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BUREAU OF REAL ESTATE
P. O. Box 137007
Sacramento, CA 95813-7007

BUREAU OF REAL ESTATE

By S. Black

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BEFORE THE BUREAU OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)
)
) NO. H-6118 SAC
LIGHTHOUSE MORTGAGE COMPANY, INC.,)
a Corporation,) STIPULATION AND AGREEMENT
) IN SETTLEMENT AND ORDER
)
)
Respondent.)

It is hereby stipulated by and between Respondent LIGHTHOUSE MORTGAGE COMPANY, INC. (herein "Respondent") and the Complainant, acting by and through Mary F. Clarke, Counsel for the Bureau of Real Estate (herein "the Bureau"), as follows for the purpose of settling and disposing of the Accusation filed on April 28, 2014 and the First Amended Accusation filed on June 23, 2014, in this matter (herein "Accusation"):

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

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

3 3. A Notice of Defense was filed on May 6, 2014 by Respondent pursuant to
4 Section 11505 of the Government Code for the purpose of requesting a hearing on the allegations
5 in the Accusation. Respondent hereby freely and voluntarily withdraws said Notice of Defense.
6 Respondent acknowledges it understands that by withdrawing said Notice of Defense it will
7 thereby waive its rights to require the Real Estate Commissioner (herein "the Commissioner") to
8 prove the allegations in the Accusation at a contested hearing held in accordance with the
9 provisions of the APA and that it will waive other rights afforded to it in connection with the
10 hearing such as the right to present evidence in defense of the allegations in the Accusation and
11 the right to cross-examine witnesses.

12 4. Respondent, pursuant to the "Determination of Issues" set forth below, hereby
13 admits that the factual allegations, in the Accusation filed in this proceeding are true and correct
14 and the Commissioner shall not be required to provide further evidence of such allegations.

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

22 6. The "Order" or any subsequent Order of the Commissioner made pursuant to
23 this Stipulation shall not constitute an estoppel, merger, or bar to any further administrative or
24 civil proceedings by the Bureau with respect to any matters which were not specifically alleged to
25 be causes for accusation in this proceeding.

26 7. Respondent understands that by agreeing to this Stipulation, Respondent
27 agrees to pay, pursuant to Section 10148 of the California Business and Professions Code (herein

1 "Code"), the cost of the audit which resulted in the determination that Respondent committed the
2 violations found in the "Determination of Issues" below. The amount of said cost is \$10,817.45.

3 8. Respondent understands that by agreeing to this Stipulation, the findings set
4 forth below in the "Determination of Issues" become final, and that the Commissioner may
5 charge Respondent for the cost of any audit conducted pursuant to Section 10148 of the Code to
6 determine if the trust fund violations found in the "Determination of Issues," below, have been
7 corrected. The maximum cost of said audit shall not exceed \$10,817.45.

8 9. Respondent further understands that by agreeing to this Stipulation,
9 Respondent agrees to pay, pursuant to Section 10106(a) of the Code, investigative and
10 enforcement costs of \$2,682.55 which led to this disciplinary action.

11 DETERMINATION OF ISSUES

12 The acts and/or omissions of Respondent as described in the Accusation are
13 grounds for the suspension or revocation of the license, license rights and license endorsement of
14 Respondent under the following provisions of the Code and/or Chapter 6, Title 10, California
15 Code of Regulations (herein "the Regulations"):

- 16 (a) as to Paragraph 7(a) under Section 2832.1 of the Regulations in
17 conjunction with Section 10177(d) of the Code;
18 (b) as to Paragraph 7(b) under Section 2831 of the Regulations in
19 conjunction with Section 10177(d) of the Code;
20 (c) as to Paragraph 7(c) under Section 10145 of the Code and Section
21 2831.1 of the Regulations in conjunction with Section 10177(d) of the
22 Code;
23 (d) as to Paragraph 7(d) under Sections 2831.2 of the Regulations in
24 conjunction with Section 10177(d) of the Code;
25 (e) as to Paragraph 7(e) under Section 10176(e) of the Code;
26 (f) as to Paragraph 7(f) under Section 10232(e) of the Code in conjunction
27 with Section 10177(d) of the Code;

- 1 (g) as to Paragraph 7(g) under Section 10232.25(a) of the Code in
2 conjunction with Section 10177(d) of the Code;
- 3 (h) as to Paragraph 7(h) under Section 10232.2(a) of the Code in
4 conjunction with Section 10177(d) of the Code;
- 5 (i) as to Paragraph 7(i) under Section 10232.2(c) of the Code in conjunction
6 with Section 10177(d) of the Code; and
- 7 (j) as to Paragraph 7(j) under Section 10148 of the Code in conjunction
8 with Section 10177(d) of the Code.

