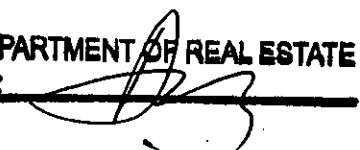


1 Department of Real Estate
2 320 W. 4TH Street, Suite 350
3 Los Angeles, CA 90013-1105

4 Telephone: (213) 576-6982

FILED

NOV 21 2011

DEPARTMENT OF REAL ESTATE
BY: 

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)

12 PACIFIC SUMMIT MANAGEMENT CORP.;)
13 and RUSSELL WILLIAM THOMPSON,)
14 as designated officer of)
15 Pacific Summit Management Corp.,)

No. H-36815 LA
L-2010100729

16 Respondents.)

17 ORDER NUNC PRO TUNC MODIFYING DECISION

18 It having been called to the attention of the Real
19 Estate Commissioner that there are errors in the Decision by
20 Stipulation and Agreement dated September 28, 2011, effective
21 November 24, 2011, and good cause appearing therefor, the
22 Stipulation and Agreement is amended as follows:

23 Page 7, Paragraph II, C.1., lines 2-4 are amended to
24 read "Respondent shall make restitution of \$59,385.09 to the
25 property owners tabled below:"

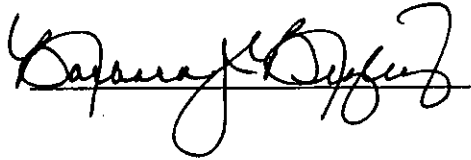
26 ///

27 -

1 This Order, Nunc Pro Tunc to September 28, 2011,
2 effective November 24, 2011, shall become effective immediately.

3 IT IS SO ORDERED 11-16, 2011.

4
5 BARBARA J. BIGBY
6 Acting Real Estate Commissioner

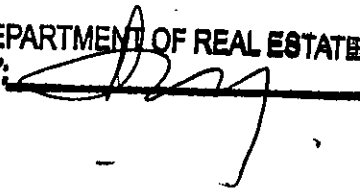
7 
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

1 Department of Real Estate
2 320 W. 4TH Street, Suite 350
3 Los Angeles, CA 90013-1105

4 Telephone: (213) 576-6982

FILED

OCT 25 2011

DEPARTMENT OF REAL ESTATE
BY: 

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)

12 PACIFIC SUMMIT MANAGEMENT CORP.;)
13 and RUSSELL WILLIAM THOMPSON,)
14 as designated officer of)
15 Pacific Summit Management Corp.,)

16 Respondents.)

) No. H-36815 LA
) L-2010100729

) STIPULATION
) AND
) AGREEMENT

17 It is hereby stipulated by and between Respondents
18 PACIFIC SUMMIT MANAGEMENT CORP. and RUSSELL WILLIAM THOMPSON, as
19 designated officer of Pacific Summit Management Corp., (sometimes
20 collectively referred to as "Respondents"), represented by
21 Laurence J. McEvoy, Esq. and the Complainant, acting by and
22 through Elliott Mac Lennan, Counsel for the Department of Real
23 Estate, as follows for the purpose of settling and disposing of
24 the Accusation ("Accusation") filed on September 16, 2010, in
25 this matter:

26 ///

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 ("Stipulation").

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 of Real Estate in this
11 proceeding.

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

24 ///

25 ///

26 ///

27 ///

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

10 5. This Stipulation is made for the purpose of
11 reaching an agreed disposition of this proceeding and is
12 expressly limited to this proceeding and any other proceeding or
13 case in which the Department of Real Estate ("Department"), the
14 state or federal government, or any agency of this state, another
15 state or federal government is involved.

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

26 ///

27 ///

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

9 8. Respondents understand that by agreeing to this
10 Stipulation, Respondents agree to pay, pursuant to Business and
11 Professions Code Section 10148, the cost of the audit. The
12 amount of said cost for the audit is \$15,738.30.

