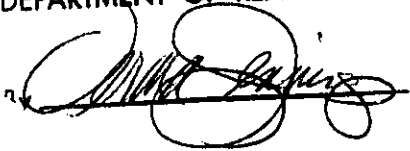


File

1 Department of Real Estate
2 320 W. 4th St., Room 350
3 Los Angeles, California 90013
4
5 Telephone: (213) 576-6982
6

FILED
DEC - 8 2010
DEPARTMENT OF REAL ESTATE


7 BEFORE THE DEPARTMENT OF REAL ESTATE
8 STATE OF CALIFORNIA

9 * * *

10 In the Matter of the Accusation of) No. H-36081 LA
11) L 2010 050 716
12)
13) PACIFIC COAST FINANCIAL SERVICES,)
14) and DAVID B. BRIDGEMAN,) STIPULATION AND AGREEMENT
15) individually, and as)
16) designated officer of)
17) the corporation,)
18)
19) Respondents.)
20)

21 It is hereby stipulated by and between PACIFIC COAST
22 FINANCIAL SERVICES, and DAVID B. BRIDGEMAN (sometimes referred
23 to as Respondents), and their attorney, Frank M. Buda, and the
24 Complainant, acting by and through James R. Peel, Counsel for
25 the Department of Real Estate, as follows for the purpose of
26 settling and disposing of the Accusation filed on June 24, 2009,
27 in this matter.

1. All issues which were to be contested and all
evidence which was to be presented by Complainant and
Respondents at a formal hearing on the Accusation, which hearing

1 was to be held in accordance with the provisions of the
2 Administrative Procedure Act ("APA"), shall instead and in place
3 thereof be submitted solely on the basis of the provisions of
4 this Stipulation and Agreement ("Stipulation").

5 2. Respondents have received, read and understand the
6 Statement to Respondent, the Discovery Provisions of the
7 Administrative Procedure Act ("APA") and the Accusation filed by
8 the Department of Real Estate in this proceeding.

9 3. On July 28, 2009, Respondents filed a Notice of
10 Defense pursuant to Section 11506 of the Government Code for the
11 purpose of requesting a hearing on the allegations in the
12 Accusation. Respondents hereby freely and voluntarily withdraw
13 said Notices of Defense. Respondents acknowledge that they
14 understand that by withdrawing said Notices of Defense they will
15 thereby waive their right to require the Commissioner to prove
16 the allegations in the Accusation at a contested hearing held in
17 accordance with the provisions of the APA and that they will
18 waive other rights afforded to them in connection with the
19 hearing, such as the right to present evidence in defense of the
20 allegations in the Accusation and the right to cross-examine
21 witnesses.

22 4. This Stipulation is based on the factual
23 allegations contained in the Accusation filed in this
24 proceeding. In the interest of expedience and economy,
25 Respondents choose not to contest these factual allegations, but
26 to remain silent and understand that, as a result thereof, these
27

1 factual statements, will serve as a prima facie basis for the
2 disciplinary action stipulated to herein. The Real Estate
3 Commissioner shall not be required to provide further evidence
4 to prove such allegations.

5 5. This Stipulation and Respondents' decision not to
6 contest the Accusation is made for the purpose of reaching an
7 agreed disposition of this proceeding and is expressly limited
8 to this proceeding and any other proceeding or case in which the
9 Department of Real Estate ("Department"), the state or federal
10 government, or an agency of this state, another state or the
11 federal government is involved.

12 6. It is understood by the parties that the Real
13 Estate Commissioner may adopt the Stipulation as his decision
14 in this matter thereby imposing the penalty and sanctions on
15 Respondents' real estate licenses and license rights as set
16 forth in the below "Order". In the event that the Commissioner
17 in his discretion does not adopt the Stipulation, the
18 Stipulation shall be void and of no effect, and Respondents
19 shall retain the right to a hearing on the Accusation under all
20 the provisions of the APA and shall not be bound by any
21 stipulation or waiver made herein.
22

23 7. The Order or any subsequent Order of the Real
24 Estate Commissioner made pursuant to this Stipulation shall not
25 constitute an estoppel, merger or bar to any further
26 administrative or civil proceedings by the Department of Real
27 Estate with respect to any conduct which was not specifically

1 alleged to be causes for accusation in this proceeding.

