

**FILED**

**MAY 31 2022**

**DEPT. OF REAL ESTATE**

**By** \_\_\_\_\_

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9 BEFORE THE DEPARTMENT OF REAL ESTATE

10 STATE OF CALIFORNIA

11 \* \* \*

12 In the Matter of the Accusation of

No. H-42224-LA

13 COAST TO COAST LENDING  
14 GROUP, INC., and ROGER WEEGER  
15 HERRICK, individually and as  
16 designated officer of Coast to Coast  
17 Lending Group, Inc.,

ACCUSATION

Respondents.

18 The Complainant, Ruth Corral, a Supervising Special Investigator for the Department of Real  
19 Estate ("Department" or "DRE") of the State of California, for cause of Accusation against COAST  
20 TO COAST LENDING GROUP, INC. ("CTCLG"), and ROGER WEEGER HERRICK  
21 ("HERRICK"), individually and as designated officer of Coast to Coast Lending Group, Inc.  
22 (collectively "Respondents"), alleges as follows:

23 1. The Complainant, Ruth Corral, acting in her official capacity as a Supervising  
24 Special Investigator, makes this Accusation against Respondents.

25 2. All references to the "Code" are to the California Business and Professions Code  
26 and all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

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1 **LICENSE HISTORY**

2 3. Respondent CTCLG has been licensed by the DRE as a real estate corporation  
3 (“REC”), License ID 01484165, from on or about April 21, 2006, through the present, with  
4 CTCLG’s license scheduled to expire on January 10, 2026, unless renewed. CTCLG is licensed  
5 through HERRICK’s real estate broker (“REB”) license and HERRICK is the designated officer  
6 (“D.O.”) of CTCLG. CTCLG has a mortgage loan originator license (“MLO”) endorsement from  
7 the Department, and is licensed through the Nationwide Multistate Licensing System & Registry  
8 (“NMLS”), NMLS No. 11882. According to Department records to date, CTCLG employs four (4)  
9 licensed real estate salespersons (“RES”). CTCLG has no branch offices. The fictitious business  
10 name “Coast to Coast Realty Group” is currently active and licensed to CTCLG by the DRE.

11 4. Respondent HERRICK has been licensed by the DRE as a REB, License ID  
12 00949075, from on or about July 6, 1988, through the present, with HERRICK’s license scheduled  
13 to expire on July 5, 2024, unless renewed. HERRICK was previously licensed as a real estate  
14 salesperson (“RES”), from on or about January 29, 1987 to on or about July 5, 1988. HERRICK  
15 has a MLO license endorsement from the DRE, and is licensed through the NMLS, NMLS No.  
16 301693. In addition to being the D.O. of CTCLG, HERRICK is the D.O. of C2C Lending Group  
17 Inc., REC License ID 02066736. HERRICK currently maintains no active fictitious business  
18 names.

19 **ACTIVITIES REQUIRING A REAL ESTATE LICENSE**

20 5. At all times mentioned herein, in the Counties of Humboldt, Los Angeles, and  
21 Orange, in California, Respondents engaged in the performance of activities requiring a real estate  
22 license pursuant to Code Section 10130, and acted and ordered, caused, authorized or participated  
23 in licensed activities within the meaning of Code Section 10131.

24 **FACTS DISCOVERED BY DRE**

25 6. Complainant is informed and believes and on such information and belief alleges  
26 that from in or around April 2019 through the present, CTCLG and HERRICK engaged in a course

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1 of conduct of inducing C.W. and his wife M.W.<sup>1/</sup> to hire CTCLG and HERRICK as their broker to  
2 originate loans totaling \$373,000 on a commercial property owned by C.W. and M.W., and to enter  
3 into a “lease-to-buy” arrangement on the commercial property with Cal Hwy 101, Inc. (“CH101”),  
4 with an additional agreement—purportedly signed by C.W. and M.W., but on information and  
5 belief C.W.’s and M.W.’s signatures were forged by HERRICK— to obtain a \$100,000 loan to  
6 make improvements on the property in order for CH101 to engage in cannabis manufacturing on  
7 the property, while engaging in a further course of conduct of misrepresenting to, and concealing  
8 from C.W. and M.W. that HERRICK was the chief executive officer, secretary, and chief financial  
9 officer of “CH101.” CH101 also failed to pay rent, provide an accounting of the \$100,000 intended  
10 for improvements, and to repay the \$100,000 loan as agreed.