9 ORDER

10 I

11 All licenses, license rights and license endorsement of Respondent, under the Real
12 Estate Law are suspended for a period of sixty (60) days from the effective date of this Order;
13 provided, however, that:

14 1. Thirty (30) days of said sixty (60) day suspension shall be stayed for two (2)
15 years upon the following terms and conditions:

16 (a) Respondent shall obey all laws, rules and regulations governing the
17 rights, duties and responsibilities of a real estate licensee in the
18 State of California; and,

19 (b) That no final subsequent determination be made, after hearing or
20 upon stipulation, that cause for disciplinary action occurred within
21 two (2) years from the effective date of this Order. Should such a
22 determination be made, the Commissioner may, in his discretion,
23 vacate and set aside the stay order and reimpose all or a portion of
24 the stayed suspension. Should no such determination be made, the
25 stay imposed herein shall become permanent.

26 2. The remaining thirty (30) days of said sixty (60) day suspension shall be
27 stayed upon the condition that Respondent petitions, pursuant to Section 10175.2 of the Code,

1 and pays a monetary penalty, pursuant to Section 10175.2, of the Code at a rate of \$50.00 for
2 each day of said remaining thirty (30) days for a total monetary penalty of \$1,500.00:

- 3 (a) Said payment shall be in the form of a cashier's check made payable
4 to the Bureau of Real Estate. Said check must be delivered to the
5 Bureau of Real Estate, Flag Section at P.O. Box 137013, Sacramento,
6 CA 95813-7013, prior to the effective date of this Order.
- 7 (b) No further cause for disciplinary action against the Real Estate license
8 or license endorsement of Respondent occurs within two (2) years
9 from the effective date of the Order in this matter.
- 10 (c) If Respondent fails to pay the monetary penalty in accordance with
11 the terms and conditions of this Order, the suspension shall go into
12 effect automatically and remain in effect until Respondent pays the
13 monetary penalty in full.
- 14 (d) If Respondent pays the monetary penalty and any other moneys due
15 under this Stipulation and if no further cause for disciplinary action
16 against the real estate license or license endorsement of said
17 Respondent occurs within two (2) years from the effective date of this
18 Order, the entire stay hereby granted pursuant to this Order, as to said
19 Respondent only, shall become permanent.

20 3. Pursuant to Section 10148 of the Code, Respondent shall pay the sum of
21 \$10,817.45 for the Commissioner's cost of the audit which led to this disciplinary action.
22 Respondent shall pay such cost within sixty (60) days of receiving an invoice therefore from the
23 Commissioner. Payment of audit costs should not be made until Respondent receives the
24 invoice. If Respondent fails to satisfy this condition in a timely manner as provided for herein,
25 Respondent's real estate license and license endorsement shall automatically be suspended until
26 payment is made in full, or until a decision providing otherwise is adopted following a hearing
27 held pursuant to this condition.

1 4. Pursuant to Section 10148 of the Code, Respondent shall pay the
2 Commissioner's reasonable cost, not to exceed \$10,817.45, for an audit to determine if
3 Respondent has corrected the violation(s) found in the Determination of Issues. In calculating
4 the amount of the Commissioner's reasonable cost, the Commissioner may use the estimated
5 average hourly salary for all persons performing audits of real estate brokers, and shall include an
6 allocation for travel time to and from the auditor's place of work. Respondent shall pay such cost
7 within sixty (60) days of receiving an invoice therefore from the Commissioner. Payment of the
8 audit costs should not be made until Respondent receives the invoice. If Respondent fails to
9 satisfy this condition in a timely manner as provided for herein, Respondent's real estate license
10 and license endorsement shall automatically be suspended until payment is made in full, or until
11 a decision providing otherwise is adopted following a hearing held pursuant to this condition.

12 5. All licenses, license rights and license endorsement of Respondent are
13 indefinitely suspended unless or until Respondent pays the sum of \$2,682.55 for the
14 Commissioner's reasonable cost of the investigation and enforcement which led to this
15 disciplinary action. Said payment shall be in the form of a cashier's check made payable to the
16 Bureau of Real Estate. The investigative and enforcement costs must be delivered to the Bureau
17 of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the
18 effective date of this Order.

19
20 5-11-15

21 DATED

22 
MARY F. CLARKE, Counsel
Bureau of Real Estate

23 * * *

24 I have read this Stipulation and its terms are understood by me and are agreeable
25 and acceptable to me. I understand that I am waiving rights given to me by the California APA
26 (including but not limited to Sections 11506, 11508, 11509, and 11513 of the Government
27 Code), and I willingly, intelligently, and voluntarily waive those rights, including the right of

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

4 LIGHTHOUSE MORTGAGE COMPANY, INC.
Respondent

5
6 4/29/15
DATED

By:

[Signature]
LARRY EDWIN GOODROW, JR.
Designated Officer Broker

8
9 * * *

10 The foregoing Stipulation and Agreement in Settlement and Order is hereby
11 adopted by me as my Decision in this matter and shall become effective at 12 o'clock noon on
12 JUN 24 2015, 2015.

13 IT IS SO ORDERED MAY 29, 2015.

14
15 REAL ESTATE COMMISSIONER

16 [Signature]
17
18 By: JEFFREY MASON
Chief Deputy Commissioner