2 DETERMINATION OF ISSUES

3 By reason of the foregoing stipulations and waivers
4 and solely for the purpose of settlement of the pending
5 Accusation without a hearing, it is stipulated and agreed that
6 the following determination of issues shall be made:

7 The conduct, acts and/or omissions of Respondents
8 PACIFIC COAST FINANCIAL SERVICES, and DAVID B BRIDGEMAN, as set
9 forth in the Accusation, constitute cause for the suspension or
10 revocation of all of the real estate licenses and license rights
11 of Respondents under the provisions of Section 10177(g) of the
12 Business and Professions Code ("Code").

13 ORDER

14 All licenses and licensing rights of Respondents
15 PACIFIC COAST FINANCIAL SERVICES, and DAVID B. BRIDGEMAN, under
16 the Real Estate Law are suspended for a period of sixty (60)
17 days from the effective date of this Decision; provided,
18 however, that sixty (60) days of said suspension shall be stayed
19 for two (2) years upon the following terms and conditions:

20 1. Respondents shall obey all laws, rules and
21 regulations governing the rights, duties and responsibilities of
22 a real estate licensee in the State of California; and

23 2. That no final subsequent determination be made,
24 after hearing or upon stipulation that cause for disciplinary
25 action occurred within two (2) years of the effective date of
26 this Decision. Should such a determination be made, the
27

1 Commissioner may, in his discretion, vacate and set aside the
2 stay order and reimpose all or a portion of the stayed
3 suspension. Should no such determination be made, the stay
4 imposed herein shall become permanent.

5 3. Pursuant to Section 10148 of the Business and
6 Professions Code, Respondents PACIFIC COAST FINANCIAL SERVICES
7 and DAVID B. BRIDGEMAN shall pay the Commissioner's reasonable
8 cost for the audit which led to this disciplinary action and
9 shall pay the Commissioner's reasonable cost for a subsequent
10 audit to determine if Respondent PACIFIC COAST FINANCIAL
11 SERVICES has corrected the violations found in the Determination
12 of Issues. In calculating the amount of the Commissioner's
13 reasonable cost, the Commissioner may use the estimated average
14 hourly salary for all persons performing audits of real estate
15 brokers, and shall include an allocation for travel costs,
16 including mileage, time to and from the auditor's place of work
17 and per diem. Respondents shall pay such cost within 45 days of
18 receiving an invoice from the Commissioner detailing the
19 activities performed during the audit and the amount of time
20 spent performing those activities. The Commissioner may, in his
21 discretion, vacate and set aside the stay order, if payment is
22 not timely made as provided for herein, or as provided for in a
23 subsequent agreement between the Respondents and the
24 Commissioner. The vacation and the set aside of the stay shall
25 remain in effect until payment is made in full, or until
26 Respondents enter into an agreement satisfactory to the
27

Commissioner to provide for payment.

Should no order vacating the stay be issued, either in
accordance with this condition or condition "2", the stay
imposed herein shall become permanent.

DATED: Sept. 30, 2010 James R. Peel
JAMES R. PEEL, Counsel for the
Department of Real Estate
* * *

We have read the Stipulation and Agreement, discussed it with our attorney, and its terms are understood by us and are agreeable and acceptable to us. We understand that we are waiving rights given to us by the California Administrative Procedure Act (including but not limited to Sections 11506, 11508, 11509 and 11513 of the Government Code), and we willingly, intelligently and voluntarily waive those rights, including the right of requiring the Commissioner to prove the allegations in the Accusation at a hearing at which we would have the right to cross-examine witnesses against us and to present evidence in defense and mitigation of the charges.

