

FILED  
JUN - 2 2011

DEPARTMENT OF REAL ESTATE

By *[Signature]*

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of

No. H-3936 SD

JAMES EARL COURTNEY,  
TINA MARIE MEDUGNO,  
YOUR MORTGAGE STORE, INC.,  
a California Corporation and  
YOUR REAL ESTATE STORE, INC.,  
a California Corporation,

Respondents.

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSE

On April 17, 2009, an Accusation was filed in the above-entitled matter.

On March 1, 2011, Respondent TINA MARIE MEDUGNO petitioned the Commissioner to voluntarily surrender her real estate salesperson license pursuant to Section 10100.2 of the Business and Professions Code.

IT IS HEREBY ORDERED that Respondent TINA MARIE MEDUGNO's petition for voluntary surrender of her real estate salesperson license is accepted as of the effective date of this Order as set forth below, based upon the understanding and agreement expressed in the Declaration executed by Respondent TINA MARIE MEDUGNO on March 1, 2011 (attached as Exhibit "A" hereto).

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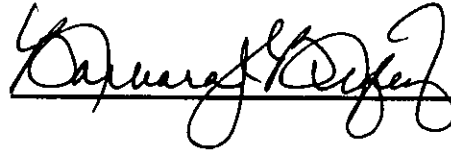
1 Respondent TINA MARIE MEDUGNO's license certificate and pocket card shall  
2 be sent to the address listed below so that they reach the Department on or before the effective  
3 date of this Order:

4 Department of Real Estate  
5 Atten: Licensing Flag Section  
6 P.O. Box 187000  
7 Sacramento, CA 95818-7000

8 This Order shall become effective at 12 o'clock noon on  
9 **JUN 23 2011**

10 DATED: 5/23/11

11 BARBARA J. BIGBY  
12 Acting Real Estate Commissioner

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BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

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In the Matter of the Accusation of

JAMES EARL COURTNEY,  
TINA MARIE MEDUGNO,  
YOUR MORTGAGE STORE, INC.,  
a California Corporation and  
YOUR REAL ESTATE STORE, INC.,  
a California Corporation,

Respondents.

No. H-3936 SD

OAH No. 2009050801

Voluntary Surrender Petition as  
to Tina Marie Medugno only.

DECLARATION

My name is TINA MARIE MEDUGNO, and I am currently licensed as a real estate salesperson and/or have license rights with respect to said license.

In lieu of proceeding in this matter in accordance with the provisions of the Administrative Procedure Act (Sections 11400 et seq., of the Government Code), I wish to voluntarily surrender my real estate license(s) issued by the Department of Real Estate ("Department"), pursuant to Business and Professions Code Section 10100.2.

I understand that by voluntarily surrendering my license(s), I may be relicensed as a broker or as a salesperson only by petitioning for reinstatement pursuant to Section 11522 of the Government Code. I also understand that by voluntarily surrendering my license(s), I agree to the following:

- 1 -



1           1. The filing of this Declaration shall be deemed as my petition for voluntary  
2       surrender.

3           2. It shall also be deemed to be an understanding and agreement by me that I  
4       waive all rights I have to require the Commissioner to prove the allegations contained in the  
5       Accusation filed in this matter at a hearing held in accordance with the provisions of the  
6       Administrative Procedure Act (Government Code Sections 11400 et seq.), and that I also waive  
7       other rights afforded to me in connection with the hearing such as the right to discovery, the right  
8       to present evidence in defense of the allegations in the Accusation and the right to cross-examine  
9       witnesses.

10          3. I further agree that upon acceptance by the Commissioner, as evidenced by an  
11       appropriate order, all affidavits and all relevant evidence obtained by the Department in this  
12       matter prior to the Commissioner's acceptance, and all allegations contained in the Accusation  
13       filed in the Department Case No. H-3936 SD, may be considered by the Department to be true  
14       and correct for the purpose of deciding whether to grant relicensure or reinstatement pursuant to  
15       Government Code Section 11522.

16          4. I stipulate that the Commissioner may file and serve upon me, and that I agree  
17       to be subject to, an Order of Debarment pursuant to Business & Professions Code section 10087,  
18       barring me for a period of 24 months from any position of employment, management, or control  
19       in any business activity involving real estate that is subject to regulation under Division 4 of the  
20       Business & Professions Code (beginning with section 10000); from participating in any business  
21       activity of a real estate salesperson or a real estate broker; from engaging in any real estate-  
22       related business activity on the premises where a real estate salesperson or real estate broker is  
23       conducting business; and from participating in any real estate-related business activity of a  
24       finance lender, residential mortgage lender, bank, credit union, escrow company, title company,  
25       or underwritten title company.

