

FILED

AUG -6 2013

BUREAU OF REAL ESTATE

By *John Aguil*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation of)	NO. H-38690 LA
)	
<u>BANCORP ONE REALTY;</u>)	
<u>LOANS BANCORP;</u>)	
STEVEN RICHARD HIGH, individually)	
and as designated officer of)	
Bancorp One Realty and Loans)	
Bancorp; and)	
<u>SUBASHBHAI JETHABHAI PATEL,</u>)	
)	
Respondents.)	
)	

DECISION

This Decision is being issued in accordance with the provisions of Section 11520 of the Government Code, on evidence of compliance with Section 11505 of the Government Code and pursuant to the Order of Default filed on May 16, 2013, and the findings of fact set forth herein are based on one or more of the following: (1) Respondents' express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

1.

On February 5, 2013, Maria Suarez made the Accusation in her official capacity as a Deputy Real Estate Commissioner of the State of California. The Accusation, Statement to

Respondent, and Notice of Defense were mailed by certified mail, return receipt requested, to Respondents BANCORP REALTY, LOANS BANCORP, and SUBASHBHAI JETHABHAI PATEL at their addresses of record on February 5, 2013. A second attempt at service was made by regular mail to Respondents BANCORP ONE REALTY, LOANS BANCORP, and SUBASHBHAI JETHABHAI PATEL on March 5, 2013.

2.

On May 16, 2013, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondents' default were entered herein.

3.

From July 27, 2006, through the present, Respondent BANCORP ONE REALTY ("BOR") has been licensed by the Department of Real Estate ("Department") as a corporate real estate broker, Department ID 01524385.

4.

From March 30, 2005, through the present, Respondent LOANS BANCORP ("LB") has been licensed by the Department as a corporate real estate broker, Department ID 01482413.

5.

Respondent SUBASHBHAI JETHABHAI PATEL, aka Subash Patel ("PATEL") was originally licensed by the Department as a real estate salesperson on February 4, 1992, Department ID 01129481. Respondent PATEL's salesperson license was suspended indefinitely on January 4, 2006, for failure to comply with the disciplinary terms in Department Case No. H-30879 LA.

6.

Respondent BOR is a California corporation formed on or about October 21, 2005. On March 18, 2010, a Statement of Information was filed with the California Secretary of State for BOR stating that Respondent PATEL is the CEO and a director of BOR. The principal address for BOR is listed as 14708 Pipeline Ave., Suite #B1, Chino Hills, California 91709. Noi Yung and Lowell D. Sneathen, unlicensed persons, are also officers and/or directors of BOR. BOR's corporate status is currently suspended with the California Secretary of State.

7.

Respondent LB is a California corporation formed on or about October 29, 2004. On March 18, 2010, a Statement of Information was filed with the California Secretary of State for LB stating that Respondent PATEL was a director and officer of LB. The principal address for LB is listed as 14708 Pipeline Ave., Suite #B, Chino Hills, California 91709. Noi Yung and Lowell D. Sneathen, unlicensed persons, are also officers and/or directors of LB.

8.

California Resolution Services has never been licensed in any capacity by the Department.

9.

On or about February 21, 2010, PATEL solicited and offered to assist borrowers Manish and Kriti G. with loan modification and negotiation services. PATEL instructed the borrowers to pay an advance fee to both LB and BOR for said services in connection with a loan secured by a lien on real property. The borrowers paid an advance fee of \$2,000 to LB for loan modification and negotiation services on February 22, 2010. The borrowers paid an advance fee of \$1,500 to BOR for loan modification and negotiation services on March 5, 2010.

10.

PATEL made misrepresentations to Manish and Kriti G. in order to induce them to pay the advance fees including, among others, that the borrowers would receive a full refund if they were not able to obtain a loan modification within 90 days. The borrowers were asked to sign a letter of authorization to allow California Resolution Services to negotiate a loan modification on their behalf. Respondents failed to perform the loan modification and negotiation services that had been promised to Manish and Kriti G. Respondents failed to provide an accounting of any services done for Manish and Kriti G. or an accounting of the advance fees collected from Manish and Kriti G. Manish and Kriti G. requested a refund of their advance fee and received a check with insufficient funds for \$4,200 from PATEL.

11.

