

OCT 21 2016

BUREAU OF REAL ESTATE

By 

BEFORE THE BUREAU OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)	CalBRE No. H-40061 LA
)	
ROBERT GONZALEZ, JR.; and)	OAH No. L2016010248
ROKITTO ENTERPRISES,)	
)	
Respondent.)	

DECISION

The Proposed Decision dated September 14, 2016, of the Administrative Law Judge of the Office of Administrative Hearings, is hereby adopted as the Decision of the Real Estate Commissioner in the above-entitled matter.

Pursuant to Section 11517(c)(2) of the Government Code, the following corrections are made to the Proposed Decision:

Page 1, Introductory Paragraphs, paragraph 1, "August 16, 2016" shall read "August 15, 2016".

Page 1, Introductory Paragraphs, paragraph 1, "Amelia Vertrone" shall read: "Amelia Vetrone".

Page 1, FACTUAL FINDINGS, paragraph 2, "B01107842" shall read: "01107842".

Page 2, FACTUAL FINDINGS, paragraph 3, "C01522362" shall read: "01522362".

Page 3, FACTUAL FINDINGS, paragraph 7, "testify against Gonzales" shall read: "testify against Gonzalez".

Page 3, FACTUAL FINDINGS, paragraph 8, "Gonzales on March 3, 2014" shall read "Gonzalez on March 3, 2014".

Page 4, FACTUAL FINDINGS, paragraph 10, "Gonzales gave" shall read "Gonzalez gave".

Page 5, FACTUAL FINDINGS, paragraph 14, "or by Gonzales doing business" shall read "or by Gonzalez doing business".

Page 5, FACTUAL FINDINGS, paragraph 17, "Gonzelez's home" shall read "Gonzalez's home".

Page 6, FACTUAL FINDINGS, paragraph 20, "Findings 5 through 7, Gonzales" shall read "Findings 5 through 7, Gonzalez".

Page 6, FACTUAL FINDINGS, paragraph 20, "Finding 19, Gonzales" shall read "Finding 19, Gonzalez".

Page 6, FACTUAL FINDINGS, paragraph 21, "complaint against Gonzales" shall read "complaint against Gonzalez".

Page 7, FACTUAL FINDINGS, paragraph 25, "Gonzales" shall read "Gonzalez".

Page 8, FACTUAL FINDINGS, paragraph 28, "In any event, Gonzales" shall read "In any event, Gonzalez".

Page 8, FACTUAL FINDINGS, paragraphs 30 & 31, "Gonzales" shall read "Gonzalez".

Page 11, ORDER, paragraph 1, "B01107842" shall read: "01107842".

Page 11, ORDER, paragraph 2, "C01522362" shall read: "01522362".

The Decision suspends or revokes one or more real estate licenses.

Pursuant to Government Code section 11521, the Bureau of Real Estate may order reconsideration of this Decision on petition of any party. The Bureau's power to order reconsideration of this Decision shall expire 30 days after mailing of this Decision, or on the effective date of this Decision, whichever occurs first. The right to reinstatement of a revoked real estate license or to the reduction of a penalty is controlled by Section 11522 of the Government Code. A copy of Sections 11521 and 11522 and a copy of the Commissioner's Criteria of Rehabilitation are attached hereto for the information of respondent.

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This Decision shall become effective at 12 o'clock noon on NOV 10 2016.

IT IS SO ORDERED 10/13/2016

REAL ESTATE COMMISSIONER



WAYNE S. BELL

BEFFORE THE
BUREAU OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation Against:

ROBERT GONZALEZ, JR. and ROKITTO
ENTERPRISES,

Respondents.

Case No. H-40061 LA

OAH No. 2016010248

PROPOSED DECISION

The hearing in the above-captioned matter took place on August 16, 2016 at Los Angeles, California, before Joseph D. Montoya, Administrative Law Judge (ALJ), Office of Administrative Hearings. Complainant was represented by Amelia Vertrone, Counsel, Bureau of Real Estate. Respondent Robert Gonzalez, Jr. appeared and represented himself and acted for Rokitto Enterprises as well.