26          5. I further stipulate that I will pay to the Department the sum of \$13,002.98  
27       prior to the relicensure or reinstatement of my real estate license.

1                   6. I freely and voluntarily surrender all my license(s) and license rights under the  
2 Real Estate Law.

3                   I declare under penalty of perjury under the laws of the State of California that the  
4 above is true and correct and that this declaration was executed March 1, 2011, at  
5 2011, California.

6  
7                   Mar 1, 2011 San Diego Tina Marie Medugno  
8                   Date and Place            TM                   TINA MARIE MEDUGNO

FILED  
JUN - 2 2011

DEPARTMENT OF REAL ESTATE

*[Signature]*

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

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In the Matter of the Accusation of )

JAMES EARL COURTNEY, )  
TINA MARIE MEDUGNO, )  
YOUR MORTGAGE STORE, INC., )  
a California Corporation and )  
YOUR REAL ESTATE STORE, INC., )  
a California Corporation, )  
Respondents. )

No. H-3936 SD

OAH No. 2009050801

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 March 28, 2011, and the findings of fact set forth herein, which are based on one or more of the following: (1) Respondents' express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

1

On April 17, 2009, Joseph Aiu filed the Accusation in his official capacity as a Deputy Real Estate Commissioner of the State of California. The Accusation, Statement to Respondent, and Notice of Defense were mailed, by certified mail, return receipt requested, to Respondents' last known mailing address on file with the Department on April 17, 2009.

On March 28, 2011, no Notice of Defense having been received or filed herein within the time prescribed by Section 11506 of the Government Code, Respondents' default was entered herein.

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2

Respondents YOUR MORTGAGE STORE, INC. (hereinafter "YMS") and YOUR REAL ESTATE STORE, INC. (hereinafter "YRES") (collectively referred to as "Respondents") are presently licensed and/or have license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereinafter "the Code").

3

At all times herein mentioned, Respondents were licensed by the Department of Real Estate (hereinafter "the Department") as a corporate real estate broker.

4

At all times mentioned herein Respondents engaged in the business of, acted in the capacity of, advertised or assumed to act as a real estate broker in the State of California within the meaning of:

(a) Section 10131(a) of the Code, including the operation and conduct of a real estate resale brokerage with the public wherein, on behalf of others, for compensation or in expectation of compensation, Respondents sold and offered to sell, bought and offered to buy, solicited prospective sellers and purchasers of, solicited and obtained listings of, and negotiated the purchase and resale of real property; and,

(b) Section 10131(d) of the Code, including the operation and conduct of a mortgage loan brokerage business with the public wherein Respondents solicited lenders and borrowers for loans secured directly or collaterally by liens on real property or a business opportunity, and wherein such loans were arranged, negotiated, processed, and consummated by Respondent on behalf of others for compensation or in expectation of a compensation.

5

At all times mentioned herein, Respondents employed and/or compensated Tina Medugno (who was licensed by the Department as a real estate salesperson) to conduct the acts and perform the activities described in Paragraph 4, above.

6

Between approximately May 1, 2006 and June 30, 2006, Tina Medugno, acting without the knowledge and consent of Brooklyn Bridgett Huffman (herein "Huffman"), solicited and obtained a written agreement for Huffman's purchase of residential real property located at 24080 Safiro Court, Wildomar, California, the purchase price of said real property being \$600,000.

At all times mentioned herein, Respondent YRES compensated Tina Medugno to perform the services described above in Paragraph 6.

Between approximately May 1, 2006 and June 30, 2006, as an agent for Respondent YMS, Tina Medugno, acting without the knowledge and consent of Huffman, solicited and obtained first and second mortgage loans for \$488,000 and \$122,000 from Master Financial Incorporated to finance Huffman's purchase of real property at 24066 Safiro Court, Wildomar, California, by representing, contrary to fact, that the property would be the primary residence of Huffman. In addition, Tina Medugno failed to disclose that Huffman had or was in the process of purchasing additional properties and materially inflated Huffman's income. The lender made the loans in reliance on the false representations and in ignorance of facts concealed.

At all times mentioned herein, Respondent YMS compensated Tina Medugno to perform the services described above in Paragraph 8.

The acts and/or omissions of Respondents as alleged above constitute cause for the suspension or revocation of the licenses and license rights of Respondents pursuant to Sections 10137 and 10177(g) of the Code.