11 7. As described in further detail below, CTCLG originated two loans totaling \$373,000  
12 on the commercial property owned by C.W. and M.W., and expected to receive and/or did receive  
13 commissions totaling \$24,000.

14 8. Complainant is informed and believes and on such information and belief alleges  
15 that CTCLG and HERRICK engaged in a long-term, extended course of conduct of failing to  
16 provide or disclose material facts to C.W. and M.W. in order to induce them to take actions against  
17 their interests, and in the interests of HERRICK to financially benefit HERRICK as both the broker  
18 for CTCLG and as the CEO of CH101.

19 9. Complainant is also informed and believes and on such information and belief  
20 alleges that CTCLG’s and HERRICK’s long-term, extended course of conduct of failing to provide  
21 or disclose material facts to C.W. and M.W. was in furtherance of Respondents’ plan to avoid  
22 accountability for violations of the Real Estate Law.

23 10. Complainant is also informed and believes and on such information and belief  
24 alleges that HERRICK prepared and provided all real estate and loan related documents and  
25 agreements to C.W. and M.W. related to the transactions alleged, with the exception of a Notice to  
26 Perform and Cancellation of Contract.

27 \_\_\_\_\_  
28 <sup>1/</sup> Initials are used in place of individuals’ full names to protect their privacy. Documents containing individuals’ full names will be provided during the discovery phase of this case to Respondents and/or their attorney(s), after service of a timely and proper request for discovery on Complainant’s counsel.

1           11. As a result of Respondents' extended course of conduct involving concealment and  
2 suppression of material facts, the DRE could not, with due diligence, have discovered sufficient  
3 material facts regarding whether Respondents had complied with the Real Estate Law until on or  
4 about July 23, 2021 at the earliest, when Patricia Atwood ("Atwood"), of S.A.F.E. Planners, Inc.  
5 ("SAFE"), a professional fiduciary acting under power of attorney for C.W., submitted a complaint  
6 on behalf of C.W. with the DRE.

7           12. Moreover, as will be shown below, from on or about April 25, 2019 to the present,  
8 CTCLG and HERRICK have acted as real estate broker and agent for C.W. and M.W., engaging in  
9 licensed activities within the meaning of Code sections 10131(d), (b), and (a) on behalf of C.W.  
10 and M.W.: soliciting lenders for or negotiating loans or performing services for borrowers or  
11 lenders or note owners in connection with loans secured directly or collaterally by liens on real  
12 property; leasing or renting, offering to lease or rent, or collecting rents from real property for  
13 others, and other property management activities; and selling or offering to sell, buying or offering  
14 to buy, or soliciting prospective sellers or buyers of, or negotiating the purchase or sale of real  
15 property.

16           13. Through CTCLG's and HERRICK's real estate activities on behalf of C.W. and  
17 M.W., CTCLG and HERRICK created a fiduciary relationship with C.W. and M.W.

18           14. In or about April 2019, HERRICK approached C.W. regarding the renting and  
19 purchasing of C.W.'s commercial building located at 23 5th Street, Eureka, California ("the  
20 Property"). HERRICK, as the REB for CTCLG, initiated, encouraged, and brokered two loans for  
21 C.W. and M.W., totaling \$373,000, secured by the Property: the first loan was for \$273,000 ("First  
22 Loan"), and the second loan was for \$100,000 ("Second Loan"). At the time that HERRICK  
23 originated the loans for C.W. and M.W., and at all times following, Respondents did not disclose  
24 that HERRICK was the chief executive officer, secretary, and chief financial officer of Cal Hwy  
25 101, Inc. ("CH101"). Nor did Respondents disclose that real estate salesperson Harrison Richard  
26 Kaufman ("Kaufman"), License ID 01473313, who signed agreements with C.W. and M.W. as a  
27 Director of CH101 on behalf of CH101, was a business associate of HERRICK's and was  
28 employed under HERRICK's REB license from June 25, 2019 to October 5, 2020. C.W. and M.W.

