
8 disciplinary action stipulated to herein. The Real Estate
9 Commissioner shall not be required to provide further evidence
10 to prove such allegations.

11 5. This Stipulation is made for the purpose of
12 reaching an agreed disposition of this proceeding and is
13 expressly limited to this proceeding and any other proceeding or
14 case in which the Department of Real Estate ("Department"), the
15 state or federal government, or an agency of this state, another
16 state or the federal government is involved.

17
18 6. It is understood by the parties that the Real
19 Estate Commissioner may adopt the Stipulation as his decision
20 in this matter thereby imposing the penalty and sanctions on
21 Respondents' real estate licenses and license rights as set
22 forth in the below "Order". In the event that the Commissioner
23 in his discretion does not adopt the Stipulation, the
24 Stipulation shall be void and of no effect, and Respondent shall
25 retain the right to a hearing and proceeding on the Accusation
26 under all the provisions of the APA and shall not be bound by
27 any stipulation or waiver made herein.

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

7 DETERMINATION OF ISSUES

8 By reason of the foregoing stipulations and waivers
9 and solely for the purpose of settlement of the pending
10 Accusation, it is stipulated and agreed that the following
11 determination of issues shall be made:

12 I

13 The conduct, acts and/or omissions of Respondents
14 SUMMIT RIDGE, INC., and LILIANA MARISA VERA, as set forth in the
15 Accusation, constitute cause for the suspension or revocation of
16 all of the real estate licenses and license rights of
17 Respondents under the provisions of Section 10177(g) of the
18 Business and Professions Code ("Code").
19

20 ORDER

21 All licenses and licensing rights of Respondents
22 SUMMIT RIDGE, INC., and LILIANA MARISA VERA under the Real
23 Estate Law are suspended for a period of ninety (90) days from
24 the effective date of this Decision.

25 1. Provided, however, that sixty (60) days of said
26 suspension shall be stayed for two (2) years, upon the following
27 terms and conditions:

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

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

12 2. Provided, however, that if Respondents petition,
13 the remaining thirty (30) days of said ninety (90) day
14 suspension shall be stayed upon condition that:

15 a. Respondents pay a monetary penalty pursuant to
16 Section 10175.2 of the Business and Professions Code at the rate
17 of \$50 for each day of the suspension for a total monetary
18 penalty of \$1,500 for each Respondent (\$3,000 for both
19 Respondents).

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

1 c. No further cause for disciplinary action

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

5 d. If Respondents fail to pay the monetary

6 penalty in accordance with the terms and conditions of the
7 Decision, the Commissioner may, without a hearing, order the
8 immediate execution of all or any part of the stayed suspension
9 in which event the Respondents shall not be entitled to any
10 repayment nor credit, prorated or otherwise, for money paid to
11 the Department under the terms of this Decision.

12 e. If Respondents pay the monetary penalty and if

13 no further cause for disciplinary action against the real estate
14 license of Respondent occurs within two (2) years from the
15 effective date of the Decision, the stay hereby granted shall
16 become permanent.

17 3. Pursuant to Section 10148 of the Business and

18 Professions Code, Respondents SUMMIT RIDGE, INC. and LILIANA
19 MARISA VERA shall pay the Commissioner's reasonable cost for the
20 audit which led to this disciplinary action (Respondent VERA is
21 required to pay no more than one-half the cost of the original
22 audit), and shall pay the Commissioner's reasonable cost for a
23 subsequent audit to determine if Respondent SUMMIT RIDGE, INC.
24 has corrected the violations found in the Determination of
25 Issues. In calculating the amount of the Commissioner's
26 reasonable cost, the Commissioner may use the estimated average
27

1 hourly salary for all persons performing audits of real estate
2 brokers, and shall include an allocation for travel costs,
3 including mileage, time to and from the auditor's place of work
4 and per diem. Respondents shall pay such cost within 45 days of
5 receiving an invoice from the Commissioner detailing the
6 activities performed during the audit and the amount of time
7 spent performing those activities. The Commissioner may, in his
8 discretion, vacate and set aside the stay order, if payment is
9 not timely made as provided for herein, or as provided for in a
10 subsequent agreement between the Respondents and the
11 Commissioner. The vacation and the set aside of the stay shall
12 remain in effect until payment is made in full, or until
13 Respondents enter into an agreement satisfactory to the
14 Commissioner to provide for payment. Should no order vacating
15 the stay be issued the stay imposed herein shall become
16 permanent.

17
18 4. All licenses and licensing rights of Respondent

19 LILIANA MARISA VERA are indefinitely suspended unless and until
20 Respondent provides proof satisfactory to the Commissioner, of
21 having taken and successfully completed the continuing education
22 course on trust fund accounting and handling specified in
23 paragraph (3) of subdivision (a) of Section 10170.5 of the
24 Business and Professions Code. Proof of satisfaction of this
25 requirement includes evidence that Respondent has successfully
26 completed the trust fund account and handling continuing
27 education course within 120 days prior to the effective date of

1 the Decision in this matter.

