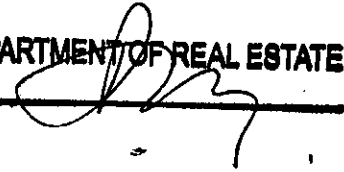


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Department of Real Estate
320 West 4th Street, Ste. 350
Los Angeles, California 90013-1105
Telephone: (213) 576-6982

FILED

JAN - 5 2012

DEPARTMENT OF REAL ESTATE
BY: 

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)
)
GILDA LUJAN AND ASSOCIATES INC.)
a California corporation,)
doing business as Gold Coast)
Mortgage, Gold Coast Real Estate)
and Castle Home Loans; and)
GILDA LOUISE GRANELL, individually)
and as designated officer of)
Gilda Lujan And Associates Inc.)
)
Respondents.)

No. H-36336 LA
L-2011020922

STIPULATION
AND
AGREEMENT

It is hereby stipulated by and between Respondents GILDA LUJAN AND ASSOCIATES INC. and GILDA LOUISE GRANELL, individually and as designated officer of Gilda Lujan And Associates Inc. (sometimes collectively referred to as "Respondents"), represented by Frank M. Buda, Esq. and the Complainant, acting by and through Elliott Mac Lennan, Counsel for the Department of Real Estate, as follows for the purpose of settling and disposing of the Accusation ("Accusation") filed on October 30, 2009, in this matter:

///

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

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

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

17 4. This Stipulation is based on the factual allegations contained in the Accusation.
18 In the interest of expedience and economy, Respondents choose not to contest these allegations,
19 but to remain silent and understand that, as a result thereof, these factual allegations, without
20 being admitted or denied, will serve as a prima facie basis for the disciplinary action stipulated to
21 herein. The Real Estate Commissioner shall not be required to provide further evidence to prove
22 said factual allegations.

23 5. This Stipulation is made for the purpose of reaching an agreed disposition of
24 this proceeding and is expressly limited to this proceeding and any other proceeding or case in
25 which the Department of Real Estate ("Department"), the state or federal government, or any
26 agency of this state, another state or federal government is involved.

27 ///

1 6. It is understood by the parties that the Real Estate Commissioner may adopt
2 this Stipulation as his Decision in this matter thereby imposing the penalty and sanctions on
3 Respondents' real estate licenses and license rights as set forth in the "Order" herein below. In
4 the event that the Commissioner in her discretion does not adopt the Stipulation, it shall be void
5 and of no effect and Respondents shall retain the right to a hearing and proceeding on the
6 Accusation under the provisions of the APA and shall not be bound by any stipulation or waiver
7 made herein.

8 7. The Order or any subsequent Order of the Real Estate Commissioner made
9 pursuant to this Stipulation shall not constitute an estoppel, merger or bar to any further
10 administrative or civil proceedings by the Department of Real Estate with respect to any matters
11 which were not specifically alleged to be causes for Accusation in this proceeding but do
12 constitute a bar, estoppel and merger as to any allegations actually contained in the Accusations
13 against Respondent herein.

14 8. Respondents understand that by agreeing to this Stipulation, Respondents agree
15 to pay, pursuant to Business and Professions Code Section 10148, the cost of the audit. The
16 amount of said cost for the original audit (LA 080235) is \$3,575.20.

17 9. Respondents have received, read, and understand the "Notice Concerning
18 Costs of Subsequent Audit". Respondents further understand that by agreeing to this Stipulation,
19 the findings set forth below in the Determination of Issues become final, and the Commissioner
20 may charge Respondents for the cost of any subsequent audit conducted pursuant to Business and
21 Professions Code Section 10148 to determine if the violations have been corrected. The
22 maximum cost of the follow-up audit will not exceed \$3,575.20.

