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DEPARTMENT OF REAL ESTATE
BY: Lucille Valencia

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation of	)	
	)	No. H-37204 LA
BRIAN CHARLES PETTERSON,	)	
	)	
Respondent	)	

DEFAULT DECISION

This Decision is being issued in accordance with the provisions of Section 11520 of the Government Code, on evidence of compliance with Section 11505 of the Government Code and pursuant to the Order of Default filed on November 2, 2011, and the findings of fact set forth herein are based on one or more of the following: (1) Respondents' express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

1.

On or about April 13, 2011, Maria Suarez made the Accusation in her official capacity as a Deputy Real Estate Commissioner of the State of California.

a) On April 14, 2011, the Accusation, Statement to Respondent, and Notice of Defense were mailed, by certified mail, return receipt requested, to Respondent BRIAN CHARLES PETTERSON ("Respondent") at his last known mailing addresses on file with the Department of Real Estate ("Department") at 1651 East Fourth St., Santa Ana, CA 92710 and at 513 E. 1st Street, Suite B, Tustin, CA 92780. Both of these mailings were returned by the post-office marked as undeliverable and unable to forward.

b) On August 4, 2011, additional mailings of the Accusation, Statement to Respondent, and Notice of Defense were mailed, regular mail, to at additional addresses provided to the Department in correspondence: 23016 Lake Forest Dr., Ste A, Laguna Hills, CA 92653 and 511 E. 1st Street, Ste G, Tustin, CA 92780. Neither of these mailings was returned by the post office as otherwise undeliverable.

c) No Notice of Defense has been received from Respondent. Respondent's Default was entered on November 2, 2011.

2.

At all times mentioned herein Respondent was and now is licensed, by the State of California Department of Real Estate ("Department"), and/or has license rights, as a real estate salesperson.

3.

Respondent was fist licensed by the Department as a real estate salesperson on or about December 31, 2002. Between April 23, 2008 and March 29, 2009, Respondent was licensed as a salesperson authorized to engage in real estate activities under the supervision of Frederick Younan. His license expired on March 14, 2011, and he retains renewal rights pursuant to Code Section 10201, and the Department retains jurisdiction pursuant to Code Section 10103.

4.

The Solutions Center (sometimes referred to as The Solution Center[1]), is not now and has never been licensed by the Department in any capacity.

5.

Newport Funding LLC is not now and has never been licensed by the Department in any capacity.

6.

The Mortgage Solutions Center is not now and has never been licensed by the Department in any capacity.

7.

On or about July 8, 2008, Respondent filed a fictitious business name statement in Orange County indicating that he was doing business as The Solutions Center, with a principal place of business of 511 East First St., Suite G, Tustin, California 92780. In the statement, Respondent indicated that he began doing business as The Solutions Center on or about June 23, 2008.

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[1]Respondent alternately used the names "The Solutions Center" and "The Solution Center". Therefore, all references herein to "The Solutions Center," include instances where Respondent used the name "The Solution Center."

8.

On or about March 18, 2008, Respondent filed a fictitious business name statement in Orange County indicating that he was doing business as Mortgage Solutions Center, with a principal place of business of 511 East First St., Suite G, Tustin, California 92780. In the statement, Respondent indicated that he began doing business as Mortgage Solutions Center on or about February 1, 2008.

9.

All further references to "Respondent" include BRIAN CHARLES PETTERSON, and his fictitious business names described in Paragraphs 1-8, as well as his agents, employees and/or independent contractors.

10.

Between on or about February 1, 2008 and April 15, 2009, Respondent, doing business as The Solutions Center, and doing business as The Mortgage Solutions Center, at times in association with other unlicensed entities including, but not limited to, Newport Funding LLC (hereafter referred to as "the related entities"), engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate broker within the meaning of Sections 10131(d) and 10131.2 of the California Business and Professions Code (the Code), for or in expectation of compensation. Respondent solicited and/or performed services for borrowers in connection with loans secured directly or collaterally by liens on real property, for or in expectation of compensation and claimed, demanded, charged, received, collected or contracted for an advance fee for such services.

11.

On or about July 23, 2008, Respondent entered into a "Branch Ownership Agreement" with Gary Di Girolamo, an officer of Newport Funding LLC. The agreement called for sharing compensation and resources to operate a loss mitigation business.

12.

In around October of 2008, Respondent, doing business as The Solutions Center, in association with Newport Funding LLC, offered loan mitigation services to borrower Sergio Anaya Montec to assist him in negotiating a loan modification for loans secured by real property located at 32001 Paseo Carolina, San Juan Capistrano, CA 92675. According to Respondent's records, on or about October 27 and October 28, 2008, Respondent collected two payments totaling $1,600.00 as advance fees for loan mitigation services from this borrower.

13.

On or about October 16, 2008, Respondent, in association with related entity Newport Funding LLC, offered loan mitigation services to borrower Victor Fernandez, to assist him in

negotiating a loan modification for loans secured by real property located at 30844 Calle Chueca, San Juan Capistrano, CA 92675. Respondent collected in excess of $2,750.00 as advance fees for loan mitigation services from this borrower.

14.