1 entered into a two-year "lease-to-buy" agreement with CH101, in which CH101 became the lessee  
2 of the Property, and CH101 also agreed to purchase the Property.

3 15. CTCLG received commissions of \$17,500 for the First Loan and \$6,500 for the  
4 Second Loan. C.W. and M.W. owned the property free and clear without encumbrances prior being  
5 approached by HERRICK.

6 16. On or about April 25, 2019, C.W. and M.W. executed the following:

7 a. A Mortgage Loan Origination Agreement with CTCLG that contained the  
8 following provisions:

9 (1) "We are acting as an independent contractor and not as your agent";

10 (2) "The lenders whose loan products we distribute generally provide  
11 their loan products to us at a wholesale rate. The retail price we offer you – your  
12 interest rate, total points and fees – will include our compensation. In some cases,  
13 we may be paid all of our compensation by either you or the lender"; and

14 b. A Uniform Residential Loan Application for the First Loan in the amount of  
15 \$273,000, with a fixed interest rate of 10%, payable over 24 months, with HERRICK listed  
16 as the originator.

17 17. According to the Final Borrower's Statement for the First Loan, with a settlement  
18 date of May 31, 2019, CTCLG was paid \$17,500 as a commission on the First Loan. A total of  
19 \$39,689.37 in debits for various charges was deducted from the First Loan amount of \$273,000,  
20 with a balance of \$233,310.63 to be paid to C.W. and M.W.

21 18. On or about June 5, 2019, C.W. and M.W. executed a Mortgage Loan Disclosure  
22 Statement ("MLDS") regarding the First Loan, in the amount of \$273,000, showing CTCLG as the  
23 broker acting as a mortgage broker, showing total fees, costs, and expenses for the loan in the  
24 amount of \$37,708.39, including CTCLG's origination fee of \$17,500. However, this MLDS was  
25 not signed by CTCLG or a representative.

26 19. Also on or about June 5, 2019, C.W. and M.W. executed the following:

27 a. A lease agreement with CH101, titled Standard Industrial/Commercial  
28 Single-Tenant Lease – Net" ("Lease Agreement"), which in paragraph 1.11 attached and

1 incorporated an Option to Purchase and an Amendment to Lease and Purchase Agreement,  
2 understood by the parties to be a “lease-to-buy” agreement. CH101 (“Lessee”) was to lease  
3 the Property from C.W. and M.W. (“Lessor”) for two years, during the period from July 10,  
4 2019 to July 10, 2021, with monthly rent of \$6,000, payable on the 10th day of each month.  
5 No rent was required for the first four months, and the first rental payment of \$6,000 was  
6 due on November 10, 2019. The parties agreed that the premises were leased for cannabis  
7 manufacturing and non-store front retail and microbusinesses. Kaufman signed the Lease  
8 Agreement on behalf of CH101.

9 (1) Paragraph 39 of the Lease Agreement provides in part:

10 Options. If Lessee is granted an Option, as defined below, then the  
11 following provisions shall apply:

12 39.1 Definition. “Option” shall mean . . . (c) the right to purchase,  
13 the right of first offer to purchase or the right of first refusal to purchase the  
14 Premises or other property of Lessor.

15 b. An Amendment to Lease (“Amendment”) with CH101, which stated,  
16 “Lessor agrees to credit to the purchase price \$5000.00 per month of the rent collected.  
17 This will be a credit to the down payment or the purchase price upon execution of the  
18 purchase option.” Kaufman signed the Amendment on behalf of CH101.

19 c. A Note, also referred to as a promissory note, for the First Loan, in the  
20 amount of \$273,000, secured by the Property, with a fixed annual interest rate of 10%,  
21 listing the Borrower as C.W. and M.W. and the Lender as PENSCO Trust Company, LLC,  
22 Custodian FBO K.B., IRA as to a 52.98% interest, and D.E., Trustee of the D.E. Revocable  
23 Living Trust Dated May 19, 2011, as to a 47.62% interest, and a maturity date of July 1,  
24 2021. Paragraph 15 of the Note contains a Usury Exemption stating, “This loan was  
25 arranged by Coast to Coast Lending Group Inc., licensed by the Department of Real Estate,  
26 a California Broker with License No. 01484165 and is thus exempt from usury laws  
27 pursuant to Section 1 of Article 15 of the California Constitution.”

