

1 DEPARTMENT OF REAL ESTATE  
2 P. O. Box 187000  
3 Sacramento, CA 95818-7000  
4  
5 Telephone: (916) 227-0789  
6  
7

FILED  
JUN 29 2005

DEPARTMENT OF REAL ESTATE

BY R. Garner

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of ) DRE No. H-4066 SAC  
12 )  
13 WESTCOAST FUNDING SERVICES ) OAH No. N-2004120422  
14 INC., a Corporation, and )  
15 SEAN ALAN WOOD, ) STIPULATION AND AGREEMENT  
16 Respondents. )

16 It is hereby stipulated by and between Respondents  
17 WESTCOAST FUNDING SERVICES, INC. (herein "WESTCOAST") and SEAN  
18 ALAN WOOD (herein "WOOD"), individually and by and through Eric  
19 R. Garner, Esq., attorney of record herein for Respondents  
20 WESTCOAST and WOOD (herein "Respondents"), and the Complainant,  
21 acting by and through James L. Beaver, Counsel for the Department  
22 of Real Estate (herein "the Department"), as follows for the  
23 purpose of settling and disposing of the Accusation filed on  
24 August 9, 2004 in this matter (herein "the Accusation"):

25 ///

26  
27 DRE No. H-4066 SAC

WESTCOAST FUNDING SERVICES,  
INC. and SEAN ALAN WOOD

1           1. All issues which were to be contested and all  
2 evidence which was to be presented by Complainant and Respondents  
3 at a formal hearing on the Accusation, which hearing was to be  
4 held in accordance with the provisions of the Administrative  
5 Procedure Act (APA), shall instead and in place thereof be  
6 submitted solely on the basis of the provisions of this  
7 Stipulation and Agreement.

8           2. Respondents have received, read and understand the  
9 Statement to Respondent, the Discovery Provisions of the APA and  
10 the Accusation filed by the Department in this proceeding.

11           3. On August 24, 2004, Respondents filed Notices of  
12 Defense pursuant to Section 1605 of the Government Code for the  
13 purpose of requesting a hearing on the allegations in the  
14 Accusation. Respondents each hereby freely and voluntarily  
15 withdraw said Notice of Defense. Respondents acknowledge that  
16 Respondents understand that by withdrawing said Notice of Defense  
17 Respondents will thereby waive Respondents' right to require the  
18 Real Estate Commissioner (herein "the Commissioner") to prove the  
19 allegations in the Accusation at a contested hearing held in  
20 accordance with the provisions of the APA and that Respondents  
21 will waive other rights afforded to Respondents in connection  
22 with the hearing such as the right to present evidence in defense  
23 of the allegations in the Accusation and the right to cross-  
24 examine witnesses.  
25

26  
27 DRE No. H-4066 SAC

WESTCOAST FUNDING SERVICES,  
INC. and SEAN ALAN WOOD

1                   4.    Subject to the limitations set forth below,  
2 Respondents hereby admit that the factual allegations in  
3 Paragraphs I through XVII, inclusive, of the Accusation are true  
4 and correct; that, as alleged in Paragraph XVIII of the  
5 Accusation, the acts and omissions of Respondents described in  
6 Paragraphs I through XVII, inclusive, of the Accusation  
7 constitute the substantial misrepresentation of a material fact;  
8 and that the Real Estate Commissioner shall not be required to  
9 provide further evidence to prove such allegations.

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

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

27 DRE No. H-4066 SAC

WESTCOAST FUNDING SERVICES,  
INC. and SEAN ALAN WOOD

1 Agreement shall constitute an estoppel, merger and bar to any  
2 further administrative or civil proceedings by the Department  
3 with respect to any events which were specifically alleged to be  
4 causes for accusation in this proceeding.

5 DETERMINATION OF ISSUES

6 By reason of the foregoing stipulations, admissions and  
7 waivers and solely for the purpose of settlement of the pending  
8 Accusation without hearing, it is stipulated and agreed that the  
9 following Determination of Issues shall be made:

10 I

11 The acts and omissions of Respondents WESTCOAST and  
12 WOOD as described in the Accusation are grounds for the  
13 suspension or revocation of the licenses and license rights of  
14 Respondents WESTCOAST and WOOD under the provisions of Section  
15 10176(a) of the California Business and Professions Code (herein  
16 "the Code").

