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**FILED**

APR 19 2010

DEPARTMENT OF REAL ESTATE

BY: C. \_\_\_\_\_

8 DEPARTMENT OF REAL ESTATE  
9 STATE OF CALIFORNIA

10 \* \* \* \* \*

11 To: ) No. H-36593 LA  
12 )  
13 PRIDE FINANCIAL GROUP; DEREK ) ORDER TO DESIST  
14 JOHN GIBBONS, as designated officer of ) AND REFRAIN  
15 Pride Financial Group; GREENLIGHT ) (B&P Code Section 10086)  
16 FINANCIAL SERVICES; and )  
17 JENNIFER KENNEDY. )

18 The Commissioner ("Commissioner") of the California Department of Real Estate  
19 ("Department") caused an investigation to be made of the activities of PRIDE FINANCIAL  
20 GROUP, DEREK JOHN GIBBONS, as designated officer of Pride Financial Group,  
21 GREENLIGHT FINANCIAL SERVICES, and JENNIFER KENNEDY, and has determined that  
22 each of them engaged in or is engaging in acts or practices constituting violations of the  
23 California Business and Professions Code ("Code") and/or Title 10, California Code of  
24 Regulations ("Regulations"). PRIDE FINANCIAL GROUP, DEREK JOHN GIBBONS,  
25 GREENLIGHT FINANCIAL SERVICES, and JENNIFER KENNEDY engaged in the business  
26 of, acted in the capacity of, advertised, or assumed to act, as real estate brokers in the State of  
27 California within the meaning of Code Section 10131(d) (soliciting borrowers or lenders or  
negotiating loans) and Code Section 10131.2 (advance fee handling). Based on the findings of

1 that investigation, as set forth below, the Commissioner hereby issues the following Findings of  
2 Fact and Desist and Refrain Order pursuant to Code Section 10086.

3 FINDINGS OF FACT

4 1. PRIDE FINANCIAL GROUP is presently licensed and/or has license rights  
5 under the Real Estate Law (Part 1 of Division 4 of the Code) as a corporate real estate broker.

6 2. DEREK JOHN GIBBONS is presently licensed and/or has license rights  
7 under the Real Estate Law as the designated broker officer for PRIDE FINANCIAL GROUP as  
8 set forth under Code Section 10159.2.

9 3. At no time herein mentioned have GREENLIGHT FINANCIAL SERVICES  
10 and JENNIFER KENNEDY been licensed by the Department in any capacity.

11 4. Whenever acts referred to below are attributed to PRIDE FINANCIAL  
12 GROUP, those acts are alleged to have been done by PRIDE FINANCIAL GROUP, acting by  
13 itself, or by and/or through one or more agents including, but not limited to, DEREK JOHN  
14 GIBBONS, associates, affiliates, and/or co-conspirators, including but not limited to, each of  
15 those named herein, and using the name GREENLIGHT FINANCIAL SERVICES, or any  
16 fictitious name unknown at this time.

17 5. PRIDE FINANCIAL GROUP and DEREK JOHN GIBBONS acted without  
18 Department authorization in using the fictitious business name "Greenlight Financial Services"  
19 to engage in activities requiring the issuance of a real estate license which are in violation of  
20 Code Section 10159.5 and Regulation 2731.

21 6. PRIDE FINANCIAL GROUP employed and/or compensated individuals,  
22 including those named herein, who were not licensed as real estate salespersons or as real estate  
23 brokers to perform some or all of the services alleged in Paragraph 9, below.

24 7. PRIDE FINANCIAL GROUP engaged in the business of claiming,  
25 demanding, charging, receiving, collecting or contracting for the collection of an advance fee, as  
26 defined by Code Section 10026, including but not limited to, the activities described in  
27 Paragraph 9, below.

1                   8. PRIDE FINANCIAL GROUP failed to submit the advance fee agreements  
2 and written advertising referred to in Paragraph 9, below, to the Commissioner ten days before  
3 using them.

4                   9. At the times set forth below PRIDE FINANCIAL GROUP engaged in the  
5 business of, acted in the capacity of, or advertised a real estate loan service and advance fee  
6 brokerage offering to perform solicitation, negotiation and modification of loans secured by liens  
7 on real property for compensation or in expectation of compensation and for fees collected in  
8 advance including, but not limited to, the following: in or around December, 2008, Criselda  
9 Escano ("Escano") received a mailed advertisement from GREENLIGHT FINANCIAL  
10 SERVICES that solicited loan modification and foreclosure prevention services for real property.  
11 Escano called the telephone number on the mailer and spoke to JENNIFER KENNEDY who  
12 informed Escano that the company was actually PRIDE FINANCIAL GROUP. Escano also  
13 dealt with DEREK JOHN GIBBONS on several occasions. Escano agreed to pay an advance fee  
14 of \$3,500 in four installments of \$875 to PRIDE FINANCIAL GROUP. The advance fee was  
15 collected pursuant to the provisions of an agreement pertaining to loan solicitation, negotiation,  
16 and modification services to be provided by PRIDE FINANCIAL GROUP with respect to a loan  
17 secured by the real property located at 53 Bridgeport, Irvine, California 92620.

18                   CONCLUSIONS OF LAW

19                   10. The activities described in Paragraph 9, above, required a real estate license  
20 under Code Sections 10131(d) and Section 10131.2.

21                   11. Based on the information contained in Paragraph 9, above, GREENLIGHT  
22 FINANCIAL SERVICES and JENNIFER KENNEDY performed and/or participated in loan  
23 solicitation, negotiation and modification activities which require a real estate broker license  
24 under the provisions of Code Sections 10131(d) and 10131.2 during a period of time when they  
25 were not licensed by the Department as a real estate broker nor employed as a real estate  
26 salesperson by the broker on whose behalf the activities were performed in violation of Code  
27 Section 10130.