13 9. Respondents have received, read, and understand the
14 "Notice Concerning Costs of Subsequent Audit". Respondents
15 further understand that by agreeing to this Stipulation, the
16 findings set forth below in the Determination of Issues become
17 final, and the Commissioner may charge Respondents for the cost
18 of any subsequent audit conducted pursuant to Business and
19 Professions Code Section 10148 to determine if the violations
20 have been corrected. The maximum cost of the subsequent audit
21 will not exceed \$15,738.30.

22 ///

23 ///

24 ///

25 ///

26 ///

27 ///

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27

2
3

4

5
6
7
8
9
10
11
12
13

14

15
16
17
18
19
20

21

22

23

24

25

24

ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

I.

The real estate broker license and license rights of Respondent PACIFIC SUMMIT MANAGEMENT CORP under the Real Estate Law are revoked.

II.

The real estate broker license of Respondent RUSSELL WILLIAM THOMPSON under the Real Estate Law is revoked; provided, however, a restricted real estate salesperson license shall be issued to Respondent, pursuant to Section 10156.5 of the Business and Professions Code, if Respondent:

A. Makes application therefor and pays to the Department of Real Estate the appropriate fee for the restricted license within ninety (90) days from the effective date of this Decision.

B. Respondent shall, prior to and as a condition of the issuance of the restricted license, submit proof satisfactory to the Commissioner of having taken and successfully completed the continuing education course on trust fund accounting and handling specified in paragraph (3) of subdivision (a) of Section 10170.5 of the Business and Professions Code. Proof of satisfaction of this requirement includes evidence that respondent has successfully completed the trust fund account and handling continuing education course within 120 days prior to the

effective date of the Decision in this matter.

C.1. Restitution to Property Owners. Respondent shall,
~~as a condition for issuance of the restricted license~~ make
restitution of \$59,385.09 to the property owners tabled below:

Table: Restitution to Property Owners

NAME	ADDRESS	RESTITUTION
Driftwood Estates	420 S. Freeman, Oceanside	\$10,380.24
Gale Leon Graves	514 N. Freeman, Oceanside	\$ 5,998.20
Sebastian Italia	2780 Foothill, Vista	\$33,454.30
Brandon Jonatis	615 Fredricks #145, Oceanside	\$ 1,700.00
Irma Garribay	1609 Kraft Street, Oceanside	\$ 1,560.00
Rhonda Jorden	707 Monterey, Vista	\$ 2,798.67
Arnold Kasendorf	1424 Papin Street Oceanside	\$ 1,875.00
Margaret Bennett	28150 Queensbridge Road Valley Center	\$ 500.00
Gary Wong	1827 Vulcan Avenue Encinitas	\$ 390.26

1	William Scuba	419 - 421 W. 10th Avenue	\$ 776.00
2		Escondido	
3		-	
4	Total	-	\$59,432.67

5

6 C.2. The restricted license issued to Respondent shall

7 be suspended indefinitely six (6) months after date of issuance

8 unless and until Respondent submits proof satisfactory to the

9 Commissioner of payment in restitution to the property owners

10 tabled above.

11 C.3. In satisfaction of the property owner restitution:

12 (1) Respondent shall deliver or mail the restitution

13 payments, if any, by certified mail, return receipt requested, to

14 the property owner's last known address on file with or known to

15 Respondent.

16 (2) If any of the payments are returned by the Post

17 Office marked "unable to deliver," Respondent shall employ a

18 locator service, including but not limited to the Internet or

19 other database retrieval search firm or county recorder, to try

20 and locate the property owner. Repayments shall then be made to

21 the addresses recommended by the locator service.

22 (3) If unable to effect restitution after using a

23 locator service, Respondent shall provide reasonable proof

24 satisfactory to the Commissioner of Respondent's efforts to

25 comply with the provisions of this Paragraph. In such case, no

26

27

1 further restitution payments or trust deficit restorral payments
2 shall be required of Respondent.

3 (4) However, should the Commissioner determine that
4 proof to be unsatisfactory, he shall so advise Respondent, and
5 indicate what additional reasonable efforts should be made to
6 make repayment to the property owners.