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

4 II.

5 Pursuant to Section 10148 of the Business and Professions Code, Respondents

6 GILDA LUJAN AND ASSOCIATES INC. and GILDA LOUISE GRANELL shall pay the
7 Commissioner's reasonable cost for (a) the audit which led to this disciplinary action and (b) a
8 subsequent audit to determine if Respondents are now in compliance with the Real Estate Law.
9 The cost of the audit which led to this disciplinary action is \$3,575.20. In calculating the amount
10 of the Commissioner's reasonable cost, the Commissioner may use the estimated average hourly
11 salary for all persons performing audits of real estate brokers, and shall include an allocation for
12 travel time to and from the auditor's place of work. Said amount for the prior and subsequent
13 audits shall not exceed \$7,150.40. Respondents shall pay such cost within 60 days of receiving
14 an invoice from the Commissioner detailing the activities performed during the audit and the
15 amount of time spent performing those activities.

16 The Commissioner may suspend the license of Respondent pending a hearing held
17 in accordance with Section 11500, et seq., of the Government Code, if payment is not timely
18 made as provided for herein, or as provided for in a subsequent agreement between the
19 Respondents and the Commissioner. The suspension shall remain in effect until payment is
20 made in full or until Respondent enters into an agreement satisfactory to the Commissioner to
21 provide for payment, or until a decision providing otherwise is adopted following a hearing held
22 pursuant to this condition.

23 III.

24 All licenses and licensing rights of Respondent GILDA LOUISE GRANELL are
25 indefinitely suspended unless or until Respondent provides proof satisfactory to the
26 Commissioner, of having taken and successfully completed the continuing education course on
27 trust fund accounting and handling specified in paragraph (3) of subdivision (a) of Section

1 10170.5 of the Business and Professions Code. Proof of satisfaction of this requirement includes
2 evidence that respondent has successfully completed the trust fund account and handling
3 continuing education course within 120 days prior to the effective date of the Decision in this
4 matter.

5 IV.

6 Respondent GILDA LOUISE GRANELL shall, within nine (9) months from the
7 effective date of this Decision, present evidence satisfactory to the Real Estate Commissioner
8 that Respondent has, since the most recent issuance of an original or renewal real estate license,
9 taken and successfully completed the continuing education requirements of Article 2.5 of
10 Chapter 3 of the Real Estate Law for renewal of a real estate license. If Respondent fails to
11 satisfy this condition, the Commissioner may order the suspension of Respondent's license until
12 Respondent presents such evidence. The Commissioner shall afford Respondent the opportunity
13 for a hearing pursuant to the Administrative Procedure Act to present such evidence.
14

15
16 DATED: 11-22-11

17 EJL
ELLIOTT MAC LENNAN, Counsel for
Department of Real Estate

18 * * *

19 EXECUTION OF THE STIPULATION

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

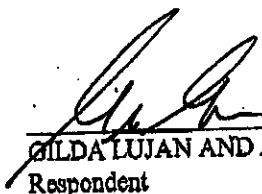
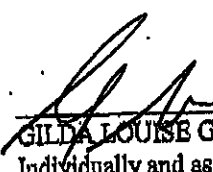
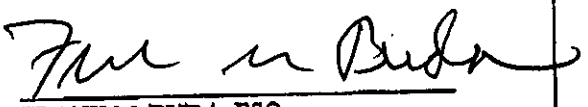
10/31/2011 MON 11:35 FAX --- Frank Buda

008/009

MAILING AND FACSIMILE

Respondents (1) shall mail the original signed signature page of the stipulation herein to Elliott Mac Lennan: Attention: Legal Section, Department of Real Estate, 320 W. Fourth St., Suite 350, Los Angeles, California 90013-1105. Respondents shall also (2) facsimile a copy of signed signature page, to the Department at the following telephone/fax number: (213) 576-6917, Attention: Elliott Mac Lennan.

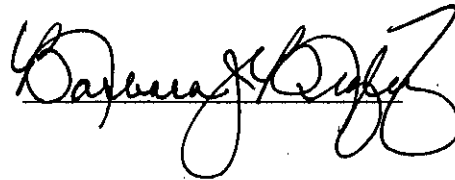
A facsimile constitutes acceptance and approval of the terms and conditions of this stipulation. Respondents agree, acknowledge and understand that by electronically sending to the Department a facsimile copy of Respondents' actual signature as it appears on the stipulation that receipt of the facsimile copy by the Department shall be as binding on Respondents as if the Department had received the original signed stipulation.