In this proceeding, Complainant seeks to discipline the real estate broker's license held by Respondent Gonzalez, as well as that held by a corporation he operated, Rokitto Enterprises. Respondent submitted evidence in support of continued licensure.

Evidence was received and the case was argued, and it was submitted for decision on the hearing date. The following factual findings were established by clear and convincing evidence. Based on those findings, various legal conclusions and orders are hereby made.

FACTUAL FINDINGS

The Parties and Jurisdiction

1. Complainant Maria Suarez, Supervising Special Investigator with the Bureau of Real Estate (Bureau), filed the Accusation in the above-captioned matter in her official capacity.

2. (A) At all times relevant hereto, Respondent Robert Gonzalez, Jr., (Gonzalez) was licensed as a real estate broker, holding license number B01107842. He has been so licensed since January 1995, and his license is set to expire in March

2019. Between April 12, 1991, and January 18, 1995, Gonzalez was licensed as a salesperson. At times relevant to this case, Gonzalez has been known as Roberto Gonzalez Viramontes, Jr.

(B) Beginning on August 13, 2012, and through the time of the hearing, Gonzalez had registered the fictitious business name "Broker Settlement Service" with the Bureau or its predecessor, the Department of Real Estate (Department). This should be distinguished from the name of a corporation he controlled, and for which he was the designated officer, Broker Settlement Services, Inc. Gonzalez was the designated broker of that corporation from October 24, 2013 to September 9, 2014, and from January 8, 2015 onward.

3. (A) Respondent Rokitto Enterprises (Rokitto) is a corporation organized under the laws of California which was first licensed by the Department as a corporate broker in February 2006. It holds license number C01522362. Its license is due to expire in February 2018. From its initial licensure until October 10, 2014, Gonzales was the Designated Officer of Rokitto.

(B) Since it was first licensed, Rokitto has used fictitious business names. One of those "dba's" was Broker Settlement Services, Inc., which fictitious name was added as of June 26, 2012.

(C) On February 3, 2014, Rokitto's corporate powers, rights, and privileges were suspended by action of the Franchise Tax Board, and they remained suspended, at least through December 3, 2015.

4. After the Accusation was filed and served, the Respondents filed Notices of Defense, and this hearing ensued. All jurisdictional requirements have been met.

Alleged Failure to Provide Records

5. Complainant alleged that Gonzalez was served with a subpoena duces tecum for the production of his books, records, and accounts, in the course of an audit. The subpoena was allegedly served on October 27, 2014. However, no one testified for the Bureau on this matter, and a copy of the subpoena was not produced, nor was a proof of service offered in evidence.

6. Gonzalez did not deny that the Bureau sought his records by a subpoena. Instead, he provided an excuse for non-compliance at the hearing, tacitly admitting that he had received the subpoena. Gonzalez testified that he could not produce the records because there had been a fire at his office, a fire that he asserted destroyed everything—files, computers, checks that he was holding—and he testified that the fire caused a major disruption in his business. He initially testified that the fire occurred in October 2014, but his memory was refreshed that the fire occurred on

October 3, 2013. Gonzalez's memory was refreshed by a letter he had received from attorneys representing his former landlord's insurance company. That letter, exhibit A, was a demand for payment of over \$167,000 because Gonzalez was being blamed for the fire. He was subsequently sued by that insurance company.

7. (A) The one witness who appeared to testify against Gonzales (Daniel R.) corroborated the claim that there had been a fire, although he did not testify to the extent of the damage. As will be seen in Factual Findings hereafter, between October 2013 and the time the subpoena was served, October 27, 2014, Respondents continued to do business, which had to have generated business records, but Gonzalez did not produce any business records to the Bureau that were generated in that period after the fire.