7 (5) If Respondent fails to satisfy this condition, the
8 Commissioner may order suspension of Respondent's restricted
9 license until Respondent effects compliance herein.

10 The restricted license issued to Respondent shall be
11 subject to all of the provisions of Section 10156.7 of the Code
12 and the following limitations, conditions and restrictions
13 imposed under authority of Section 10156.6 of that Code.

14 1. The restricted license issued to Respondent may be
15 suspended prior to hearing by Order of the Real Estate
16 Commissioner in the event of Respondent's conviction or plea of
17 nolo contendere to a crime which is substantially related to
18 Respondent's fitness or capacity as a real estate licensee.

19 2. The restricted license issued to Respondent may be
20 suspended prior to hearing by Order of the Real Estate
21 Commissioner on evidence satisfactory to the Commissioner that
22 Respondent has violated provisions of the California Real Estate
23 Law, the Subdivided Lands Law, Regulations of the Real Estate
24 Commissioner or conditions attaching to the restricted license.

25 ///

1 3. Respondent shall not be eligible to apply for the
2 issuance of an unrestricted real estate license nor for the
3 removal of any of the conditions, limitations or restrictions of
4 a restricted license until four (4) years has elapsed from the
5 effective date of the issuance of the restricted license.

6 4. Respondent shall submit with any application for
7 license under an employing broker, or any application for
8 transfer to a new employing broker, a statement signed by the
9 prospective employing real estate broker on a form approved by
10 the Department of Real Estate which shall certify:

11 (a) That the employing broker has read the
12 Decision of the Commissioner which granted
13 the right to a restricted license; and

14 (b) That the employing broker will exercise
15 close supervision over the performance by the
16 restricted licensee relating to activities
17 for which a real estate license is required.

18 5. Respondent RUSSELL WILLIAM THOMPSON shall, within
19 nine (9) months from the effective date of this Decision, present
20 evidence satisfactory to the Real Estate Commissioner that
21 Respondent has, since the most recent issuance of an original or
22 renewal real estate license, taken and successfully completed the
23 continuing education requirements of Article 2.5 of Chapter 3 of
24 the Real Estate Law for renewal of a real estate license. If
25 Respondent fails to satisfy this condition, the Commissioner may
26 order the suspension of the restricted license until Respondent
27

1 presents such evidence. The Commissioner shall afford Respondent
2 the opportunity for a hearing pursuant to the Administrative
3 Procedure Act to present such evidence.

4 6. Respondent RUSSELL WILLIAM THOMPSON shall within
5 six (6) months from the effective date of the Decision herein,
6 take and pass the Professional Responsibility Examination
7 administered by the Department including the payment of the
8 appropriate examination fee. If Respondent fails to satisfy this
9 condition, the Commissioner may order suspension of Respondent's
10 license until Respondent passes the examination.

11 III.

12 Pursuant to Section 10148 of the Business and
13 Professions Code, Respondents PACIFIC SUMMIT MANAGEMENT CORP. and
14 RUSSELL WILLIAM THOMPSON shall pay the Commissioner's reasonable
15 cost for (a) the audit which led to this disciplinary action and
16 (b) a subsequent audit to determine if Respondents are now in
17 compliance with the Real Estate Law. The cost of the audit which
18 led to this disciplinary action is \$15,738.30. In calculating
19 the amount of the Commissioner's reasonable cost, the
20 Commissioner may use the estimated average hourly salary for all
21 persons performing audits of real estate brokers, and shall
22 include an allocation for travel time to and from the auditor's
23 place of work. Said amount for the prior and subsequent audits
24 shall not exceed \$31,476.60. Respondents shall pay such cost
25 within 60 days of receiving an invoice from the Commissioner
26 detailing the activities performed during the audit and the
27 amount of time spent performing those activities.

1 The Commissioner may suspend the license of Respondents
2 pending a hearing held in accordance with Section 11500, et seq.,
3 of the Government Code, if payment is not timely made as provided
4 for herein, or as provided for in a subsequent agreement between
5 the Respondent and the Commissioner. The suspension shall remain
6 in effect until payment is made in full or until Respondents
7 enter into an agreement satisfactory to the Commissioner to
8 provide for payment, or until a decision providing otherwise is
9 adopted following a hearing held pursuant to this condition.