DATED: 10/31/11
GILDA LUJAN AND ASSOCIATES INC.,
RespondentBy: GILDA LOUISE GRANELL, as designated
officerDATED: 10/31/11
GILDA LOUISE GRANELL, Respondent,
Individually and as designated officerDATED: 10-31-11
FRANK M. BUDA, ESQ.
Attorney for Respondents
Approved as to form

The foregoing Stipulation and Agreement is hereby adopted as my Decision as to
Respondents GILDA LUJAN AND ASSOCIATES INC. and GILDA LOUISE GRANELL and
shall become effective at 12 o'clock noon on February 6, 2012.

IT IS SO ORDERED 12/16, 2011.

BARBARA J. BIGBY
Acting Real Estate Commissioner



FILED

OCT 30 2009

DEPARTMENT OF REAL ESTATE
BY: [Signature]

ELLIOTT MAC LENNAN, SBN 66674
Department of Real Estate
320 West 4th Street, Ste. 350
Los Angeles, California 90013-1105

Telephone: (213) 576-6911 (direct)
-or- (213) 576-6982 (office)

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of

No. H-36336 LA

GILDA LUJAN AND ASSOCIATES INC.
a California corporation,
doing business as Gold Coast
Mortgage, Gold Coast Real Estate
and Castle Home Loans; and
GILDA LOUISE GRANELL, individually
and as designated officer of
Gilda Lujan and Associates Inc.,

A C C U S A T I O N

Respondents.

The Complainant, Maria Suarez, a Deputy Real Estate
Commissioner of the State of California, for cause of Accusation
against GILDA LUJAN AND ASSOCIATES INC. a California corporation
dba Gold Coast Mortgage, Gold Coast Real Estate and Castle Home
Loans; and GILDA LOUISE GRANELL, individually and as designated
officer of Gilda Lujan and Associates Inc., alleges as follows:

///

1.

The Complainant, Maria Suarez, acting in her official capacity as a Deputy Real Estate Commissioner of the State of California, makes this Accusation against PACIFIC LUXURY PROPERTIES (GLA) and GILDA LOUISE GRANELL (GRANELL).

2.

All references to the "Code" are to the California Business and Professions Code and all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

Licensing

3.

a. At all times mentioned, GLA and GRANELL were licensed or had license rights issued by the Department of Real Estate (Department) as a real estate brokers.

b. At all times material herein, GLA was licensed by the Department as a corporate restricted real estate broker by and through GRANELL, pursuant to Code Sections 10211 and 10159.2 for supervising the activities requiring a real estate license conducted on behalf GLA.

Brokerage

4.

At all times mentioned, in Costa Mesa, County of Orange, GLA and GRANELL acted as real estate brokers and conducted licensed activities within the meaning of:

a. Code Section 10131(a). Respondents operated a mortgage and loan brokerage engaging in the business of, acted in

1 the capacity of, advertised or assumed to act as a real estate
2 broker, including the solicitation for listings of and the
3 negotiation of the sale of real property as the agent of others.

4 b. Code Section 10131(d). Respondents operated a
5 mortgage and loan brokerage engaging in activities with the
6 public wherein lenders and borrowers were solicited for loans
7 secured directly or collaterally by liens on real property,
8 wherein such loans were arranged, negotiated, processed and
9 consummated on behalf of others for compensation or in
10 expectation of compensation and for fees often collected in
11 advance as well as at the conclusion of transactions; and

12 c. In addition, GLA conducted broker-controlled
13 escrows through its escrow division, under the exemption set
14 forth in California Financial Code Section 17006(a)(4) for real
15 estate brokers performing escrows incidental to a real estate
16 transaction where the broker is a party and where the broker is
17 performing acts for which a real estate license is required.

18 Audit
19

20 5.

21 On July 23, 2009, the Department completed an audit
22 examination of the books and records of GLA pertaining to the
23 residential resale and broker escrow activities described in
24 Paragraph 4 that require a real estate license. The audit
25 examination covered a period of time beginning on February 1,
26 2006 to January 31, 2009. The audit examination revealed
27

1 violations of the Code and the Regulations as set forth in the
2 following paragraphs, and more fully discussed in Audit Report LA
3 080235 and the exhibits and work papers attached to said audit
4 report.

5 Trust Account

6 6.