As of April 13, 2009, Respondent, doing business as The Solution Center and in concert with agents and affiliates, had collected advance fees for loan modification services from approximately 587 borrowers, of which approximately 399 of the files were active at that time. Examples of borrowers from whom Respondent and/or his affiliates collected advance fees include Lucy Madrid, from whom Respondent and/or his affiliates collected $2,000.00; Santiago Torres, from whom Respondent and/or his affiliates collected $4,350.00; and Martin Sandoval, from whom Respondent and/or his affiliates collected $1,250.00.

15.

At all times mentioned herein, Respondent was engaged in conduct requiring that he be licensed as a real estate broker or as a salesperson employed by a broker. Respondent was licensed as a salesperson, but was acting outside the scope and supervision of his employment with his employing broker of record, Frederick Younan. He was therefore acting in an unlicensed capacity, and was accepting compensation for activities requiring a real estate license from someone other than his employing broker of record.

DETERMINATION OF ISSUES

1.

The standard of proof applied was clear and convincing proof to a reasonable certainty.

2.

Respondent's conduct of unlicensed activity and acceptance of compensation from others who were not his employing broker of record, as set forth above, constitutes grounds to revoke or suspend Respondent's real estate license and license rights pursuant to Code Sections 10130, 10137 and 10177(d).

3.

Respondent's conduct in establishing businesses and entering into contracts with other unlicensed individuals and entities in order to engage in activities requiring a real estate broker license without such license, and setting up business enterprises in which fees were collected from distressed borrowers in advance of any services performed, constitutes dishonest dealing and is grounds to revoke or suspend Respondent's license or license rights pursuant to Code Section 10177(j).

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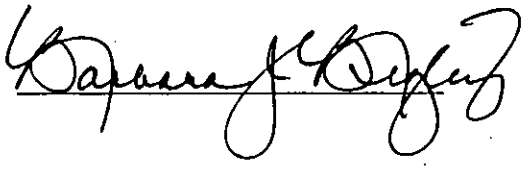
ORDER

All licenses and license rights of Respondent BRIAN CHARLES PETTERSON under the provisions of Part I of Division 4 of the Business and Professions Code are revoked.

This Decision shall become effective at 12 o'clock noon on JAN - 9 2012.

DATED: 12/13/11.

BARBARA J. BIGBY
Acting Real Estate Commissioner



Department of Real Estate
320 West Fourth Street, Suite 350
Los Angeles, CA 90013

(213) 576-6982

FILED

NOV 02 2011

DEPARTMENT OF REAL ESTATE
BY: Laura B. Olson

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of BRIAN CHARLES PETTERSON, Respondent.	NO. H-37204 LA DEFAULT ORDER

Respondent BRIAN CHARLES PETTERSON, having failed to file a Notice of Defense within the time required by Section 11506 of the Government Code, is now in default. It is, therefore, ordered that a default be entered on the record in this matter.

IT IS SO ORDERED November 2, 2011.

BARBARA J. BIGBY
Acting Real Estate Commissioner

By: Phillip Ihde
PHILLIP IHDE
Regional Manager

MARTHA J. ROSETT, Counsel (SBN 142072)
Department of Real Estate
320 W. 4th St., Suite 350
Los Angeles, CA 90013
Telephone: (213) 620-6430

FILED

APR 14 2011

DEPARTMENT OF REAL ESTATE
BY: Laura B. Olson

BEFORE THE

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of BRIAN CHARLES PETTERSON, Respondent.	No. H-37204 LA ACCUSATION

The Complainant, Maria Suarez, a Deputy Real Estate Commissioner of the State of California, for Accusation against BRIAN CHARLES PETTERSON, doing business as The Solutions Center, and doing business as Mortgage Solutions Center, ("Respondent"), is informed and alleges as follows:

1.

The Complainant makes this Accusation in her official capacity.

2.

At all times mentioned herein Respondent was and now is licensed, by the State of California Department of Real Estate ("Department"), and/or has license rights, as a real estate salesperson.

3.

Respondent was fist licensed by the Department as a real estate salesperson on or about December 31, 2002. Between April 23, 2008 and March 29, 2009, Respondent was

licensed as a salesperson authorized to engaged in real estate activities under the supervision of Frederick Younan. His license expired on March 14, 2011, and he retains renewal rights pursuant to Code Section 10201, and the Department retains jurisdiction pursuant to Code Section 10103.

4.

The Solutions Center (sometimes referred to as The Solution Center[1]), is not now and has never been licensed by the Department in any capacity.

5.

Newport Funding LLC is not now and has never been licensed by the Department in any capacity.

6.

The Mortgage Solutions Center is not now and has never been licensed by the Department in any capacity.

7.

On or about July 8, 2008, Respondent filed a fictitious business name statement in Orange County indicating that he was doing business as The Solutions Center, with a principal place of business of 511 East First St., Suite G, Tustin, California 92780. In the statement, Respondent indicated that he began doing business as The Solutions Center on or about June 23, 2008.

8.