(B) Furthermore, Gonzalez took no steps to reconstruct his records; that is, he did not go to his banks and request duplicates of statements and cancelled checks, nor did not contact any lending institutions, escrow companies, or other brokers that he had done business with in an effort to obtain copies of pertinent documents. And, as found in Factual Finding 20, below, on October 20, 2014, Gonzalez stated in writing to the Bureau that he could provide any records relevant to his 2014 transaction with Nelson G.

(C) Respondent offered exhibit I, which was an e-mail directed to him and Rokitto on September 27, 2014, from a William Gonzalez, regarding a potential loan transaction on a house valued at 1.1 million dollars. He also offered exhibit F, another e-mail from William Gonzalez, dated January 31, 2015. In that e-mail, William Gonzalez requested a W-2 form from Respondent so he could do his taxes. Veronica Sandoval responded to the request for the W-2. According to her e-mail, she was working for "Broker Services Inc." She sent William Gonzalez a W-9 form, with a message to send it (the W-9) back as soon as possible. This e-mail exchange begs the question as to how Respondents could generate a W-2 for a person who worked in 2014, but could not respond to a subpoena regarding records generated in 2014.

The March 2014 Transaction with Jesse R.¹

8. On May 16, 2014, Jesse R. filed an on-line complaint with the Bureau against Gonzalez. He asserted that he entered into a refinancing transaction with Gonzales on March 3, 2014, at Gonzalez's office on Beverly Boulevard, in Montebello. Jesse R. was refinancing his home.

¹ Throughout the Accusation, Complainant used initials for consumers' surnames, in the interests of protecting their privacy. That convention is followed in this Proposed Decision.

9. According to Jesse R., "Broker Settlement Services was the escrow company of the loan." (Ex. 12, p. 2.) United Wholesale Mortgage was the lender. Jesse R. was to receive \$16,745.83 from the refinancing, and another \$420.74 was to be paid from loan proceeds to Farmers Insurance for insurance on the property.

10. Gonzales gave Jesse R. a check for \$16,745.83, drawn on an account at EastWest Bank. The check, a copy of which was submitted with the complaint, and is attached to exhibit 12, has the business name handwritten onto it in the upper left hand corner. It carries the name "Broker Settlement Services" and is dated March 29, 2014. In the memo line at the lower left hand corner is written "Escrow # 2196 RN." The address for the business is shown as 1447 West Beverly Blvd. in Montebello, which became Rokitto's office address and its mailing address as of December 24, 2013. That West Beverly Boulevard address became Gonzalez's office address and mailing address of record as of January 2, 2014.²

11. The check to Jesse R. and the check to Farmers Insurance both bounced; the consumer documented that with a memo from his bank. (Ex. 12, p. 3.)

12. At the hearing, Respondent did not deny that Jesse R. did not receive his money when he should have. He did testify that he has since paid Jesse R. money that he owed to that consumer. Gonzalez produced a photocopy of a document allegedly signed by the consumer, dated August 2, 2016. According to the document, Gonzalez paid Jesse R. with a cashier's check "approximately on April 15, 2014." (Ex. B.)

13. The date of payment set forth on exhibit B is not credited, because it precedes the date of the complaint by Jesse R. to the Bureau by one month; it is not credible that the consumer would file a complaint one month after payment, and not mention the payment. Indeed, the complaint states that the consumer "seeks a total of \$17,166.57, which was fraudulently converted by the broker in this transaction, Robert Gonzalez, Jr. This total sum does not include charges for the bounced checks, interest, and costs." (Ex. 12, p. 2.) Furthermore, the complaint by Jesse R. states that he had contacted Gonzalez on April 7, 2014, and on April 17, 2014, but that the result of those contacts was "no response received." (Ex. 12, p. 2.)