#### DETERMINATION OF ISSUES

The findings above are grounds for the suspension or revocation of the licenses and license rights of Respondents pursuant to Sections 10137 (real estate salesperson shall not be employed by or accept compensation from any person other than the broker under whom she or he is at the time licensed) and 10177(g) (demonstrate negligence or incompetence in performing an act for which he or she is required to hold a license) of the Code.

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

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ORDER

All licenses and licensing rights of Respondents YOUR MORTGAGE STORE, INC. and YOUR REAL ESTATE STORE, INC. 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  
JUN 23 2011

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

5/23/11

BARBARA J. BIGBY  
Acting Real Estate Commissioner



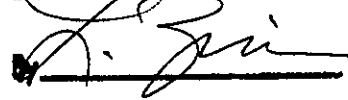
1 Department of Real Estate  
2 P. O. Box 187007  
3 Sacramento, CA 95818-7007

4 Telephone: (916) 227-0789

FILED

MAR 28 2011

DEPARTMENT OF REAL ESTATE



7 BEFORE THE DEPARTMENT OF REAL ESTATE  
8 STATE OF CALIFORNIA

9 \* \* \*

10 In the Matter of the Accusation of

11 JAMES EARL COURTNEY,  
12 TINA MARIE MEDUGNO,  
13 YOUR MORTGAGE STORE, INC.,  
14 a California Corporation and  
15 YOUR REAL ESTATE STORE, INC.,  
16 a California Corporation,

Respondents.

No. H-3936 SD

OAH No. 2009050801

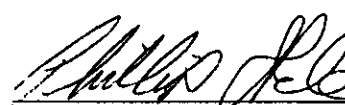
DEFAULT ORDER

17 Respondents, YOUR MORTGAGE STORE, INC. and YOUR REAL ESTATE  
18 STORE, INC., having failed to file a Notice of Defense within the time required by Section  
19 11506 of the Government Code, is now in default. It is, therefore, ordered that a default be  
20 entered on the record in this matter.

21 IT IS SO ORDERED March 22, 2011

22 JEFF DAVI  
23 Real Estate Commissioner

24  
25 By:



26 PHILLIP IHDE  
27 Northern Area Regional Manager

1 DEPARTMENT OF REAL ESTATE  
2 P. O. Box 187007  
3 Sacramento, CA 95818-7007

4 Telephone: (916) 227-0789

FILED

APR 22 2011

DEPARTMENT OF REAL ESTATE

By *[Signature]*

8 BEFORE THE DEPARTMENT OF REAL ESTATE  
9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of

12 JAMES EARL COURTNEY,  
13 TINA MARIE MEDUGNO,  
14 YOUR MORTGAGE STORE, INC.,  
15 a California Corporation and  
16 YOUR REAL ESTATE STORE, INC.,  
17 a California Corporation,

Respondents.

No. H-3936 SD

OAH No. 2009050801

STIPULATION AND AGREEMENT  
AS TO JAMES EARL COURTNEY  
ONLY

18 It is hereby stipulated by and between Respondent JAMES EARL COURTNEY  
19 (hereinafter referred to as "Respondent") and his attorney, Frank M. Buda, and the  
20 Complainant, acting by and through Angela L. Cash, Counsel for the Department of Real  
21 Estate, as follows for the purpose of settling and disposing of the Accusation filed on April 17,  
22 2009, in this matter (hereinafter "the Accusation"):

23 1. All issues which were to be contested and all evidence which was to be  
24 presented by Complainant and Respondent at a formal hearing on the Accusation, which  
25 hearing was to be held in accordance with the provisions of the Administrative Procedure Act  
26 (hereinafter "APA"), shall instead and in place thereof be submitted solely on the basis of the  
27 provisions of this Stipulation and Agreement.

H-3936 SD

JAMES EARL COURTNEY

1                   2.   Respondent has received, read and understands the Statement to  
2 Respondent, the Discovery Provisions of the APA and the Accusation filed by the Department  
3 of Real Estate in this proceeding.

4                   3.   On April 23, 2009, Respondent filed a Notice of Defense pursuant to  
5 Section 11505 of the Government Code for the purpose of requesting a hearing on the  
6 allegations in the Accusation. Respondent hereby freely and voluntarily withdraws said Notice  
7 of Defense. Respondent acknowledges that Respondent understands that by withdrawing said  
8 Notice of Defense, Respondent will thereby waive Respondent's right to require the  
9 Commissioner to prove the allegations in the Accusation at a contested hearing held in  
10 accordance with the provisions of the APA and that Respondent will waive other rights  
11 afforded to Respondent in connection with the hearing such as the right to present evidence in  
12 defense of the allegations in the Accusation and the right to cross-examine witnesses.