17  
18 ORDER

19 I

20 All licenses and licensing rights of Respondent  
21 WESTCOAST FUNDING SERVICES, INC. under the Real Estate Law are  
22 suspended for a period of one hundred (100) days from the  
23 effective date of the Decision herein; provided, however, if  
24 Respondent WESTCOAST petitions, said suspension (or a portion  
25 thereof) shall be stayed upon condition that:

26  
27 DRE No. H-4066 SAC

WESTCOAST FUNDING SERVICES,  
INC. and SEAN ALAN WOOD

1 (a) Respondent WESTCOAST pays a monetary penalty  
2 pursuant to Section 10130.2 of the Code at the rate of \$100.00  
3 for each day of the suspension for a total monetary penalty of  
4 \$10,000.00.

5 (b) Said payment shall be in the form of a cashier's  
6 check or certified check made payable to the Recovery Account of  
7 the Real Estate Fund. Said check must be received by the  
8 Department prior to the effective date of the Decision in this  
9 matter.

10 (c) If Respondent WESTCOAST fails to pay the monetary  
11 penalty in accordance with the terms and conditions of the  
12 Decision, the Commissioner may, without a hearing, vacate and set  
13 aside the stay order, and order the immediate execution of all or  
14 any part of the stayed suspension.

15 (d) No final subsequent determination be made, after  
16 hearing or upon stipulation, that cause for disciplinary action  
17 against Respondent WESTCOAST occurred within two (2) years of the  
18 effective date of the Decision herein. Should such a  
19 determination be made, the Commissioner may, in his or her  
20 discretion, vacate and set aside the stay order, and order the  
21 execution of all or any part of the stayed suspension, in which  
22 event the Respondent WESTCOAST shall not be entitled to any  
23 repayment nor credit, prorated or otherwise, for money paid to  
24 the Department under the terms of this Decision.  
25

26  
27 DRE No. H-4066 SAC

WESTCOAST FUNDING SERVICES,  
INC. and SEAN ALAN WOOD

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

6 II

7 A. All licenses and licensing rights of Respondent  
8 SEAN ALAN WOOD under the Real Estate Law are suspended for a  
9 period of one hundred (100) days from the effective date of the  
10 Decision herein; provided, however, if Respondent WOOD petitions,  
11 said suspension (or a portion thereof) shall be stayed upon  
12 condition that:

13 (a) Respondent WOOD pays a monetary penalty pursuant  
14 to Section 10130.2 of the Code at the rate of \$100.00 for each  
15 day of the suspension for a total monetary penalty of \$10,000.00.

16 (b) Said payment shall be in the form of a cashier's  
17 check or certified check made payable to the Recovery Account of  
18 the Real Estate Fund. Said check must be received by the  
19 Department prior to the effective date of the Decision in this  
20 matter.

21 (c) If Respondent WOOD fails to pay the monetary  
22 penalty in accordance with the terms and conditions of the  
23 Decision, the Commissioner may, without a hearing, vacate and set  
24 aside the stay order, and order the immediate execution of all or  
25 any of the licenses and licensing rights of Respondent WOOD.

26  
27 DRE No. H-4066 SAC

WESTCOAST FUNDING SERVICES,  
INC. and SEAN ALAN WOOD

1 any part of the stayed suspension.

2 (d) No final subsequent determination be made, after  
3 hearing or upon stipulation, that cause for disciplinary action  
4 against Respondent WOOD occurred within two (2) years of the  
5 effective date of the Decision herein. Should such a  
6 determination be made, the Commissioner may, in his or her  
7 discretion, vacate and set aside the stay order, and order the  
8 execution of all or any part of the stayed suspension, in which  
9 event the Respondent shall not be entitled to any repayment nor  
10 credit, prorated or otherwise, for money paid to the Department  
11 under the terms of this Decision.

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

17 May 31, 2005

18 DATED

19 J. L. Beaver  
20 JAMES L. BEAVER, Counsel  
Department of Real Estate

21 \* \* \*

22 I have read the Stipulation and Agreement and discussed  
23 it with my attorney and its terms are understood by me and are  
24 agreeable and acceptable to me. I understand that I am waiving  
25 rights given to me by the California Administrative Procedure Act  
26 (including but not limited to Sections 1606, 1608, 1609, and  
11513 of the Government Code), and I willingly, intelligently,

27 DRE No. H-4066 SAC

WESTCOAST FUNDING SERVICES,  
INC. and SEAN ALAN WOOD

1 and voluntarily waive those rights, including the right of  
2 requiring the Commissioner to prove the allegations in the  
3 Accusation at a hearing at which I would have the right to cross-  
4 examine witnesses against me and to present evidence in defense  
5 and mitigation of the charges.