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1           d.     A Deed of Trust assigning the Property to the Lender of the First Loan.

2           20.    On or about June 7, 2019, Fidelity National Title Company of California, the escrow  
3 company for the transaction, issued a check made payable to C.W. and M.W. for the First Loan in  
4 the amount of \$233,208.84.

5           21.    On or about July 3, 2019, Kaufman on behalf of CH101 executed a Standard Offer,  
6 Agreement and Escrow Instructions for Purchase of Real Estate (Non-Residential) (“Purchase  
7 Agreement”) for the Property, which C.W. and M.W. accepted. Paragraph 26 of the Purchase  
8 Agreement states, in part: “The agreement is the purchase agreement of the option to purchase  
9 agreement dated 7/5/2019.” In the Purchase Agreement, CH101 agreed to purchase the Property  
10 from C.W. and M.W. for \$1,090,000.

11          22.    On or about July 10, 2019, C.W. and M.W. executed a Right of First Offer to  
12 Purchase, Standard Lease Addendum, with CH101 (“Lessee”), which provided in part that “during  
13 the lease term and any extensions thereof . . . Lessee shall have a right of First Offer to purchase the  
14 Premises. Lessee’s right of First Offer shall be deemed to be an ‘Option’ as defined in paragraph  
15 39 . . . .”

16          23.    On or about July 12, 2019, C.W. and M.W. purportedly executed the following  
17 documents related to the Second Loan, however, Complainant is informed and believes and on  
18 such information and belief alleges that C.W. and M.W. cannot recall having signed any documents  
19 to obligate themselves to a Second Loan in the amount of \$100,000, based in part on information  
20 that HERRICK admitted forging the papers for C.W. and M.W.:

21           a.     A Real Estate Agency Disclosure advising C.W. and M.W. of the fiduciary  
22 duties of the mortgage broker, CTCLG;

23           b.     A Mortgage Loan Origination Agreement with CTCLG, with CTCLG and  
24 HERRICK listed as originators, which contained the following provisions:

25                   (1)    “We are acting as an independent contractor and not as your agent”;

26                   (2)    “The lenders whose loan products we distribute generally provide  
27 their loan products to us at a wholesale rate. The retail price we offer you – your

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1 interest rate, total points and fees – will include our compensation. In some cases,  
2 we may be paid all of our compensation by either you or the lender”; and

3 c. A Uniform Residential Loan Application for the Property in the amount of  
4 \$100,000, with a fixed interest rate of 10.5%, a term of 24 months, a monthly payment  
5 \$875, and a maturity date of August 1, 2021. HERRICK is listed as the originator on this  
6 loan application;

7 d. An MLDS signed by C.W. and M.W., but not signed by CTCLG or  
8 HERRICK, regarding the proposed loan of \$100,000, showing CTCLG as the broker acting  
9 as a mortgage broker, showing total fees, costs, and expenses for the loan in the amount of  
10 \$11,056.09, including CTCLG’s origination fee of \$6,500;

11 e. A Loan Agreement for the Property, referencing the Note for \$100,000 with  
12 a maturity date of August 1, 2021, and listing the lender as D.E., Trustee of the D.E.  
13 Revocable Living Trust Dated May 19, 2011;

14 f. A Note, also referred to as a promissory note, for the Second Loan, in the  
15 amount of \$100,000, secured by the Property, with a fixed interest rate of 10.5% and  
16 monthly payments of \$875, listing the Borrower as C.W. and M.W. and the Lender as D.E.,  
17 Trustee of the D.E. Revocable Living Trust Dated May 19, 2011, and a maturity date of  
18 August 1, 2021. Paragraph 15 of the Note contains a Usury Exemption stating, “This loan  
19 was arranged by Coast to Coast Lending Group Inc., licensed by the Department of Real  
20 Estate, a California Broker with License No. 01484165 and is thus exempt from usury laws  
21 pursuant to Section 1 of Article 15 of the California Constitution.”