On or about March 18, 2008, Respondent filed a fictitious business name statement in Orange County indicating that he was doing business as Mortgage Solutions Center, with a principal place of business of 511 East First St., Suite G, Tustin, California

[1]Respondent alternately used the names "The Solutions Center" and "The Solution Center". Therefore, all references herein to "The Solutions Center," include instances where Respondent used the name "The Solution Center."

92780. In the statement, Respondent indicated that he began doing business as Mortgage Solutions Center on or about February 1, 2008.

9.

All further references to "Respondent" include BRIAN CHARLES PETTERSON, and his fictitious business names described in Paragraphs 1-8, as well as his agents, employees and/or independent contractors.

10.

Between on or about February 1, 2008 and April 15, 2009, Respondent, doing business as The Solutions Center, and doing business as The Mortgage Solutions Center, at times in association with other unlicensed entities including, but not limited to, Newport Funding LLC (hereafter referred to as "the related entities"), engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate broker within the meaning of Sections 10131(d) and 10131.2 of the California Business and Professions Code (the Code), for or in expectation of compensation. Respondent solicited and/or performed services for borrowers in connection with loans secured directly or collaterally by liens on real property, for or in expectation of compensation and claimed, demanded, charged, received, collected or contracted for an advance fee for such services.

11.

On or about July 23, 2008, Respondent entered into a "Branch Ownership Agreement" with Gary Di Girolamo, an officer of Newport Funding LLC. The agreement called for sharing compensation and resources to operate a loss mitigation business.

12.

In around October of 2008, Respondent, doing business as The Solutions Center, in association with Newport Funding LLC, offered loan mitigation services to borrower Sergio A. to assist him in negotiating a loan modification for a loan or loans secured by real property located at 32001 Paseo Carolina, San Juan Capistrano, CA 92675. According to

Respondent's records, on or about October 27 and October 28, 2008, Respondent collected two payments totaling $1,600.00 as advance fees for loan mitigation services from this borrower.

13.

On or about October 16, 2008, Respondent, in association with related entity Newport Funding LLC, offered loan mitigation services to borrower Victor F. to assist him in negotiating a loan modification for a loan or loans secured by real property located at 30844 Calle Chueca, San Juan Capistrano, CA 92675. Respondent collected in excess of $2,750.00 as advance fees for loan mitigation services from this borrower.

14.

Beginning at a time prior to October 24, 2008, Respondent, doing business as The Solutions Center, in association with Newport Funding LLC, offered loan mitigation services to borrower Lucy M. to assist her in negotiating loan modifications for loans secured by real property located at 23141 Cherry Ave. #4, Lake Forest, CA 92630 and property located at 24962 Southport St., Laguna Hills, CA 92653. On or about October 24, 2008, Respondent collected $2,000.00 from borrower Lucy M. as advance fees for loan mitigation services.

15.

Beginning at a time prior to October 27, 2008, Respondent, doing business as The Solutions Center, offered loan mitigation services to borrower Santiago T. in negotiating loan modifications for loans secured by three properties he owned in Orange County, California. On or about October 27, 2008, Respondent collected $2,900.00 and on January 23, 2009, Respondent collected $1, 450.00 from borrower Santiago T. as advance fees for loan mitigation services.

16.

On or about August 14, 2008, borrowers Martin S. and Elvis S. entered into a loan modification agreement with Respondent, doing business as The Solutions Center. Pursuant to the agreement, Respondent, through agents of The Solutions Center and an affiliated business, would negotiate with lenders to modify the terms of loans securing real

property located at 11712 Hunnewell Avenue, Sylmar, CA in exchange for payment of an advance fee. On or about September 9, 2008, Respondent collected $1,250.00 from the borrowers as an advance fee for loan mitigation services.

17.

Respondent failed to submit to the Department any materials used in the advance fee agreements in the transactions described above, including but not limited to the contract form, any letters or cards used to solicit prospective sellers, and radio and television advertising, at least 10 calendar days before it was used in obtaining said advance fee agreement.

18.

At all times mentioned herein, Respondent was engaged in conduct requiring that he be licensed as a real estate broker or as a salesperson employed by a broker. Respondent was licensed as a salesperson, but was acting outside the scope and supervision of his employment with his employing broker of record, Frederick Younan. He was therefore acting in an unlicensed capacity, and was accepting compensation for activities requiring a real estate license from someone other than his employing broker of record.

19.

Respondent's conduct of unlicensed activity and acceptance of compensation from others who were not his employing broker of record, as set forth above, constitutes grounds to revoke or suspend Respondent's real estate license and license rights pursuant to Code Sections 10130, 10137 and 10177(d).

20.

Respondent's conduct in establishing businesses and entering into contracts with other unlicensed individuals and entities in order to engage in activities requiring a real estate broker license without such license, and setting up business enterprises in which fees were collected from distressed borrowers in advance of any services performed, constitutes dishonest dealing and is grounds to revoke or suspend Respondent's license or license rights pursuant to Code Section 10177(j).

WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof a decision be rendered imposing disciplinary action against all licenses and license rights of Respondent BRIAN CHARLES PETTERSON under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Los Angeles, California, this 13th day of April, 2011.

MARIA SUAREZ
Deputy Real Estate Commissioner

cc: Brian Charles Petterson
Maria Suarez
Sacto.