² Gonzalez's license history (ex. 2) indicates after January 14, 2013, his address was on Firestone Blvd. in Downey, California. It was the Firestone Boulevard location that was involved in the fire. (Ex. A.) However, Gonzalez changed his mailing address to his home address in Northridge, California the same day that he designated the Downey address. He later changed his main office address to his home address, on December 5, 2013. Both the main office address and mailing address were changed to the Beverly Boulevard address in Montebello on January 2, 2014.

14. It can not be determined whether the two bad checks were issued by Rokitto doing business as Broker's Settlement Services or by Gonzales doing business as Broker's Settlement Services, as each Respondent had registered that fictitious name with the Bureau or Department. However, it is clear that Gonzalez signed the checks, and must be charged with knowledge that there were insufficient funds in the EastWest Bank account.

The Nelson G. Refinance Transaction

15. On or about April 21, 2014, Nelson G. (G.) utilized Gonzalez's service to refinance his home. G. filed a complaint with the Bureau on October 24, 2014, approximately five months after Jesse R. made his complaint, and three days before the subpoena was served on Gonzalez for his business records.

16. According to G.'s complaint, on April 21, 2014, he signed papers at the Respondents' Montebello office; he alleged he signed the papers in blank because Gonzalez told him it would streamline the process. He signed more papers on June 18, 2014.

17. Gonzalez gave G. four checks on July 12, 2014, all drawn on a Bank of America account. Each check was preprinted with the name "Rokitto Enterprises dba Broker Settlement Services; the address on the checks was that of Gonzelez's home. (Ex. 8.) None of the checks show that the account was a trust account. The largest check was in the sum of \$54,880, payable to G. Another check for \$3,686.13 was made out to Bank of America. The third check, for \$2,710.99, was payable to Citibank, and the fourth, for \$405.72 was payable to Home Depot. None of the checks were good. The three smaller checks were to be used to pay off some of G.'s debts. Rokitto was to be paid a loan origination fee of \$3,575.³

18. According to G.'s complaint, he took the large check to his bank to cash it, and was told there were not sufficient funds. This apparently occurred on July 15, 2014; that is when Gonzalez told G. to cash it. G. went back to Gonzalez who told him that the bank had frozen his account because he issued other checks that bounced, but that soon he would have the situation rectified. It must be noted that G. gave the Bureau a copy of the check to him, with a written notice from Bank of America that "in reviewing your deposit [to an ATM machine] we found an item that is non-negotiable and not valid for deposit." (Ex. 9.)

19. Gonzalez paid \$13,737.50 to G. in August 2014. This is derived from the allegations of a lawsuit that G. filed against Gonzalez in November 2015. Gonzalez gave G. a trust deed against his home in Northridge in August 2014. However, Gonzalez filed bankruptcy in 2015, listed G. and Daniel R., referenced

³ This is found in a copy of a loan document appended to G.'s civil complaint, which Gonzalez put into evidence, exhibit E.

hereafter, and obtained a discharge in approximately April 2014. Whether this set aside the trust deed in G.'s favor is not discernable from the record; according to Gonzalez, G. did not take steps to bar the discharge on the grounds of fraud or breach of fiduciary duty, but it does not appear that Gonzalez took steps to void the deed of trust. In any event, G. has been attempting to obtain payment from Gonzalez as recently as June 2016, leaving notices on the door of Gonzalez's home. (Ex. 15.)

20. According to a written statement Gonzalez made to the Bureau on October 20, 2014, he was using Rokitto as an escrow company in the transaction with G. and in most of his other deals during that time period. He claimed that Bank of America first restricted, then closed his four accounts with them; he thought it was because he had filed for bankruptcy in 2013, and again in 2014. He indicates that Bank of America owes him the money. He claimed he would pay G. as soon as he could, and stated "I have no intentions of filing for bankruptcy either personally or as a corporation. I can provide any documentation requested." (Ex. 10, p. 5 of 6.) As seen from Factual Findings 5 through 7, Gonzales did not provide any documents to the Bureau, even though it subpoenaed records within a week of his written statement. And, as seen in Factual Finding 19, Gonzales filed bankruptcy within a few months of his written statement, and listed G. as a creditor.