22 24. The Second Loan for \$100,000 was designated for building repairs in an undated  
23 document titled “23 5th Street Improvement Agreement” (“Improvement Agreement”), executed  
24 by C.W. and M.W. (collectively “Landlord”) and Kaufman on behalf of CH101 (“Lessee”). The  
25 Improvement Agreement stated that Landlord agrees to obtain a \$100,000 gross loan secured as a  
26 second trust deed on the property. Landlord agreed to place the net proceeds from the loan in a  
27 separate account to be used for property upgrades to achieve “cannabis compliance” and other  
28 improvements necessary for CH101’s business. The separate account required Landlord to approve



1 any and all expenses. Checks would be drawn from this account and all monies were to be  
2 accounted for by both Landlord and Lessee on a monthly basis. HERRICK received an ATM/debit  
3 card with C.W. name on it but such card gave HERRICK direct access to the loan proceeds.

4 25. The Improvement Agreement also stated that Landlord would pay interest payments  
5 for the improvement loan for the first three months and Lessee would pay the interest payments as  
6 they become due after the first three months until the loan term was completed. Thereafter Lessee  
7 would pay the interest payments for the improvement loan until it was paid off in full. The  
8 Agreement also stated that in the event CH101 did not execute the purchase agreement to buy the  
9 Property, the \$100,000 loan secured by the property would be due and payable to the Landlord for  
10 reimbursement of the improvements.

11 26. According to the Final Borrower's Statement for the Second Loan, with a settlement  
12 date of July 15, 2019, CTCLG was paid \$6,500 as a commission on the Second Loan. A total of  
13 \$10,659.09 in debits for various charges was deducted from the Second Loan amount of \$100,000,  
14 with a balance of \$89,340.91 to be paid to C.W. and M.W.

15 27. On or about July 15, 2019, Fidelity National Title Company of California, the  
16 escrow company for the transaction, issued a check made payable to C.W. and M.W. for the  
17 Second Loan in the amount of \$89,340.91.

18 28. On or about November 10, 2019, the first rent payment was due from CH101,  
19 however, C.W. and M.W. did not receive a rent payment from CH101 for November 2019 or for  
20 any other month during the term of the lease or at any time thereafter.

21 29. On or about January 16, 2020, C.W. and M.W. executed and sent the following  
22 documents to CTCLG and HERRICK:

- 23 a. A Notice to Buyer to Perform the July 3, 2019 Purchase Agreement; and
- 24 b. Cancellation of Contract, Release of Deposit and Cancellation of Escrow  
25 regarding the July 3, 2019 Purchase Agreement.

26 30. On or about January 11, 2021, during a phone conversation between a representative  
27 of SAFE and HERRICK, HERRICK denied having any affiliation with CH101.

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1           31.     On or about August 26, 2021, during a phone conversation between a representative  
2 of SAFE and Kaufman, Kaufman stated he had nothing to do with the Property and nothing to do  
3 with CH101, "that is all Roger."

4                   **VIOLATIONS OF THE REAL ESTATE LAW – CAUSES FOR DISCIPLINE**

5           32.     In the course of the activities described above in Paragraph 5, and based on the facts  
6 discovered by the DRE, as alleged in Paragraphs 6 through 31 above, Respondents acted in  
7 violation of the Code and Regulations as follows.

8           **First Cause of Accusation: Fraudulent Breach of Fiduciary Duties through Concealment**

9           33.     The Complainant realleges and incorporates by reference all of the allegations in  
10 paragraphs 1 through 32 above, with the same force and effect as though fully set forth herein.

11           34.     At all relevant times herein, while acting as real estate broker and agent of C.W. and  
12 M.W., CTCLG and HERRICK owed C.W. and M.W. fiduciary duties, including, but not limited to  
13 the following: duty of reasonable care and skill; duty of good faith; duty of loyalty; duty of  
14 diligence; duty to avoid conflicts of interest; duty of fullest disclosure of all material facts affecting  
15 C.W.'s and M.W.'s rights and interest; duty not to use or deal with C.W.'s and M.W.'s properties  
16 and trust funds for any other purpose unconnected with the Lease Agreement and Improvement  
17 Agreement; and duty to manage C.W.'s and M.W.'s properties, trust funds, and loan proceeds  
18 solely in the interest of C.W. and M.W.