2 DATED: March 2, 2012

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

6 * * *

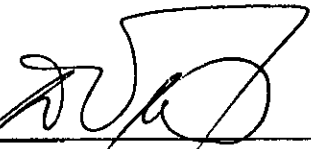
7 We have read the Stipulation and Agreement, and its
8 terms are understood by us and are agreeable and acceptable to
9 us. We understand that we are waiving rights given to us by the
10 California Administrative Procedure Act (including but not
11 limited to Sections 11506, 11508, 11509 and 11513 of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

18 Respondents can signify acceptance and approval of the
19 terms and conditions of this Stipulation and Agreement by faxing
20 a copy of the signature page, as actually signed by Respondents,
21 to the Department at the following telephone/fax number:
22 (213) 576-6917. Respondents agree, acknowledge and understand
23 that by electronically sending to the Department a fax copy of
24 his or her actual signature as it appears on the Stipulation and
25 Agreement, that receipt of the faxed copy by the Department
26 shall be as binding on Respondents as if the Department had
27 received the original signed Stipulation and Agreement.


Further, if the Respondents are represented, the

1 Respondents' counsel can signify his or her agreement to the
2 terms and conditions of the Stipulation and Agreement by
3 submitting that signature via fax.


4 DATED: 2-22-2012


SUMMIT RIDGE, INC.,
Respondent

7 DATED: 2-22-2012


LILIANA MARISA VERA
Respondent

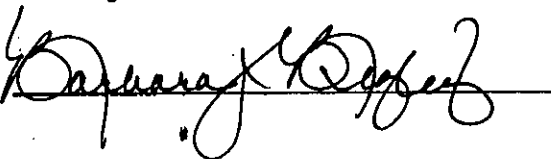
10 DATED: 02/23/2012


HUGO TRONCOSO
Counsel For Respondents

* * *

13 The foregoing Stipulation and Agreement is hereby
14 adopted as my Decision and Order in this matter, and shall
15 become effective at 12 o'clock noon on APR 16 2012

16 IT IS SO ORDERED 3/13/12

17 BARBARA J. BIGBY
18 Acting Real Estate Commissioner
19 
20

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

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

FILED
AUG - 1 2011
DEPARTMENT OF REAL ESTATE

By 

8 DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)
12 SUMMIT RIDGE, INC.;)
13 TONY NELSON, formerly)
14 designated officer,)
15 and LILIANA MARISA VERA)
16 individually and as)
17 designated officer of)
18 Summit Ridge, Inc.,)
19 Respondents.)

No. H-37416 LA

A C C U S A T I O N

18 The Complainant, Robin Trujillo, a Deputy Real Estate
19 Commissioner of the State of California, for cause of accusation
20 against SUMMIT RIDGE, INC., TONY NELSON, formerly designated
21 officer of Summit Ridge, Inc., alleges as follows:

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1 1. The Complainant, Maria Suarez, acting in her
2 official capacity as a Deputy Real Estate Commissioner of the
3 State of California, makes this Accusation against SUMMIT RIDGE,
4 INC., TONY NELSON, and LILIANA MARISA VERA.

5 2. SUMMIT RIDGE, INC., TONY NELSON, and LILIANA MARISA
6 VERA individually and as designated officers of Summit Ridge,
7 Inc. (hereinafter referred to as "Respondents") are presently
8 licensed and/or have license rights under the Real Estate Law
9 (Part 1 of Division 4 of the Business and Professions Code,
10 hereinafter Code).

11 3. At all times herein mentioned, Respondents SUMMIT
12 RIDGE, INC., TONY NELSON, and LILIANA MARISA VERA were licensed
13 as a real estate broker. Respondent TONY NELSON was the
14 designated officer from June 13, 2005, through June 13, 2009, and
15 LILIANA MARISA VERA became the designated broker officer
16 thereafter, and pursuant to Code Section 10159.2 they were
17 responsible for the supervision and control of the activities
18 conducted on behalf of the corporation by its officers and
19 employees as necessary to secure full compliance with the
20 provisions of the real estate law including supervision of
21 salespersons licensed to the corporation in the performance of
22 acts for which a real estate license is required.

23 4. At all times material herein, Respondents engaged
24 in the business of, acted in the capacity of, advertised or
25 assumed to act as a real estate broker in the State of California
26 within the meaning of Sections 10131(a) and (d) of the Code
27 including soliciting buyers and sellers, negotiating the sale of

1 real property, and negotiating loans on real property.

2 Respondents performed broker escrows in connection with their
3 brokerage activities.

4 5. On or about April 29, 2011, the Department
5 completed an examination of Respondent SUMMIT RIDGE, INC.'s books
6 and records, pertaining to the activities described in Paragraph
7 4 above, covering a period from January 1, 2008, through April
8 29, 2011, which examination revealed violations of the Code and
9 of Title 10, Chapter 6, California Code of Regulations
10 (hereinafter Regulations) as set forth below.