10
11
12 DATED: _____

6-5-11

EJL

ELLIOTT MAC LENNAN, Counsel for
the Department of Real Estate

13
14 * * *

15 EXECUTION OF THE STIPULATION

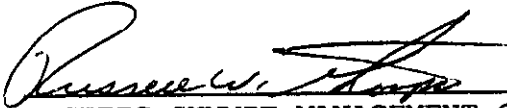
16 We have read the Stipulation and Agreement and
17 discussed it with our attorney. Its terms are understood by us
18 and are agreeable and acceptable to us. We understand that we
19 are waiving rights given to us by the California Administrative
20 Procedure Act (including but not limited to Sections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

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.

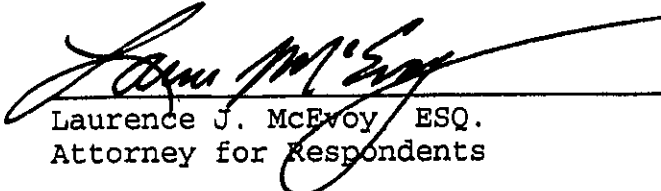
DATED: JUN 24 2011


PACIFIC SUMMIT MANAGEMENT CORP.,
Respondent
By: RUSSELL WILLIAM THOMPSON, as
designated officer of Pacific
Summit Management Corp.

DATED: JUN 24 2011


RUSSELL WILLIAM THOMPSON, as
designated officer of Pacific
Summit Management Corp.
Respondent

DATED: JUN 24 2011


Laurence J. McEvoy, ESQ.
Attorney for Respondents

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

* * *

The foregoing Stipulation and Agreement is hereby
adopted as my Decision as to Respondents PACIFIC SUMMIT
MANAGEMENT CORP. and RUSSELL WILLIAM THOMPSON and shall become
effective at 12 o'clock noon on November 24, 2011.

IT IS SO ORDERED 9/28, 2011.

BARBARA J. BIGBY
Acting Real Estate Commissioner

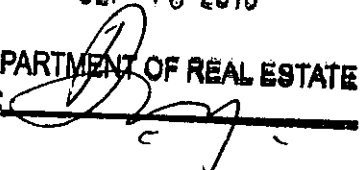


1 ELLIOTT MAC LENNAN, SBN 66674
2 Department of Real Estate
3 320 West 4th Street, Ste. 350
4 Los Angeles, California 90013-1105

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

FILED

SEP 16 2010

DEPARTMENT OF REAL ESTATE
BY: 

7
8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)

No. H- 36815 LA

12 PACIFIC SUMMIT MANAGEMENT CORP.)

A C C U S A T I O N

13 and RUSSELL WILLIAM THOMPSON,)

14 as designated officer of)

Pacific Summit Management Corp.)

15 Respondents.)

16 The Complainant, Joseph D. Aiu, a Deputy Real Estate
17 Commissioner of the State of California, for cause of Accusation
18 against PACIFIC SUMMIT MANAGEMENT CORP and RUSSELL WILLIAM
19 THOMPSON, as designated officer of Pacific Summit Management
20 Corp. alleges as follows:

21 1.

22 The Complainant, Joseph D. Aiu, makes this Accusation
23 in his official capacity.
24

25 ///

26 ///

27 ///

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.

3.

A. At all times mentioned, PACIFIC SUMMIT MANAGEMENT CORP. ("PSMC") was licensed or had license rights issued by the Department of Real Estate ("Department") as a corporate real estate broker. On May 7, 1997, PSMC was originally licensed as a corporate real estate broker.

B. At all times mentioned, RUSSELL WILLIAM THOMPSON ("THOMPSON") was licensed or had license rights issued by the Department as a real estate broker. On April 13, 1992, THOMPSON was originally licensed as a real estate broker. On December 21, 2000, THOMPSON was licensed as PSMC's designated officer. On May 3, 2010, THOMPSON's designated officer license was cancelled.