19           35.     In the course of the activities described above in Paragraph 5, and based on the facts  
20 discovered by the DRE, as alleged in Paragraphs 6 through 31 above, CTCLG's and HERRICK's  
21 acts and/or omissions constitute fraudulent breaches of their fiduciary duties, and constitute cause  
22 for the suspension or revocation of CTCLG's and HERRICK's real estate licenses and license  
23 rights under the provisions of **Code sections 10177(d) and/or 10177(g).**

24           **Second Cause of Accusation: Code Sections 10176(a), 10176(i), 10177(j), and 10177(d) and/or**  
25 **10177(g) – Fraud or Dishonest Dealing**

26           36.     The Complainant realleges and incorporates by reference all of the allegations in  
27 paragraphs 1 through 35 above, with the same force and effect as though fully set forth herein.

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1           37. As a result of CTCLG and HERRICK having created and established a real estate  
2 agency relationship with C.W. and M.W., CTCLG and HERRICK owed fiduciary duties to C.W.  
3 and M.W., and by virtue of C.W. and M.W. having placed confidence in the fidelity and integrity  
4 of CTCLG and HERRICK in entrusting CTCLG and HERRICK to originate C.W.'s and M.W.'s  
5 loans, negotiate a Lease Agreement, Improvement Agreement, and Purchase Agreement, and  
6 amendments and addendums, with CH101, a confidential relationship existed at all times herein  
7 mentioned between C.W. and M.W. and CTCLG and HERRICK.

8           38. Complainant is informed and believes and on such information and belief alleges  
9 that, despite having voluntarily accepted the trust and confidence reposed in them by C.W. and  
10 M.W. with regard to the loans, Lease Agreement, Improvement Agreement, and Purchase  
11 Agreement, and in violation of this relationship of trust and confidence, CTCLG and HERRICK  
12 abused the trust and confidence of C.W. and M.W.

13           39. Complainant is informed and believes and on such information and belief alleges  
14 that CTCLG and HERRICK did the acts herein alleged with the intent to deceive and defraud C.W.  
15 and M.W., and CTCLG and HERRICK employed the aforementioned devices of withholding  
16 information in order to conceal fraud and dishonest dealing from C.W. and M.W., and to avoid  
17 accountability for violations of the Real Estate Law.

18           40. CTCLG and HERRICK did these acts with the intent to induce reliance by C.W. and  
19 M.W. in the continuing fidelity of CTCLG and HERRICK as C.W.'s and M.W.'s real estate  
20 broker, agent, and fiduciary.

21           41. Complainant is informed and believes and on such information and belief alleges  
22 that C.W. and M.W. in fact placed confidence and reliance in CTCLG and HERRICK. C.W. and  
23 M.W. reasonably relied on CTCLG and HERRICK in light of the fiduciary relationship created by  
24 CTCLG and HERRICK.

25           42. In the course of the activities described above in Paragraph 5, and based on the facts  
26 discovered by the DRE, as alleged in Paragraphs 6 through 31 above, CTCLG's and HERRICK's  
27 acts and/or omissions were in violation of **Code sections 10176(a) (substantial**  
28 **misrepresentation), 10176(i) (fraud or dishonest dealing), 10177(j) (fraud or dishonest**

1 **dealing), and 10177(d) (willful disregard of real estate laws) and/or 10177(g) (negligence), and**  
2 **constitute cause for the suspension or revocation of CTCLG's and HERRICK's real estate licenses**  
3 **and license rights under the provisions of Code sections 10176(a), 10176(i), 10177(j), and**  
4 **10177(d) and/or 10177(g).**

5 **Third Cause of Accusation: Code Sections 10166.05(c), 10166.051(b), 10176(g) and 10240 –**  
6 **Failure to Provide Timely and Complete Disclosure Statement Signed by Broker**

7 43. The Complainant realleges and incorporates by reference all of the allegations in  
8 paragraphs 1 through 42 above, with the same force and effect as though fully set forth herein.