21. During the hearing, Gonzalez testified that the money had been wired to a closed account. That is not wholly inconsistent with his written statement, or his statements to G. He testified it took about a month to get the money from Bank of America, in the form of a cashier's check. He opened an account at Chase and put the cashier's check in that account but it was not designated as a trust account. The money, according to Gonzalez, was seized by tax authorities. He testified that he borrowed \$7,000 from Daniel R., who had also lodged a complaint against Gonzales (Factual Findings 23 & 24), and that he paid \$6,000 of those borrowed funds to G. Later, he testified that G. did not get all of his money because Gonzalez used some of it to pay off people who had had cashier's checks at his office when it caught fire, and the checks were lost. Thus, Gonzalez admitted to misappropriation of G.'s funds.

22. On balance, the record establishes that Gonzalez and Rokitto misappropriated approximately \$62,000 from G., which monies were the proceeds of a refinancing of G.'s property. Some of the money was repaid, but as of June 16, 2016, G. was still claiming that \$20,000 was owed on the underlying transaction, as well as monies for damages to himself and his family. (Ex. 15.) Gonzalez, by filing bankruptcy and listing G. as a creditor, essentially admits that G. never got all the money that was due to him.

The Transaction with Daniel R.

23. Daniel R. had been a real estate salesperson for Gonzalez for several years. He claims that Gonzalez took money from him, in part to refinance a house Daniel R. owned with his then girlfriend, but that Gonzalez never completed the loan

and never paid back monies advanced to Respondent. At the hearing, Gonzalez claimed that the money in question pertained to a commission that was due to Daniel R. and that he paid the money over. He denied that any part of the money was an advance fee paid by Daniel R. for a refinance loan.

24. According to Daniel R.'s written complaint to the Bureau, received on June 5, 2015, he had worked with Gonzalez until December 2013. In November 2014, Gonzalez approached Daniel R., and told him he needed money to fund a loan, and that he didn't have the money in the account of Broker Settlement Services, because Gonzalez had used the money on personal debts and that he was broke. Daniel R. asserted that he told Gonzalez that he and his girlfriend wanted to refinance a property, and that he would give him "up front" fees for a loan. (Ex. 11, p. 1.) The total amount given by Daniel R. to Gonzalez was \$14,681.83.

25. Daniel R. confirmed the substance of his written complaint when he testified at the hearing. He asserted that he was approached by a somewhat desperate Gonzales, who needed money to help generate a loan.

26. According to Daniel R., Gonzalez signed a promissory note on November 21, 2014. The promissory note, handwritten, states:

I Daniel [R.]/[Myriam [C.] are depositing the amount of \$14,681.83 to Broker Settlement Services, Inc. account. As per Robert Gonzalez Jr. (Broker). The money is intended to fund his pipeline with Michigan Mutual Lender. Seven Thousand to cover an upfront origination fee for the refinance of our home.

Broker Settlement Services Inc./Robert Gonzalez , Jr. (Broker). Will pay back the money in 30 days which would be due on 12/20/14. Thereafter there will be a monthly 10% times the loan amount.

(Ex. 11, p. 3. Typographical and grammatical errors in original.)

The note was signed by Daniel R., his girlfriend, and Gonzalez, whose license number, and that of Broker Settlement Services, Inc. are set out above his signature.⁴

27. Gonzalez stopped returning Daniel R.'s calls and did not pay back any of the money.

⁴ Gonzalez denied signing the note at the hearing. That testimony is not credited, for several reasons, including the ALJ's belief, based on other examples of Gonzalez's signature in the record, that it is his signature. (Evid. Code, § 1417.) It is very similar to the signature on check number 3120, issued to G. in July 2014. (Ex. 8.)