6 5/12/05  
DATED

WESTCOAST FUNDING SERVICES, INC.  
Respondent

7  
8 By Sean Alan Wood  
SEAN ALAN WOOD  
Designated Officer - Broker

9  
10 5/14/05  
DATED

Sean Alan Wood  
SEAN ALAN WOOD  
Respondent

12 \* \* \*

13 I have reviewed the Stipulation and Agreement as to  
14 form and content and have advised my clients accordingly.

15 5/20/05  
DATED

Eric R. Garner  
ERIC R. GARNER  
Attorney for Respondents

17 \* \* \*

18 The foregoing Stipulation and Agreement is hereby  
19 adopted by me as my Decision in this matter and shall become  
20 effective at 12 o'clock noon on JULY 20, 2005.

21 IT IS SO ORDERED June 13, 2005.

23 JEFF DAVI  
Real Estate Commissioner

24 John R. Liberator

26 BY: John R. Liberator  
Chief Deputy Commissioner  
27 DRE No. H-4066 SAC  
WESTCOAST FUNDING SERVICES,  
INC. and SEAN ALAN WOOD



**FILED**  
JAN 18 2005  
DEPARTMENT OF REAL ESTATE  
*[Signature]*

**BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA**

*In the Matter of the Accusation of*

WESTCOAST FUNDING SERVICES  
INC., a Corporation, and  
SEAN ALAN WOOD,

}  
}

Case No. H-4066 SAC

OAH No. N-2004120422

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*Respondents*

**NOTICE OF HEARING ON ACCUSATION**

**To the above named respondent:**

**You are hereby notified** that a hearing will be held before the Department of Real Estate at **THE OFFICE OF ADMINISTRATIVE HEARINGS, 560 J STREET, SUITE 340/360, SACRAMENTO, CA 95814** on **APRIL 5 & 6, 2005**, at the hour of **9:00 A.M.**, or as soon thereafter as the matter can be heard, upon the Accusation served upon you. If you object to the place of hearing, you must notify the presiding administrative law judge of the Office of Administrative Hearings within ten (10) days after this notice is served on you. Failure to notify the presiding administrative law judge within ten days will deprive you of a change in the place of the hearing.

You may be present at the hearing. You have the right to be represented by an attorney at your own expense. You are not entitled to the appointment of an attorney to represent you at public expense. You are entitled to represent yourself without legal counsel. If you are not present in person nor represented by counsel at the hearing, the Department may take disciplinary action against you based upon any express admission or other evidence including affidavits, without any notice to you.

You may present any relevant evidence and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the production of books, documents or other things by applying to the Department of Real Estate.

The hearing shall be conducted in the English language. If you want to offer the testimony of any witness who does not proficiently speak the English language, you must provide your own interpreter and pay his or her costs. The interpreter must be certified in accordance with Sections 11435.30 and 11435.55 of the Government Code.

DEPARTMENT OF REAL ESTATE

Dated: JANUARY 18, 2005

By *James L. Beaver*  
JAMES L. BEAVER, Counsel (12)

1 JAMES L. BEAVER, Counsel (SBN 60543)  
2 Department of Real Estate  
3 P. O. Box 187007  
4 Sacramento, CA 95818-7007

FILED

AUG - 9 2004

5 Telephone: (916) 227-0789  
6 -or- (916) 227-0788 (Direct)

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 WESTCOAST FUNDING SERVICES )	No. H-4066 SAC
13 INC., a Corporation, and )	<u>ACCUSATION</u>
14 SEAN ALAN WOOD, )	
15 Respondents. )	

16 The Complainant, Charles W. Koenig, a Deputy Real  
17 Estate Commissioner of the State of California, for cause of  
18 Accusation against WESTCOAST FUNDING SERVICES, INC., a  
19 corporation (herein "WESTCOAST") and SEAN ALAN WOOD (herein  
20 "WOOD"), is informed and alleges as follows:

21 I

22 The Complainant, Charles W. Koenig, a Deputy Real  
23 Estate Commissioner of the State of California, makes this  
24 Accusation in his official capacity.

25 ///  
26 ///  
27 ///

1 II

2 At all times herein mentioned, Respondents WESTCOAST  
3 and WOOD (herein "Respondents") were and now are licensed and/or  
4 have license rights under the Real Estate Law (Part 1 of  
5 Division 4 of the Business and Professions Code) (herein "the  
6 Code").