C. At all times material herein, PSMC was licensed by the Department as a corporate real estate broker by and through THOMPSON, as the designated officer and broker responsible, pursuant to Code Sections 10159.2 and 10211 of the Business and Professions Code for supervising the activities requiring a real estate license conducted on behalf PSMC by PSMC's officers, agents and employees, including THOMPSON, as herein set forth.

D. PSMC is owned Christine Kirby, an unlicensed person. Christine Kirby is also PSMC's President, Chief Executive Officer, Chief Financial Officer and Secretary.

Brokerage

4.

At all times mentioned, in the City of Escondido, County of San Diego, Respondents PSMC and THOMPSON engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers within the meaning of Code Section 10131(b), including the operation and conduct of a property management brokerage with the public wherein, for or in expectation of compensation, for another or others, Respondents leased or rented or offered to lease or rent, or placed for rent, or solicited listings of places for rent, or solicited for prospective tenants, or collected rents from real property, or improvements thereon.

Audit

5.

On June 23, 2010, the Department completed an audit examination of the books and records of PSMC pertaining to the property management activities described in Paragraph 4, that require a real estate license. The audit examination covered a period of time beginning on October 1, 2008 to January 29, 2010. The audit examination revealed violations of the Code and the Regulations as set forth in the following paragraphs, and more fully discussed in Audit Report SD 090040 and the exhibits and work papers attached to said audit report.

///

Bank Accounts

6.

At all times mentioned, in connection with the activities described in Paragraph 4, above, PSMC accepted or received funds including funds in trust (hereinafter "trust funds") from or on behalf of actual or prospective parties to transactions handled by PSMC including property owners and tenants. PSMC maintained three bank accounts:

"Pacific Summit Management Corp.
00000 9413657185"
Chase Bank
Baton Rouge, Louisiana

(B/A #1)

"Pacific Summit Management Corp.
001 1009255"
Wells Fargo Bank
Portland, Oregon

(B/A #2)

"Pacific Summit Management Corp.
00000 9413657200"
Chase Bank
Baton Rouge, Louisiana

(B/A #3)

///

///

///

///

Violations of the Real Estate Law

7.

In the course of activities described in Paragraphs 4 and 6, above, and during the examination period described in Paragraph 5, Respondents PSMC and THOMPSON, acted in violation of the Code and the Regulations in that Respondents:

(a) Permitted, allowed or caused the disbursement of trust funds from B/A #1, where the disbursement of funds reduced the total of aggregate funds in B/A #1, to an amount which, on June 23, 2010, the cutoff date of the audit examination, was \$63,465.06, less than the existing aggregate trust fund liability to every principal who was an owner of said funds, without first obtaining the prior written consent of the owners of said funds, in violation of Code Section 10145 and Regulations 2832.1,

(b) PSMC managed Driftwood Estates Homeowners Association (Driftwood) located at 5661 Palmer Way, Suite A, Carlsbad, California, October 2005 to February 2009. On March 6, 2009, following the termination of the property management contract, closeout check #1038 in the amount of \$10,380.24 was made payable to Driftwood from B/A #2. During July 2009, Driftwood attempted to cash this check in July 2009. It was returned and stamped as "Account Closed," in violation of Code Sections 10145, 10176(i) and/or 10177(g).

(c) Failed to maintain a control record in the form of a columnar record in chronological order of all trust funds

1 received, deposited and disbursed, in violation of Code Section
2 10145 and Regulation 2831.

3 (d) Failed to maintain an accurate and complete
4 separate record for each beneficiary or transaction, thereby
5 failing to account for all trust funds received, deposited and
6 disbursed for the bank accounts, in violation of Code Section
7 10145 and Regulation 2831.1.

8 (e) Failed to perform a monthly reconciliation of the
9 balance of all separate beneficiary or transaction records
10 maintained pursuant to Regulation 2831.1 with the record of all
11 trust funds received and disbursed by B/A #1, in violation of
12 Code Section 10145 and Regulations 2831.2.