7 At all times mentioned, in connection with the
8 activities described in Paragraph 4, above, GLA accepted or
9 received funds including funds in trust (hereinafter "trust
10 funds") from or on behalf of actual or prospective parties to
11 real estate transactions handled by GLA and thereafter made
12 deposits and or disbursements of such funds. From time to time
13 herein mentioned during the audit period, said trust funds were
14 deposited and/or maintained by GLA in the bank account as
15 follows:
16

17 "Gilda Lujan and Associates Inc. Gold Coast Mortgage
18 Trust Account
19 Account No. 0690073633"
20 Union Bank of California at Laguna Hills
PO Box 512380
Los Angeles, CA 90051-0380

(B/A #1)

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1 B/A #1, in violation of Code Section 10145 and Regulations 2831,
2 2950(d) and 2951.

3 (d) Failed to place trust funds, including earnest
4 money deposits, accepted on behalf of another into the hands of
5 the owner of the funds, a neutral escrow depository or into a
6 trust fund account in the name of the trustee at a bank or other
7 financial institution not later than three business days
8 following receipt of the funds by the broker or by the broker's
9 salesperson, in violation of Code Section 10145 and Regulations
10 2832(d), 2950(d) and 2951.

11 (e) Failed to disclose in writing to all parties of
12 GLA's financial interest and ownership of GLA's escrow division,
13 in violation of Code Sections 10145 and 10176(g) and Regulation
14 2950(h); and

15 (f) Failed to retain the salesperson license
16 certificates for Rick M. Gilliam and Nelson Strickland, in
17 violation of Code Section 10160 and Regulation 2753.

18 Disciplinary Statues

19
20 8.

21 The conduct of Respondents GLA and GRANELL described in
22 Paragraph 7, above, violated the Code and the Regulations below:

23 PARAGRAPH

PROVISIONS VIOLATED

24 7(a)

25 Code Section 10145 and Regulations
26 2832.1, 2950(g) and 2951
27

1 7(b) Code Section 10145 and Regulations
2 2831.2, 2950(d) and 2951

3
4 7(c) Code Section 10145 and Regulations
5 2831, 2950(d) and 2951

6 7(d) Code Section 10145 and Regulations
7 2832(d), 2950(d) and 2951

8
9 7(e) Code Sections 10145 and 10176(g)
10 and Regulation 2950(h)

11
12
13 7(f) Code Section 10160 and Regulation
14 2753

15 The foregoing violations constitute cause for the suspension or
16 revocation of the real estate license and license rights of GLA
17 and GRANELL, under the provisions of Code Sections 10176(g),
18 10177(d) and/or 10177(g).

19
20 Negligence

21 14.

22 The overall conduct of Respondents GLA and GRANELL
23 constitutes negligence or incompetence. This conduct and
24 violation are cause for the suspension or revocation of the real
25 estate license and license rights of Respondents GLA and GRANELL
26 pursuant to Code Section 10177(g).
27

Broker Supervision

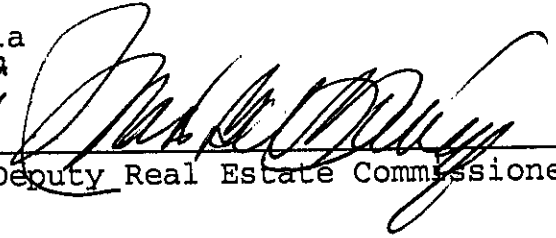
10.

The overall conduct of Respondent GRANELL constitutes a failure on Respondent's part, as officer designated by a corporate broker licensee, to exercise the reasonable supervision and control over the licensed activities of GLA in violation of Code Section 10159.2, and to keep GLA in compliance with the Real Estate Law, and is cause for the suspension or revocation of the real estate license and license rights of GRANELL pursuant to the provisions of Code Sections 10177(d), 10177(h) and/or 10177(g).

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 the license and license rights of Respondents GILDA LUJAN AND ASSOCIATES INC. and GILDA LOUISE GRANELL, 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 30 October 2009.


Deputy Real Estate Commissioner

cc: Gilda Lujan And Associates Inc.
Maria Suarez
Sacto
Audits - Darryl M. Thomas