28. At the hearing, Gonzalez denied that any of the monies he obtained from Daniel R. pertained to a refinancing of Daniel R.'s home. He did admit that he needed to borrow \$14,000, more or less, because to obtain funding for a loan he had to put up one percent of the loan amount, which was \$14,000, more or less. He claimed that the deal was Daniel R.'s, and that Daniel R. needed to get the financing so that he could close the deal. Gonzalez pointed out, correctly, that there was no loan processing or loan origination paperwork, which he asserted called into question Daniel R.'s claim that part of the money that Gonzalez obtained was to provide origination expenses for a refinancing of Daniel R.'s property. In any event, Gonzales claimed that he had repaid any money he owed to Daniel R.

29. Daniel R.'s assertions are credited over the claims of Gonzalez. Gonzalez admitted to needing approximately \$14,000 in order to complete a loan transaction, and that is consonant with the figure claimed in the promissory note. Daniel R. provided evidence that he gave that amount to Gonzalez. In connection with the Nelson G. transaction, Gonzalez admitted to borrowing \$7,000 from Daniel R., and paying \$6,000 to G. (Factual Finding 21.) This was within weeks of G.'s complaint to the Bureau, and in his complaint Gonzalez told Daniel R. he was being audited. If Gonzalez borrowed \$7,000 from Daniel R., it follows that the balance—slightly more than \$7,000—could well be for loan origination, that is, prepayment of fees for a loan.⁵ The transaction occurred more than one year after the fire that allegedly destroyed Gonzalez's business records. He should have had records of this transaction, but he produced no documentary evidence of repayment to Daniel R. Instead, he produced documentary evidence of eliminating his obligation to Daniel R. in his 2015 bankruptcy. According to Daniel R.'s written complaint, Gonzalez admitted that he needed money because he had spent business funds on personal expenses. This dovetails with Gonzalez's admission that he borrowed money from Daniel R. and used it to pay G.

30. The evidence establishes that Gonzales and a corporation he controlled, Broker Settlement Services, Inc., obtained \$7,000 from Daniel R., and indirectly Daniel R.'s girlfriend, as an advance fee for a refinancing loan.

31. At no times during the relevant time period, i.e., approximately November 2014, did Gonzales or his corporation, Broker Settlement Services, Inc., have approval from the Bureau or the Department of a contract allowing for receipt of prepayment fees, which are deemed trust funds by the Bureau.

⁵ That the numbers do not exactly match up is deemed immaterial to the analysis. Whether Gonzalez borrowed \$7,681.83 and used \$6,000 to pay G., or whether he used \$7,000 that was supposed to be for advance loan fees, is immaterial. At bottom, the allegations and testimony of Daniel R. are credited, as is the promissory note.

Costs

32. The Bureau has incurred costs in connection with the investigation and prosecution of this matter. Those costs total \$4,602.47, and are reasonable under all of the facts and circumstances.

LEGAL CONCLUSIONS

1. Jurisdiction was established to proceed in this matter pursuant to Business and Professions Code sections 10071 and 10100,⁶ based on Factual Findings 1 through 4.

2. (A) Gonzalez violated section 10148, subdivision (a), by his failure to maintain records pertaining to real estate transactions, based on Factual Findings 5-7, 9-11, and 15-20.

(B) Gonzalez violated section 10148, subdivision (a), by his failure to produce records and make them available for inspection, after notice from the Bureau, based on Factual Findings 5-7, 9-11, and 15-20.

(C) The broker's license held by Gonzalez is subject to discipline pursuant to section 10177, subdivisions (d) and/or (g), because of his violation of section 10148, subdivision (a).

3. (A) It was established that Gonzalez failed to pay over loan proceeds and other monies entrusted to Gonzalez or a corporate broker for which he was the designated officer, based on Factual Findings 8 through 22. Respondent's failure to pay the money over, and his use of it for other purposes, constitutes conversion of those funds, and violated sections 10145, 10176, subdivisions (a), (e), and (i), and 10177, subdivisions (d) and (g).