13                  4.   Respondent, pursuant to the limitations set forth below, hereby admits that  
14 the factual allegations in the Accusation pertaining to Respondent are true and correct and  
15 stipulates and agrees that the Real Estate Commissioner shall not be required to provide further  
16 evidence of such allegations.

17                  5.   It is understood by the Respondent that the Real Estate Commissioner may  
18 adopt the Stipulation and Agreement as his decision in this matter, thereby imposing the penalty  
19 and sanctions on Respondent's real estate license and license rights as set forth in the "Order"  
20 below. In the event that the Commissioner in his discretion does not adopt the Stipulation and  
21 Agreement, it shall be void and of no effect, and Respondent shall retain the right to a hearing  
22 and proceeding on the Accusation under all the provisions of the APA and shall not be bound by  
23 any admission or waiver made herein.

24                  6.   This Stipulation and Agreement shall not constitute an estoppel, merger or  
25 bar to any further administrative or civil proceedings by the Department of Real Estate with  
26 respect to any matters which were not specifically alleged to be causes for accusation in this  
27 proceeding.

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JAMES EARL COURTNEY

1 of all or any part of the stayed suspension, in which event the Respondent shall not be entitled to  
2 any repayment nor credit, prorated or otherwise, for money paid to the Department under the  
3 terms of this Decision.

4 e. If Respondent pays the monetary penalty and if no further cause for  
5 disciplinary action against the real estate license of Respondent occurs within two (2) years from  
6 the effective date of the Decision herein, then the stay hereby granted shall become permanent.

7 3/28/11

8 DATED

ANGELA L. CASH

ANGELA L. CASH, Counsel  
Department of Real Estate

9 \*\*\*

11 I have read the Stipulation and Agreement and its terms are understood by me  
12 and are agreeable and acceptable to me. I understand that I am waiving rights given to me by  
13 the California Administrative Procedure Act (including but not limited to Sections 11506,  
14 11508, 11509, and 11513 of the Government Code), and I willingly, intelligently, and  
15 voluntarily waive those rights, including the right of requiring the Commissioner to prove the  
16 allegations in the Accusation at a hearing at which I would have the right to cross-examine  
17 witnesses against me and to present evidence in defense and mitigation of the charges.

18 03/21/11

19 DATED

JAMES EARL COURTNEY  
Respondent

21 I have reviewed the Stipulation and Agreement in Settlement as to form and  
22 content and have advised my client accordingly.

23 3-25-11

24 DATED

FRANK M. BUDA

FRANK M. BUDA  
Attorney for Respondent

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The foregoing Stipulation and Agreement is hereby adopted by me as my  
Decision in this matter as to Respondent JAMES EARL COURTNEY and shall become  
effective at 12 o'clock noon on MAY 13 2011

IT IS SO ORDERED 4-18-2011

JEFF DAVIS  
Real Estate Commissioner



1 ANGELA L. CASH, Counsel  
2 State Bar No. 230882  
3 Department of Real Estate  
4 P.O. Box 187007  
5 Sacramento, CA 95818-7007

6 Telephone: (916) 227-0805

FILED

APR 17 2009

DEPARTMENT OF REAL ESTATE

*[Signature]*

8 BEFORE THE DEPARTMENT OF REAL ESTATE  
9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of

12 JAMES EARL COURTNEY,  
13 TINA MARIE MEDUGNO,  
14 YOUR MORTGAGE STORE, INC.,  
15 a California Corporation and  
16 YOUR REAL ESTATE STORE, INC.,  
17 a California Corporation,

Respondents.

No. H-3936 SD

ACCUSATION

18  
19 The Complainant, JOSEPH AIU, a Deputy Real Estate Commissioner of the State  
20 of California (hereinafter "Complainant"); for cause of Accusation against JAMES EARL  
21 COURTNEY (hereinafter "COURTNEY"), TINA MARIE MEDUGNO (hereinafter  
22 "MEDUGNO"), YOUR MORTGAGE STORE, INC. (hereinafter "YMS"), a California  
23 Corporation and YOUR REAL ESTATE STORE, INC. (hereinafter "YRES"), a California  
24 Corporation (collectively referred to as "Respondents"), are informed and alleges as follows:

25 1

26 Complainant makes this Accusation in his official capacity.

27 ///



Respondents are presently licensed and/or have license rights under the Real Estate Law, Part 1 of Division 4 of the Business and Professions Code (hereinafter "Code").