7 III

8 At all times herein mentioned, WESTCOAST was and now  
9 is licensed by the Department of Real Estate of the State of  
10 California (herein "the Department") as a corporate real estate  
11 broker by and through WOOD as designated officer-broker of  
12 WESTCOAST to qualify said corporation and to act for said  
13 corporation as a real estate broker.

14 IV

15 At all times herein mentioned, WOOD was and now is  
16 licensed by the Department as a real estate broker, individually  
17 and as designated officer-broker of WESTCOAST. As said  
18 designated officer-broker, WOOD was at all times mentioned  
19 herein responsible pursuant to Section 10159.2 of the Code for  
20 the supervision of the activities of the officers, agents, real  
21 estate licensees and employees of WESTCOAST for which a license  
22 is required.

23 V

24 Whenever reference is made in an allegation in this  
25 Accusation to an act or omission of WESTCOAST, such allegation  
26 shall be deemed to mean that the officers, directors, employees,  
27 agents and/or real estate licensees employed by or associated

1 with WESTCOAST committed such act or omission while engaged in  
2 the furtherance of the business or operations of such corporate  
3 Respondent and while acting within the course and scope of their  
4 authority and employment.

5 VI

6 At all times herein mentioned, Respondents engaged in  
7 the business of, acted in the capacity of, advertised, or  
8 assumed to act as real estate brokers within the State of  
9 California within the meaning of Sections 10131(d) of the Code,  
10 including the operation and conduct of a mortgage loan brokerage  
11 with the public wherein, on behalf of others, for compensation  
12 or in expectation of compensation, Respondents solicited lenders  
13 and borrowers for loans secured directly or collaterally by  
14 liens on real property, and wherein Respondents arranged,  
15 negotiated, processed, and consummated such loans.

16 VII

17 Between on or about January 20, 2004 and on or about  
18 March 4, 2004, in course of the activities described in  
19 Paragraph VI, above, Respondents solicited, obtained and  
20 processed an application for a \$136,000 loan to Guillermo Ramos  
21 and Carmen Ramos to be secured by real property at 983 W. Calle  
22 Del Cielo #3, Azusa, California, to refinance an existing loan  
23 on the property, by representing to the borrowers that  
24 Respondents estimated in good faith that Respondents would  
25 receive, as compensation for arranging the loan, \$1800.00 in  
26 commission and processing fees, but upon close of the escrow  
27 consummating the loan, Respondents received, as compensation for

1 arranging the loan, \$4560.00 from escrow in processing,  
2 application and administrative fees and a \$680.00 rebate from  
3 the lender paid outside escrow.

4 VIII

5 Between on or about January 23, 2004 and on or about  
6 March 9, 2004, in course of the activities described in  
7 Paragraph VI, above, Respondents solicited, obtained and  
8 processed an application for a \$101,000 loan to Angel Lopez  
9 secured by real property at 7357 Tilden Way, Sacramento,  
10 California to refinance an existing loan on the property, by  
11 representing to the borrowers that Respondents estimated in good  
12 faith that Respondents would receive, as compensation for  
13 arranging the loan, \$2625.00 in commission and processing fees,  
14 but upon close of the escrow consummating the loan, Respondents  
15 received, as compensation for arranging the loan, \$1445.00 from  
16 escrow in commission and processing fees and a \$2020.00 rebate  
17 from the lender paid outside escrow.

18 IX

19 Between on or about January 29, 2004 and on or about  
20 March 4, 2004, in course of the activities described in  
21 Paragraph VI, above, Respondents solicited, obtained and  
22 processed an application for a \$139,000 loan to Bennie Gibbs and  
23 Pearl Gibbs secured by real property at 3210 Baltic Avenue, Long  
24 Beach, California, to refinance an existing loan on the  
25 property, by representing to the borrowers that Respondents  
26 estimated in good faith that Respondents would receive, as  
27 compensation for arranging the loan, \$1800.00 in commission and

1 processing fees, but upon close of the escrow consummating the  
2 loan, Respondents received, as compensation for arranging the  
3 loan, \$1,795.00 from escrow in commission, origination and  
4 administrative fees and a \$1,807.00 rebate from the lender paid  
5 outside escrow.