9 44. Respondents' acts and/or omissions in failing to timely provide documents that  
10 correctly disclosed to the borrower all broker compensation related to the First and Second Loan  
11 transactions, and an MLDS personally signed by the broker related to the First and Second Loan  
12 transactions, as described above in paragraphs 18 and 23(d) are in violation of Code sections  
13 **10166.05(c), 10166.051(b), 10176(g) and 10240**, and constitute cause to suspend or revoke the real  
14 estate licenses and license rights of Respondents CTCLG and HERRICK pursuant to Code  
15 **sections 10176(g), and 10177(d) and/or 10177(g).**

16 45. Respondents' acts and/or omissions in violation of Code sections **10166.05(c) and**  
17 **10166.051(b)** constitute cause for the suspension or revocation of the MLO license endorsements  
18 of Respondents CTCLG and HERRICK pursuant to Code section **10166.051(b)** by establishing  
19 Respondents' failure to demonstrate such financial responsibility, character and general fitness as  
20 to command the confidence of the community and to warrant a determination that as mortgage loan  
21 originators Respondents will operate honestly, fairly, and efficiently within the purposes of Article  
22 2.1 of the Real Estate Law.

23 **Fourth Cause of Accusation: Code Sections 10166.05(c), 10166.051(b), 10177(g), and Civil**  
24 **Code Section 2923.1**

25 46. The Complainant realleges and incorporates by reference all of the allegations in  
26 paragraphs 1 through 45 above, with the same force and effect as though fully set forth herein.

27 47. Respondents' acts and/or omissions in providing a form titled "Mortgage Loan  
28 Origination Agreement," signed by the borrower, in which CTCLG and HERRICK stated, "We are

1 acting as an independent contractor and not as your agent,” related to the First and Second Loan  
2 transactions, as described above in paragraphs 16(a), and 23(b), are in violation of **Code sections**  
3 **10166.05(c), 10166.051(b), 10177(q), and Civil Code section 2923.1**, and constitute cause to  
4 suspend or revoke the real estate licenses and license rights of Respondents CTCLG and  
5 HERRICK pursuant to **Code sections 10177(q), and 10177(d) and/or 10177(g)**.

6 48. Respondents’ acts and/or omissions in violation of **Code sections 10166.05(c) and**  
7 **10166.051(b)** constitute cause for the suspension or revocation of the MLO license endorsements  
8 of Respondents CTCLG and HERRICK pursuant to **Code section 10166.051(b)** by establishing  
9 Respondents’ failure to demonstrate such financial responsibility, character and general fitness as  
10 to command the confidence of the community and to warrant a determination that as mortgage loan  
11 originators Respondents will operate honestly, fairly, and efficiently within the purposes of Article  
12 2.1 of the Real Estate Law.

#### 13 **INVESTIGATION AND ENFORCEMENT COSTS**

14 49. Code Section 10106 provides that in any order issued in resolution of a disciplinary  
15 proceeding before the DRE of Real Estate, the Commissioner may request the administrative law  
16 judge to direct a licensee found to have committed a violation of this part to pay a sum not to  
17 exceed the reasonable costs of the investigation and enforcement of the case.

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1           WHEREFORE, Complainant prays that a hearing be conducted on the allegations of  
2 this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action  
3 against all the licenses, license rights, and mortgage loan originator endorsements of Respondents  
4 COAST TO COAST LENDING GROUP, INC. and ROGER WEEGER HERRICK under the Real  
5 Estate Law, for the costs of investigation and enforcement as permitted by law, and for such other  
6 and further relief as may be proper under other applicable provisions of law.  
7

8 Dated at Sacramento, California this 31<sup>st</sup> day of May, 2022.  
9

10 

11 \_\_\_\_\_  
12 Ruth Corral  
Supervising Special Investigator

13 cc: COAST TO COAST LENDING GROUP, INC.  
14 ROGER WEEGER HERRICK  
15 Ruth Corral  
16 Sacto.  
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