At all times herein mentioned, Respondent COURTNEY was and now is licensed by the Department as a real estate broker, individually and:

(a) To and until April 7, 2008 as designated officer-broker of Respondent YRES. As said designated officer-broker, Respondent COURTNEY was at all times mentioned herein responsible pursuant to Section 10159.2 of the Code for the supervision of the activities of the officers, agents, real estate licensees and employees of Respondent YRES for which a license is required; and,

(b) To and until June 8, 2007 as designated officer-broker of Respondent YMS. As said designated officer-broker, Respondent COURTNEY was at all times mentioned herein responsible pursuant to Section 10159.2 of the Code for the supervision of the activities of the officers, agents, real estate licensees and employees of Respondent YMS for which a license is required.

At all times mentioned herein, Respondent MEDUGNO was and is licensed by the Department as a real estate salesperson.

At all times mentioned herein Respondents engaged in the business of, acted in the capacity of, advertised or assumed to act as a real estate broker in the State of California within the meaning of:

(a) Section 10131(a) of the Code, including the operation and conduct of a real estate resale brokerage with the public wherein, on behalf of others, for compensation or in expectation of compensation, Respondents sold and offered to sell, bought and offered to buy,

///

1 solicited prospective sellers and purchasers of, solicited and obtained listings of, and negotiated  
2 the purchase and resale of real property; and

3 (b) Section 10131(d) of the Code, including the operation and conduct of a  
4 mortgage loan brokerage business with the public wherein Respondents solicited lenders and  
5 borrowers for loans secured directly or collaterally by liens on real property or a business  
6 opportunity, and wherein such loans were arranged, negotiated, processed, and consummated by  
7 Respondent on behalf of others for compensation or in expectation of a compensation.

8 6

9 Whenever reference is made in a allegation in this Accusation to an act or  
10 omission of Respondents YMS and YRES, such allegation shall be deemed to mean that the  
11 officers, directors, employees, agents and/or real estate licensees employed by or associated with  
12 Respondents YMS and YRES committed such act or omission while engaged in the furtherance  
13 of the business or operations of Respondents YMS and YRES and while acting within the course  
14 and scope of their corporate authority and employment.

15 7

16 At all times mentioned herein, Respondents YMS and YRES employed and/or  
17 compensated Respondent MEDUGNO to conduct the acts and perform the activities described in  
18 Paragraph 5, above.

19 8

20 Between approximately May 1, 2006 and June 30, 2006, Respondent  
21 MEDUGNO, acting without the knowledge and consent of Brooklyn Bridgett Huffman  
22 (herein "Huffman"), solicited and obtained a written agreement for Huffman's purchase of  
23 residential real property located at 24080 Safiro Court, Wildomar, California, the purchase price  
24 of said real property being \$600,000.

25 9

26 At all times mentioned herein, Respondent YRES compensated Respondent  
27 MEDUGNO to perform the services described above in Paragraph 8.

Between approximately May 1, 2006 and June 30, 2006, as an agent for Respondent YMS, Respondent MEDUGNO, acting without the knowledge and consent of Huffman, solicited and obtained first and second mortgage loans for \$488,000 and \$122,000 from Master Financial Incorporated to finance Huffman's purchase of real property at 24066 Safiro Court, Wildomar, California, by representing, contrary to fact, that the property would be the primary residence of Huffman. In addition, Respondent MEDUGNO failed to disclose that Huffman had or was in the process of purchasing additional properties and materially inflated Huffman's income. The lender made the loans in reliance on the false representations and in ignorance of facts concealed.

At all times mentioned herein, Respondent YMS compensated Respondent MEDUGNO to perform the services described above in Paragraph 10.

At all times mentioned herein, Respondent COURTNEY failed to exercise reasonable supervision over the activities of his salespersons, and permitted, ratified and/or caused the conduct described above. Respondent COURTNEY failed to reasonably or adequately review, oversee, inspect and manage the salespersons under his employ, and/or to establish reasonable policies, rules, procedures and systems for such review, oversight, inspection and management.

The acts and/or omissions of Respondent COURTNEY violate Section 10159.2 of the Code and constitute cause for the suspension or revocation of the license and license rights of Respondent COURTNEY under Section 10177(g) and 10177(h) of the Code.

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The acts and/or omissions of Respondents YRES and YMS as alleged above constitute cause for the suspension or revocation of the licenses and license rights of Respondents YRES and YMS pursuant to Sections 10137 and 10177(g) of the Code.

The acts and omissions of Respondent MEDUGNO as alleged above constitute cause for the suspension or revocation of the license and license rights of Respondent MEDUGNO under Sections 10176(i) and/or 10177(j) of the Code, or under Section 10177(g) of the Code.

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 Respondents 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 provisions of law.

  
JOSEPH AIU  
Deputy Real Estate Commissioner

Dated at San Diego, California,  
this 10 day of April, 2009