1                   12. Based on the information contained in Paragraph 9, above, PRIDE  
2 FINANCIAL GROUP violated Code Section 10137 by employing and/or compensating  
3 individuals who were not licensed as a real estate salesperson or as a broker to perform  
4 activities requiring a real estate license.

5                   13. Based on the information contained in Paragraph 9, above, PRIDE  
6 FINANCIAL GROUP collected fees pursuant to an agreement which constitutes an advance fee  
7 agreement within the meaning of Code Section 10085.

8                   14. Based on the information contained in Paragraph 9, above, the failure by  
9 PRIDE FINANCIAL GROUP to submit the advance fee agreement and mail advertising to the  
10 Commissioner ten days before using it constitutes a violation of Code Section 10085 and  
11 Regulation 2970.

12                   15. The conduct, acts and/or omissions of DEREK JOHN GIBBONS, in  
13 allowing Respondent PRIDE FINANCIAL GROUP to violate the Real Estate Law, as set forth  
14 above, constitutes a failure by DEREK JOHN GIBBONS, as the officer designated by a  
15 corporate broker licensee, to exercise the supervision and control over the activities of  
16 Respondent PRIDE FINANCIAL GROUP, as required by Code Section 10159.2.

17                   DESIST AND REFRAIN ORDER

18                   Based on the Findings of Fact and Conclusions of Law stated herein:

19                   1. IT IS HEREBY ORDERED that PRIDE FINANCIAL GROUP and DEREK  
20 JOHN GIBBONS, whether doing business under their own names, or any other names, or any  
21 fictitious name(s):

22                   (i) Immediately desist and refrain from charging, demanding, claiming,  
23 collecting and/or receiving advance fees, as that term is defined in Code Section 10026, in any  
24 form, and under any conditions, with respect to the performance of loan modification or any  
25 other form of mortgage loan forbearance services in connection with loans on residential  
26 property containing four or fewer dwelling units (Code Section 10085.6).  
27

1 (ii) Immediately desist and refrain from charging, demanding, claiming,  
2 collecting and/or receiving advance fees, as that term is defined in Code Section 10026, for any  
3 of the other real estate related services offered to others, unless and until PRIDE FINANCIAL  
4 GROUP and DEREK JOHN GIBBONS, and each of them, demonstrate and provide evidence  
5 satisfactory to the Commissioner that each:

6 (a) has an advance fee agreement which has been submitted to the Department  
7 and which is in compliance with Code Section 10085 and Regulation 2970;

8 (b) has placed all previously collected advance fees into a trust account for that  
9 purpose and is in compliance with Code Section 10146; and

10 (c) has provided an accounting to trust fund owner-beneficiaries from whom  
11 advance fees have previously been collected in compliance with Code Section 10146 and Section  
12 Regulation 2972.

13 2. PRIDE FINANCIAL GROUP and DEREK JOHN GIBBONS immediately  
14 desist and refrain from employing or compensating any person for performing any act for which  
15 a real estate license is required unless that person is licensed as a real estate broker, or as a real  
16 estate salesperson licensed under the broker employing or compensating him/her. In particular,  
17 PRIDE FINANCIAL GROUP and DEREK JOHN GIBBONS are ordered to desist and refrain  
18 from:

19 (i) employing or compensating any person who does not hold a real estate license  
20 from soliciting borrowers and/or performing services for borrowers or lenders in connection with  
21 loans secured directly or collaterally by one or more liens on real property.

22 3. DEREK JOHN GIBBONS is ordered to desist and refrain from performing  
23 any of the acts for which a real estate license is required as the designated officer of PRIDE  
24 FINANCIAL GROUP unless and until he is in compliance with Code Section 10159.2.

25 4. IT IS HEREBY ORDERED that GREENLIGHT FINANCIAL SERVICES  
26 and JENNIFER KENNEDY whether doing business under their own names, or any other  
27 names, or any fictitious name, ARE HEREBY ORDERED to immediately desist and refrain

1 from performing any acts within the State of California for which a real estate broker license is  
2 required. In particular each of them is ORDERED TO DESIST AND REFRAIN from:

3 (i) charging, demanding, claiming, collecting and/or receiving advance fees, as  
4 that term is defined in Code Section 10026, in any form, and under any conditions, with respect  
5 to the performance of loan modifications or any other form of mortgage loan forbearance  
6 service in connection with loans on residential property containing four or fewer dwelling units  
7 (Code Section 10085.6); and

8 (ii) charging, demanding, claiming, collecting and/or receiving advance fees, as  
9 that term is defined in Code Section 10026, for any other real estate related services offered by  
10 them to others.

11 DATED: \_\_\_\_\_

12  
13 JEFF DAVIS  
14 Real Estate Commissioner  
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19 **Notice:** Business and Professions Code Section 10139 provides that "Any person acting as a  
20 real estate broker or real estate salesperson without a license or who advertises using words  
21 indicating that he or she is a real estate broker without being so licensed shall be guilty of a  
22 public offense punishable by a fine not exceeding twenty thousand dollars (\$20,000), or by  
imprisonment in the county jail for a term not to exceed six months, or by both fine and  
imprisonment; or if a corporation, be punished by a fine not exceeding sixty thousand dollars  
(\$60,000)."

23 cc:

24 Pride Financial Group and Derek John Gibbons  
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26 Derek John Gibbons  
27 5 Blackbird  
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