The corporate rights and privileges of Respondent BOR are currently suspended with the California Secretary of State.

DETERMINATION OF ISSUES

1.

Respondents BOR, LB, and PATEL collected the advance fees described in Findings of Fact, Paragraph 9, above, in violation of Code Sections 10085, 10085.5, 10085.6 and 10146 and Regulation of the Real Estate Commissioner, Title 10, Chapter 6, California Code of Regulations, Section 2970, which constitutes grounds for the suspension or revocation of the licenses and license rights of Respondents BOR, LB, and PATEL pursuant to Code Section 10177(d).

2.

Respondents BOR, LB, and PATEL's conduct, acts and/or omissions as set forth in Findings of Fact, Paragraphs 9 and 10, above, constitute grounds for the suspension or revocation of the licenses and license rights of Respondents BOR, LB, and PATEL pursuant to Code Sections 10176(a) (making any substantial misrepresentation), 10176(b) (making any false promises of a character likely to influence, persuade or induce), 10176(i) (conduct...which constitutes fraud or dishonest dealing), and 10177(d) (violation of the Real Estate Law).

3.

The activities described in Findings of Fact, Paragraphs 9 and 10, above, require a real estate license under Code Sections 10131(d) and 10131.2. Respondent PATEL and California Resolution Services violated Code Section 10130 by engaging in activities that require a real estate license when PATEL's salesperson license was suspended and California Resolution Services was not licensed in any capacity. Respondents BOR and LB violated Code Section 10137 by employing and/or compensating PATEL to perform activities that require a real estate license.

4.

The conduct, acts and/or omissions of Respondents BOR, LB, and PATEL as set forth in Findings of Fact, Paragraph 5, 8, 9, and 10, above, violate Code Sections 10130 and 10137, and are cause for the suspension or revocation of the licenses and license rights of Respondents BOR, LB, and PATEL pursuant to Code Section 10177(d).

5.

The corporate rights and privileges of Respondent BOR are currently suspended with the California Secretary of State. Said suspension is a violation of Code Section 10177(f) in that it would have constituted grounds for the denial of its corporate real estate broker license under Regulation 2742.

6.

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

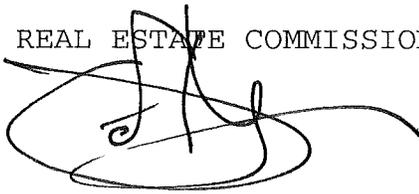
ORDER

The licenses and license rights of Respondents BANCORP ONE REALTY, LOANS BANCORP, and SUBASHBHAI JETHABHAI PATEL under the provisions of Part I of Division 4 of the Business and Professions Code are revoked.

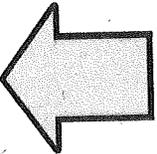
This Decision shall become effective at 12 o'clock noon on August 26, 2013.

DATED: July 23, 2013.

REAL ESTATE COMMISSIONER



By: JEFFREY MASON
Chief Deputy Commissioner



1 Department of Real Estate
2 320 West Fourth Street, Suite 350
3 Los Angeles, California 90013-1105

FILED

MAY 16 2013

DEPARTMENT OF REAL ESTATE
BY: C

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6 BEFORE THE DEPARTMENT OF REAL ESTATE
7 STATE OF CALIFORNIA

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9 In the Matter of the Accusation of)
10) NO. H-38690 LA
11 BANCORP ONE REALTY;)
12 LOANS BANCORP;) DEFAULT ORDER
13 STEVEN RICHARD HIGH, individually)
14 and as designated officer of)
15 Bancorp One Realty and)
16 Loans Bancorp; and)
17 SUBASHBHAI JETHABHAI PATEL,)
18)
19 Respondents.)

20 Respondents, BANCORP ONE REALTY, LOANS BANCORP, and
21 SUBASHBHAI JETHABHAI PATEL, having failed to file a Notice of
22 Defense within the time required by Section 11506 of the
23 Government Code, are now in default. It is, therefore, ordered
24 that a default be entered on the record in this matter as to
25 BANCORP ONE REALTY, LOANS BANCORP, and SUBASHBHAI JETHABHAI
26 PATEL, only.

27 IT IS SO ORDERED

May 16, 2013

Real Estate Commissioner

26 Dolores Weeks
27 By: DOLORES WEEKS
Regional Manager