6 X

7 Between on or about February 1, 2004 and on or about  
8 March 23, 2004, in course of the activities described in  
9 Paragraph VI, above, Respondents solicited, obtained and  
10 processed an application for a \$106,500 loan to Dominic Lucido  
11 and Cynthia Lucido secured by real property at 1256 26th Place,  
12 San Pedro, California, to refinance an existing loan on the  
13 property, by representing to the borrowers that Respondents  
14 estimated in good faith that Respondents would receive, as  
15 compensation for arranging the loan, \$360.00 in commission and  
16 processing fees, but upon close of the escrow consummating the  
17 loan, Respondents received, as compensation for arranging the  
18 loan, a \$3,355.63 rebate from the lender paid outside escrow.

19 XI

20 Between on or about February 1, 2004 and on or about  
21 March 23, 2004, in course of the activities described in  
22 Paragraph VI, above, Respondents solicited, obtained and  
23 processed an application for a \$430,650 loan to Kenneth Brayman  
24 and Janet Brayman secured by real property at 1740 Maple Grove  
25 Lane, Lincoln, California, to refinance an existing loan on the  
26 property, by representing to the borrowers that Respondents  
27 estimated in good faith that Respondents would receive, as

1 compensation for arranging the loan, \$1,280.00 in commission and  
2 processing fees, but upon close of the escrow consummating the  
3 loan, Respondents received, as compensation for arranging the  
4 loan, \$1,076.63 from escrow in origination fees and a \$4844.81  
5 rebate from the lender paid outside escrow.

6 XII

7 Between on or about February 4, 2004 and on or about  
8 March 12, 2004, in course of the activities described in  
9 Paragraph VI, above, Respondents solicited, obtained and  
10 processed an application for a \$200,000 loan to Darrel Jones and  
11 Janet Jones secured by real property at 2704 Markham Court,  
12 Hayward, California, to refinance an existing loan on the  
13 property, by representing to the borrowers that Respondents  
14 estimated in good faith that Respondents would receive, as  
15 compensation for arranging the loan, \$1,030.00 in commission and  
16 processing fees, but upon close of the escrow consummating the  
17 loan, Respondents received, as compensation for arranging the  
18 loan, \$1,030.00 from escrow in commission, processing, and  
19 application fees and a \$2,250.00 rebate from the lender paid  
20 outside escrow.

21 XIII

22 Between on or about February 4, 2004 and on or about  
23 March 27, 2004, in course of the activities described in  
24 Paragraph VI, above, Respondents solicited, obtained and  
25 processed an application for a \$108,000 loan to Mark Briggman  
26 secured by real property at 8383 Robina Court, Orangevale,  
27 California, to refinance an existing loan on the property, by

1 representing to the borrowers that Respondents estimated in good  
2 faith that Respondents would receive, as compensation for  
3 arranging the loan, \$1,000.00 in commission and processing fees,  
4 but upon close of the escrow consummating the loan, Respondents  
5 received, as compensation for arranging the loan, \$810.00 from  
6 escrow in origination fees and a \$1,485.00 rebate from the  
7 lender paid outside escrow.

8 XIV

9 Between on or about February 8, 2004 and on or about  
10 March 4, 2004, in course of the activities described in  
11 Paragraph VI, above, Respondents solicited, obtained and  
12 processed an application for a \$275,000 loan to Dale Cornett and  
13 Sandra Cornett secured by real property at 2430 W. 39th,  
14 Torrance, California, to refinance an existing loan on the  
15 property, by representing to the borrowers that Respondents  
16 estimated in good faith that Respondents would receive, as  
17 compensation for arranging the loan, \$1,250.00 in commission and  
18 processing fees, but upon close of the escrow consummating the  
19 loan, Respondents received, as compensation for arranging the  
20 loan, \$1,950.00 from escrow in commission, processing, and  
21 application fees and a \$1,501.50 rebate from the lender paid  
22 outside escrow.

23 XV

24 Between on or about February 9, 2004 and on or about  
25 March 2, 2004, in course of the activities described in  
26 Paragraph VI, above, Respondents solicited, obtained and  
27 processed an application for a \$80,000 loan to Roger Scamfer and



1 Cheryl Scamfer secured by real property at 14783 Rosemary  
2 Victorville, California, to refinance an existing loan on the  
3 property, by representing to the borrowers that Respondents  
4 estimated in good faith that Respondents would receive, as  
5 compensation for arranging the loan, \$1,250.00 in commission and  
6 processing fees, but upon close of the escrow consummating the  
7 loan, Respondents received, as compensation for arranging the  
8 loan, \$1,580.00 from escrow in commission, processing, and  
9 application fees and a \$552.80 rebate from the lender paid  
10 outside escrow.

