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FILED

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DEPARTMENT OF REAL ESTATE
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DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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

The Commissioner ("Commissioner") of the California Department of Real Estate ("Department") caused an investigation to be made of the activities of PRIDE FINANCIAL GROUP, DEREK JOHN GIBBONS, as designated officer of Pride Financial Group, GREENLIGHT FINANCIAL SERVICES, and JENNIFER KENNEDY, and has determined that each of them engaged in or is engaging in acts or practices constituting violations of the California Business and Professions Code ("Code") and/or Title 10, California Code of Regulations ("Regulations"). PRIDE FINANCIAL GROUP, DEREK JOHN GIBBONS, GREENLIGHT FINANCIAL SERVICES, and JENNIFER KENNEDY engaged in the business of, acted in the capacity of, advertised, or assumed to act, as real estate brokers in the State of 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

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

FINDINGS OF FACT

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

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

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

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

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

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

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

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

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

CONCLUSIONS OF LAW

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

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

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

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

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

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

DESIST AND REFRAIN ORDER

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

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

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

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

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

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

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

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

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

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

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

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

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

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

DATED: 3/24/2011

JEFF DAVI
Real Estate Commissioner

Notice: Business and Professions Code Section 10139 provides that "Any person acting as a real estate broker or real estate salesperson without a license or who advertises using words indicating that he or she is a real estate broker without being so licensed shall be guilty of a 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)."

cc:

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