Respondents can signify acceptance and approval of the terms and conditions of this Stipulation and Agreement by faxing a copy of the signature page, as actually signed by Respondents, to the Department at the following telephone/fax number: (213) 576-6917. Respondents agree, acknowledge and understand that by electronically sending to the Department a fax copy of his or her actual signature as it appears on the Stipulation and Agreement, that receipt of the faxed copy by the Department

1 shall be as binding on Respondents as if the Department had
2 received the original signed Stipulation and Agreement.

3 Further, if the Respondents are represented, the
4 Respondents' counsel can signify his or her agreement to the
5 terms and conditions of the Stipulation and Agreement by
6 submitting that signature via fax.

7 DATED: 9/29/2010

PACIFIC COAST FINANCIAL
SERVICES, Respondent

10 DATED: 9/29/2010

11 DAVID B. BRIDGEMAN,
12 Respondent.

13 DATED: 9-29-10

14 FRANK M. BUDA
15 Counsel for Respondents

16 * * *

17 The foregoing Stipulation and Agreement is hereby
18 adopted as my Decision and Order in this matter, and shall
19 become effective at 12 o'clock noon on _____
20

21 IT IS SO ORDERED _____

22 JEFF DAVI
23 Real Estate Commissioner
24
25
26
27

1 shall be as binding on Respondents as if the Department had
2 received the original signed Stipulation and Agreement.

3 Further, if the Respondents are represented, the
4 Respondents' counsel can signify his or her agreement to the
5 terms and conditions of the Stipulation and Agreement by
6 submitting that signature via fax.

7
8 DATED: _____

PACIFIC COAST FINANCIAL
SERVICES, Respondent

9
10
11 DATED: _____

DAVID B. BRIDGEMAN,
Respondent

12
13
14
15 DATED: _____

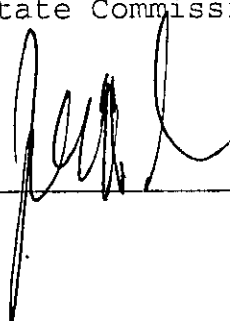
FRANK M. BUDA
Counsel for Respondents

16
17 * * *

18 The foregoing Stipulation and Agreement is hereby
19 adopted as my Decision and Order in this matter, and shall
20 become effective at 12 o'clock noon on DEC 28 2010

21 IT IS SO ORDERED 10-18-2010

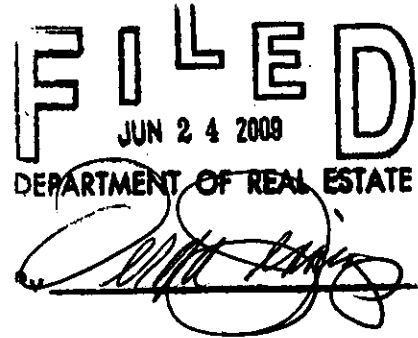
22
23 JEFF DAVI
Real Estate Commissioner

24
25 
26
27

SACTO.
HAG

JAMES R. PEEL, Counsel (SBN 47055)
Department of Real Estate
320 West Fourth Street, Suite 350
Los Angeles, CA 90013-1105

Telephone: (213) 576-6982
-or- (213) 576-6913 (Direct)



BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of	)	No. H-36081 LA
	)	
	)	<u>A C C U S A T I O N</u>
PACIFIC COAST FINANCIAL SERVICES,	)	
and DAVID B. BRIDGEMAN,	)	
individually, and as	)	
designated officer of	)	
the corporation,	)	
	)	
	)	
	)	
	)	
	)	
	)	
	)	
Respondents.	)	

The Complainant, Robin L. Trujillo, a Deputy Real Estate Commissioner of the State of California, for cause of accusation against PACIFIC COAST FINANCIAL SERVICES; and DAVID B. BRIDGEMAN, individually, and as designated officer of Pacific Coast Financial Services, alleges as follows:

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///
///
///

I

The Complainant, Robin L. Trujillo, acting in her official capacity as a Deputy Real Estate Commissioner of the State of California, makes this Accusation against PACIFIC COAST FINANCIAL SERVICES, and DAVID B. BRIDGEMAN.