11 XVI

12 Between on or about February 9, 2004 and on or about  
13 March 24, 2004, in course of the activities described in  
14 Paragraph VI, above, Respondents solicited, obtained and  
15 processed an application for a \$107,000 loan to Raul Regala  
16 secured by real property at 10574 Home Ranch Court, Rancho  
17 Cordova, California, to refinance an existing loan on the  
18 property, by representing to the borrowers that Respondents  
19 estimated in good faith that Respondents would receive, as  
20 compensation for arranging the loan, \$450.00 in commission and  
21 processing fees, but upon close of the escrow consummating the  
22 loan, Respondents received, as compensation for arranging the  
23 loan, \$780.00 from escrow in commission, processing, and  
24 application fees and a \$1,203.75 rebate from the lender paid  
25 outside escrow.

26 ///

27 ///

1 XVII

2 In each of the transactions described in Paragraphs  
3 VII through XVI, inclusive, above, the representation was false,  
4 as Respondents well and truly knew at the time the  
5 representation was made. In truth, Respondents expected to  
6 receive a rebate from the lender paid outside escrow in addition  
7 to the estimated commission, a fact that Respondents concealed  
8 and failed to disclose to the borrower throughout the time  
9 Respondents were arranging, negotiating and processing the loans  
10 at least until at or immediately prior to the close of the  
11 escrow consummating the loan.

12 XVIII

13 The acts and omissions of Respondents described above  
14 constitute the substantial misrepresentation of a material fact  
15 and fraud and dishonest dealing.

16 XIX

17 During the three year period preceding the filing of  
18 the Accusation herein, in course of each of the mortgage loan  
19 transactions described below, Respondents violated and willfully  
20 disregarded the provisions of Section 10240 of the Code, in that  
21 said Respondents failed to obtain the signature of the borrower  
22 on the statement required by Section 10240 (herein "Written  
23 Disclosure Statement"), failed to deliver a copy of the required  
24 Written Disclosure Statement to the borrower, and/or failed to  
25 retain on file for a period of three years a true and correct  
26 copy of the required Written Disclosure Statement signed by the  
27 borrower:

1 (a) Between on or about May 27, 2003 and on or about  
2 August 5, 2003, Respondents solicited, obtained and processed an  
3 application for a \$780,973.00 loan to Steve Maghen et ex.  
4 secured by real property at 14464 Dickens St., Sherman Oaks,  
5 California;

6 (b) Between on or about October 9, 2003 and on or  
7 about October 31, 2003, Respondents solicited, obtained and  
8 processed an application for a \$313,900.00 loan to Richard  
9 Grossman et ex. secured by real property at 160 Nova Drive,  
10 Piedmont, California; and

11 (c) Between on or about January 29, 2004 and on or  
12 about March 4, 2004, Respondents solicited, obtained and  
13 processed an application for a \$139,000 loan to Bennie Gibbs and  
14 Pearl Gibbs secured by real property at 3210 Baltic Avenue, Long  
15 Beach, California.

16 XX

17 Respondent WOOD failed to exercise reasonable  
18 supervision over the acts of Respondent WESTCOAST in such a  
19 manner as to allow the acts and omissions on the part of  
20 Respondent WESTCOAST, described above, to occur.

21 XXI

22 The facts alleged above are grounds for the suspension  
23 or revocation of the licenses and license rights of Respondents  
24 under the following provisions of the Code.

25 (a) As to Paragraphs XVII through XVIII, under  
26 Sections 10176(a) and/or 10176(i) of the Code; and

27 ///

1 (b) As to Paragraph XVIII, under Section 10240 of the  
2 Code in conjunction with Section 10177(d) of the Code.

3 XXII

4 The facts alleged above as to Paragraph XX of the  
5 Accusation are grounds for the suspension or revocation of the  
6 licenses and license rights of Respondent WOOD under Section  
7 10177(g) and/or Section 10177(h) of the Code and Section 10159.2  
8 of the Code in conjunction with Section 10177(d) of the Code.

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

16  
17   
18 CHARLES W. KOENIG  
19 Deputy Real Estate Commissioner

20 Dated at Sacramento, California,  
21 this 14<sup>th</sup> day of July, 2004.  
22  
23  
24  
25  
26  
27