(B) The violations established in Legal Conclusion 3(A) provide cause to discipline Gonzalez's license pursuant to sections 10176, subdivisions (a), (e), and (i), and 10177, subdivisions (d) and/or (g).

4. Cause was established to discipline the broker's license held by Gonzalez pursuant to sections 10085.5, 10145, 10176, subdivisions (a), (e), and (i), and 10177, subdivisions (d) and/or (b), for his taking an advanced fee when he had no approved advanced fee agreement, and by his failure to refund such fees on demand,

⁶ All subsequent statutory references are to the Business and Professions Code unless otherwise noted.

which constituted a conversion of those funds. This Conclusion is based on Factual Findings 23-31.

5. (A) Respondent Rokitto engaged in the business of a real estate broker after February 10, 2014, when its corporate powers were suspended, in violation of California Code of Regulations (CCR), title 10, section 2742, subdivision (c), based on Factual Findings 3(C), 14-17, 20, and 22.

(B) By its violation of CCR section 2742, cause has been established to discipline Rokitto's corporate broker's license pursuant to section 10177, subdivisions (d) and (f).

6. Pursuant to section 10106, the Bureau is entitled to recover from Gonzalez and Rokitto its costs of investigation and enforcement. This Conclusion is based on Legal Conclusions 1 through 5. The reasonable costs of investigation and enforcement are \$4,602.47, based on Factual Finding 32.

7. (A) Gonzalez's defense—as best it could be understood—was that after the October 2013 fire in his office, a series of further disasters followed, and he was scrambling to keep himself afloat. He essentially admitted to robbing Peter to pay Paul, but he owed fiduciary duties to Peter, which he violated in the cases of Jesse R., Nelson G., and Daniel R. At best, his explanations about how money was sent to the wrong accounts, or closed accounts, or was attached by tax authorities amounted to an admission that he was grossly negligent to have funds sent to accounts that were not clearly denominated as trust accounts. His breach of fiduciary duty amounts to constructive fraud. (*California Real Estate Loans, Inc. v. Wallace* (1993) 18 Cal. App.4th 1575, 1581.)

(B) Problems with Gonzalez's credibility abound. One of the biggest was his excuse for not producing documents on demand. He initially tied the fire to that, asserting every record he had was destroyed. But, he made no effort to reconstruct them. It was pointed out to him that after the fire, new records such as bank statements would have been generated, and two of the transactions that occur at the heart of this case occurred after the fire, and up to the time the Bureau sought documents from Gonzalez. He made claim after claim about the three transactions, but failed to produce many documents that he should have generated post-fire, documents that might have corroborated his position. "If weaker and less satisfactory evidence is offered when it was within the power of the party to produce stronger and more satisfactory evidence, the evidence offered should be viewed with distrust." (Evid. Code, § 412.) The ALJ has taken that distrustful view of Respondents' evidence.

(C) There is no reason to believe that Gonzalez will not rob another apostle to pay others, or his own expenses, as Daniel R. alleged. He has not offered significant evidence of rehabilitation, and he has caused serious harm to Nelson G.

and Daniel R. The purpose of hearings of this type is not to punish an errant licensee, but to protect the public. (*Hughes v. Board of Architectural Examiners* (1998) 17 Cal.4th 763, 784-786; *Bryce v. Board of Medical Quality Assurance* (1986) 184 Cal.App.3d 1471, 1476.) In this case public protection requires the revocation of Respondents' licenses.

ORDER

The real estate broker's license held by Robert Gonzalez, Jr., also known as Robert Gonzalez Viramontes, Jr., number B01107842, is revoked.

The corporate real estate license issued to Rokitto Enterprises, number C01522362, is revoked.

Respondents Gonzalez and Rokitto Enterprises shall pay \$4,602.47 to the Bureau within 30 days of the effective date of this decision. The liability for the costs shall be joint and several.

September 14, 2016

DocuSigned by:
Joseph D. Montoya
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Joseph D. Montoya
Administrative Law Judge
Office of Administrative Hearings