II

PACIFIC COAST FINANCIAL SERVICES and DAVID B. BRIDGEMAN (hereinafter referred to as "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).

III

At all times herein mentioned, Respondent PACIFIC COAST FINANCIAL SERVICES, was licensed as a real estate broker with Respondent DAVID B. BRIDGEMAN as its designated officer.

IV

At all times material 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 Section 10131(d) of the Code including soliciting borrowers and lenders and negotiating loans on real property.

V

On or about October 8, 2008, the Department completed an examination of Respondents' books and records, pertaining to the activities described in Paragraph IV above, covering a period from June 1, 2007, through August 31, 2008, which examination revealed violations of the Code and of Title 10, Chapter 6,

1 California Code of Regulations (hereinafter Regulations) as set
2 forth below.

3 VI

4 The examination described in Paragraph V, above,
5 determined that, in connection with the activities described in
6 Paragraph IV above, Respondents accepted or received funds,
7 including funds in trust (hereinafter "trust funds") from or on
8 behalf of principals, and thereafter made deposit or disbursement
9 of such funds.

10 VII

11 In the course of activities described in Paragraphs IV
12 through VI and during the examination period described in
13 Paragraph V, Respondents acted in violation of the Code and the
14 Regulations as follows, and as more specifically set forth in
15 Audit Report No. LA 070389 and related exhibits:

16 1. Violated Section 10145(a) of the Code and
17 Regulation 2832 by failing to deposit appraisal fees and credit
18 report fees into a broker trust account.

19 2. Violated Section 10176(e) of the Code by
20 commingling appraisal fees and credit report fees with the
21 broker's money or property.

22 3. Violated Regulation 2831 by not maintaining a
23 columnar record of all trust funds received and disbursed
24 including credit report fees and appraisal fees.

25 4. Violated Regulation 2831.1 by not maintaining
26 separate records for each transaction including credit report
27 fees and appraisal fees.

1 5. Violated Sections 10240 and 10241 of the Code by
2 failing to provide a complete Mortgage Disclosure Statement to
3 each borrower. The MLDS did not always disclose yield spread
4 premium rebates the broker received from the lender. The MLDS
5 was not always signed by the borrower and the broker or the
6 broker's representative.

7 6. Violated Section 10236.4 of the Code by failing to
8 disclose the broker's license number on each Mortgage Loan
9 Disclosure Statement or Good Faith Estimate.

10 VIII

11 The conduct of Respondents PACIFIC COAST FINANCIAL
12 SERVICES, and DAVID B. BRIDGMAN, as alleged above, subjects their
13 real estate licenses and license rights to suspension or
14 revocation pursuant to Sections 10177(d), and/or 10177(g) of the
15 Code.

16 IX

17 The conduct of Respondent DAVID B. BRIDGEMAN, as
18 alleged above, is in violation of Code Section 10159.2 and
19 subjects his real estate licenses and license rights to
20 suspension or revocation pursuant to Sections 10177(d), 10177(g),
21 and 10177(h) of the Code.

22 ///

23 ///

24 ///

25 ///

26 ///

27 ///

1 WHEREFORE, Complainant prays that a hearing be
2 conducted on the allegations of this Accusation and that upon
3 proof thereof, a decision be rendered imposing disciplinary
4 action against all licenses and license rights of Respondents
5 PACIFIC COAST FINANCIAL SERVICES; and DAVID B. BRIDGEMAN,
6 individually, and as designated officer of Pacific Coast
7 Financial Services, under the Real Estate Law (Part 1 of Division
8 4 of the Business and Professions Code) and for such other and
9 further relief as may be proper under other applicable provisions
10 of law.

11 Dated at Los Angeles, California

12 this 16 day of June, 2009.

13
14 
15

16 ROBIN L. TRUJILLO
17 Deputy Real Estate Commissioner
18
19
20
21
22
23

24 cc: Pacific Coast Financial Services
25 David B. Bridgeman
26 Robin L. Trujillo
27 Audit Section
Sacto.