11 6. The examination described in Paragraph 5, above,
12 determined that, in connection with the activities described in
13 Paragraph 4 above, Respondent SUMMIT RIDGE, INC. accepted or
14 received funds, including funds in trust (hereinafter "trust
15 funds") from or on behalf of principals, and thereafter made
16 deposit or disbursement of such funds.

17 7. In the course of activities described in Paragraphs
18 4 through 6 and during the examination period described in
19 Paragraph 5, Respondents SUMMIT RIDGE, INC., TONY NELSON, and
20 LILIANA MARISA VERA acted in violation of the Code and the
21 Regulations as follows, and as more specifically set forth in
22 Audit Report Nos. LA 100020, 100187 and 100203 and related
23 exhibits:

Audit No. LA 100187

1
2 h. Violated Code Section 10145 and Regulation 2832 by
3 failing to deposit credit report fees into a broker trust
4 account.

5 i. Violated Code Section 10145 and Regulations 2831
6 and 2831.1 by not maintaining a columnar record and separate
7 records for credit report fees collected at the close of escrow.

8 j. Violated Code Section 10240 in that Mortgage Loan
9 Disclosure Statements were not always completed, signed and dated
10 by the borrower or the agent negotiating the loan. A MLDS was
11 not always contained in the loan files. The MLDS did not always
12 disclose that the broker received rebates/yield spread premiums
13 from the lender. The MLDS was not always delivered to the
14 borrower within three business days after receipt of a complete
15 written loan application from the borrower.

16 k. Violated Code Section 10236.4(b) in that the MLDS
17 did not always include broker's license number or license number
18 of agent who negotiated the loan.

19 l. Violated Code Section 10161.8 and Regulation 2752
20 by failing to notify the Department of Real Estate of the
21 employment of salespersons in a timely manner.
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Audit LA 100203

1
2 m. Violated Code Section 10145 and Regulation 2835 by
3 failing to disburse escrow fees earned within 25 days after their
4 deposit into escrow trust accounts.

5 n. Violated Code Section 10145 and Regulation 2831.1
6 as separate records maintained for the escrow trust accounts were
7 incomplete and inaccurate. Check numbers were not posted and
8 certain check dates were not accurate.

9 o. Violated Code Section 10145 and Regulation 2834 as
10 designated officer Nelson was not an authorized signatory on
11 escrow trust accounts. Escrow trust accounts had non-licensed
12 signatories without fidelity bond coverage. Licensed real estate
13 agents did not always have written authorization from the
14 designated officer to sign on the escrow trust accounts.

15 p. Violated Regulation 2950(h) in that the broker did
16 not disclose to all parties in writing that the broker had an
17 interest in the escrow operation.

18 q. Violated Code Section 10159.5 and Regulation 2731
19 by conducting its escrow activities by using an unlicensed
20 fictitious business name "Summit Ridge Escrow".

21
22 8. The conduct, acts and/or omissions of Respondents
23 SUMMIT RIDGE, INC., TONY NELSON, and LILIANA MARISA VERA, as
24 alleged above, subjects their real estate licenses and license
25 rights to suspension or revocation pursuant to Sections 10176(a),
26 10176(e), 10176(i), 10177(d), and/or 10177(g) of the Code.
27

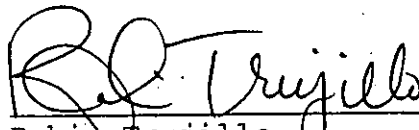
1 FAILURE TO SUPERVISE

2 9. The conduct, acts and/or omissions of Respondents
3 TONY NELSON and LILIANA MARISA VERA, in failing to ensure full
4 compliance with the Real Estate Law is in violation of Code
5 Section 10159.2 and subjects their real estate licenses and
6 license rights to suspension or revocation pursuant to Sections
7 10177(d), 10177(g), and/or 10177(h) of the Code.

8 WHEREFORE, Complainant prays that a hearing be
9 conducted on the allegations of this Accusation and that upon
10 proof thereof, a decision be rendered imposing disciplinary
11 action against all licenses and license rights of Respondents
12 SUMMIT RIDGE, INC., TONY NELSON, formerly designated officer, and
13 LILIANA MARISA VERA, individually and as designated officer of
14 Summit Ridge, Inc. under the Real Estate Law (Part 1 of Division
15 4 of the Business and Professions Code) and for such other and
16 further relief as may be proper under other applicable provisions
17 of law.

18 Dated at Los Angeles, California

19 this 28 day of July, 2011.

20 

21 Robin Trujillo
22 Deputy Real Estate Commissioner

23 cc: Summit Ridge, Inc.
24 Tony Nelson
25 Liliana Marisa Vera
26 Maria Suarez
27 Audit Section
Sacto.