

FILED

JUL 11 2018

BUREAU OF REAL ESTATE

By *CC Jones*

1 Amelia V. Vetrone, SBN 134612
2 Bureau of Real Estate
3 320 West 4th Street, Ste. 350
4 Los Angeles, California 90013-1105

4 Telephone: (213) 576-6982
5 Direct: (213) 576-6940

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8 **BEFORE THE BUREAU OF REAL ESTATE**
9 **STATE OF CALIFORNIA**

10 * * *

11 In the Matter of the Accusation of) No. H-41098 LA
12 SHORE CAPITAL CORPORATION;)
13 and ANDRE P. LUJAN, individually) ACCUSATION
14 and as Designated Officer of)
15 Shore Capital Corporation,)
Respondents.)

16 The Complainant, Chika Sunquist, a Supervising Special Investigator of the State of
17 California, acting in her official capacity, for cause of Accusation against SHORE CAPITAL
18 CORPORATION, and ANDRE P. LUJAN, individually and as Designated Officer of Shore
19 Capital Corporation (collectively, "Respondents"), is informed and alleges as follows:

20 1.

21 All references to the "Code" are to the California Business and Professions Code,
22 all references to the "Real Estate Law" are to Part 1 of Division 4 of the Code, and all references
23 to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

24 2.

25 Respondent SHORE CAPITAL CORPORATION ("SCC") is presently licensed
26 or has license rights under the Real Estate Law as a corporate real estate broker. Respondent
27 SCC was originally licensed as a corporate real estate broker by the Bureau of Real Estate

1 (“Bureau”) on or about December 9, 2005, with real estate broker Dennis Anthony Morris as its
2 Designated Officer. Beginning on January 19, 2007, and continuing to the present, Respondent
3 ANDRE P. LUJAN has been the Designated Officer of SCC. Respondent SCC’s corporate real
4 estate broker license is due to expire on December 8, 2021. On December 10, 2010, Respondent
5 SCC was issued a Mortgage Loan Originator (“MLO”) license endorsement, National Mortgage
6 Licensing System and Registry (“NMLS”) No. 275963.

7 3.

8 Respondent ANDRE P. LUJAN (“LUJAN”) is licensed by the Bureau as a real
9 estate broker. Respondent was originally licensed as a real estate salesperson on January 15,
10 2005, and as a real estate broker on January 12, 2007. Respondent’s real estate broker license is
11 due to expire on January 11, 2019. Respondent LUJAN holds a MLO license endorsement,
12 NMLS No. 234519.

13 4.

14 At all times herein relevant, Respondents engaged in the business of, acted in the
15 capacity of, advertised or assumed to act as real estate brokers in the State of California within
16 the meaning of Code Section 10131(d), including soliciting borrowers or lenders for and/or
17 negotiating loans, collecting payments and/or performing services for borrowers or lenders in
18 connection with loans secured by liens on real property.

19 FIRST CAUSE OF ACCUSATION

20 (LICENSE DISCIPLINE AGAINST SCC)

21 5.

22 On or about July 21, 2017, the State of Ohio, Department of Commerce, Division
23 of Financial Institutions Consumer Finance issued its Order refusing to renew the MLO
24 endorsement for Respondent SCC in the State of Ohio, and imposing a \$1,000.00 fine, based on
25 Respondent SCC’s failure to comply with the Ohio Mortgage Broker Act. Respondent SCC’s
26 acts resulting in the refusal to renew the Ohio MLO endorsement are acts that would be grounds
27 for discipline of a California real estate broker license.

1 6.

2 The acts resulting in the foregoing action taken with respect to Respondent SCC's
3 Ohio MLO license endorsement, as described above, constitute cause under Code Section
4 10177(f) for the suspension or revocation of the license and license rights of Respondent SCC
5 under the Real Estate Law.

6 SECOND CAUSE OF ACCUSATION

7 (FAILURE TO DISCLOSE LICENSE DISCIPLINE)

8 7.

9 On November 20, 2017, Respondent LUJAN accessed the NLMS registry to
10 renew the MLO endorsement for Respondent SCC. The online renewal application contains an
11 Attestation Oath, to wit: "I, Andre Lujan of Shore Capital Corporation and duly appointed and
12 authorized by the same, swear (or affirm) on 11/20/2017 that to the best of my knowledge and
13 belief the information contained in the Licensee/Registrant's online record...is true, accurate and
14 complete." The online renewal application further requires, "The Licensee/Registrant has
15 updated the documents on file with the jurisdiction(s) to disclose any new event or proceeding
16 requiring an affirmative answer to any Disclosure Questions which has occurred since the
17 Licensee/Registrant submitted its license/registration application or renewal application to the
18 applicable jurisdiction(s)."

19 8.

20 In response to Disclosure Questions, Regulatory Action, Question (C) of the
21 Respondent SCC's MLO license endorsement application, to wit: "In the past 10 years, has any
22 State or federal regulatory agency or foreign financial regulatory authority or self-regulatory
23 organization (SRO) ever: (5) denied, suspended, or revoked the entity's or a control affiliate's
24 registration or license or otherwise, by order, prevented it from associating with a financial
25 services-related business or restricted its activities?", Respondents responded "No".
26 Respondents made no changes in the online license application to reflect the Ohio MLO license
27 endorsement discipline described in paragraph 5, above.

1 9.

2 Respondents' failure to reveal the Ohio MLO license endorsement discipline set
3 forth herein in Paragraph 5 in SCC's California MLO license endorsement renewal application
4 constitutes an attempt to procure a real estate license by fraud, misrepresentation, or deceit, or by
5 making a material misstatement of fact, or by knowingly omitting to state a material fact in said
6 application, and constitutes cause under Code Sections 10166.051(b), and 10177(a) for the
7 suspension or revocation of all licenses and license rights of Respondents under the Real Estate
8 Law.

9 THIRD CAUSE OF ACCUSATION

10 (FAILURE TO FILE BUSINESS ACTIVITY REPORTS)

11 10.

12 Pursuant to the provisions of Code Section 10166.07 Respondent SCC is required
13 to file a Mortgage Loan Business Activity Report ("Business Activity Report") with the Bureau
14 each year. The annual Business Activity Report is due ninety (90) days from the end of the
15 corporation's fiscal year. As of February 14, 2018, Respondent SCC had not filed the Business
16 Activity Reports for the years 2014, 2015, 2016 and 2017.

17 11.

18 The conduct of Respondent SCC, as alleged above, is grounds for the suspension or
19 revocation of Respondent's license, MLO license endorsement, and all license rights pursuant to
20 the provisions of Code Sections 10166.051(a), 10177(d) and/or 10177(g).

21 FOURTH CAUSE OF ACCUSATION

22 (FAILURE OF LUJAN TO SUPERVISE)

23 12.

24 Based on the conduct alleged in paragraphs 5, 8, and 10, above, Respondent
25 LUJAN failed to exercise reasonable supervision over the activities of SCC to ensure compliance
26 with the Real Estate Law in violation of Code Sections 10159.2, 10177(g), 10177(h) and
27 Regulation 2725.