13 (f)(1) Permitted Christina Kirby, owner of PSMC, AN
14 unlicensed and unbonded person, to be the sole authorized
15 signatory on B/A #1, into which were deposited trust funds for
16 property owners and tenant rents, in violation of Code Section
17 10145 and Regulation 2834(a); and

18 (f)(2) THOMPSON was not a signatory on the trust
19 account, in violation of Code Section 10145 and Regulation
20 2834(b).

21 (g)(1) Bank account B/A #1, were not designated as
22 trust account, in violation of Code Section 10145 of the Code and
23 Regulation 2832(a); and

24 g)(2) PSMC failed to place trust funds, including
25 security deposits and tenant rents, accepted on behalf of another
26
27

1 into the hands of the owner of the funds, a neutral escrow
2 depository or into a trust fund account in the name of the
3 trustee at a bank or other financial institution not later than
4 three business days following receipt of the funds by the broker
5 or by the broker's salesperson, in violation of Code Section
6 10145 and Regulation 2832(d).

7 (h) Failed to disburse from B/A #1, earned broker fees,
8 in violation of Code Section 10145 and Regulation 2835. Broker
9 fees were commingled with trust funds deposited into B/A #1, as
10 said funds were retained in B/A #1 beyond twenty-five (25) days
11 of their deposit, in violation of Code Sections 10145 and
12 10176(e) and Regulation 2835.

13 (i) \$2,571.37 in trust funds, that were over disbursed
14 from B/A #1, and transferred into B/A #3, PSMC's account used for
15 general operating expensed, constituting conversion, in violation
16 of Code Sections 10145, 10176(i) and/or 10177(j) and/or 10177(g).

17 (j) Failed to notify the Department of PSMC's correct
18 address, in violation of Code Section 10163 and Regulation 2715.

19 (k) Failed to retain all records of PSMC's activity
20 during the audit period requiring a real estate broker license,
21 in violation of Code Section 10148.

22 (l) THOMPSON failed to exercise adequate supervision
23 over PSMC's activities requiring a real estate license to ensure
24 compliance the Real Estate Laws and Regulations and had no system
25 in place for regularly monitoring PSMC's compliance with the Real
26 Estate Law, in violation of Code Sections 10159.2, 10177(h) and
27

1 Regulation 2725.

2 Disciplinary Statutes And Regulations

3 8.

4 The conduct of Respondents PSMC and THOMPSON, as
5 alleged and described in Paragraph 7, above, violated the Code
6 and the Regulations as set forth below:

7 PARAGRAPH

PROVISIONS VIOLATED

8
9 7(a)

Code Section 10145 and Regulation
10 2832.1

11
12 7(b)

Code Sections 10145 and 10176(i)
13 and/or 10177(g)

14
15 7(c)

Code Section 10145 and Regulation
16 2831

17
18
19 7(d)

Code Section 10145 and Regulation
20 2831.1

21
22 7(e)

Code Section 10145 and Regulation
23 2831.2

24
25
26 7(f)

Code Section 10145 and Regulation
27 2834

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

7(g)

Code Section 10145 and Regulation
2832(a) and 2832(d)

7(h)

Code Section 10145 and 10176(e) and
Regulation 2835

7(i)

Code Section 10145, 10176(i) and/or
10177(j) and 10177(g)

7(j)

Code Section 10163 and Regulation
2715

7(k)

Code Section 10148

7(l)

Code Sections 10159.2 and 10177(h)
and Regulation 2725 (THOMPSON)

The foregoing violations constitute cause for the suspension or
revocation of the real estate license and license rights of PSMC
and THOMPSON under the provisions of Code Sections 10176(e),
10176(i) and/or 10177(j), 10177(d) and/or 10177(g).

///
///
///

Negligence

9.

The overall conduct of Respondents PSMC and THOMPSON constitutes negligence and is cause for the suspension or revocation of the real estate license and license rights of said Respondents pursuant to Code Section 10177(g).

Fiduciary Duty

10.

The overall conduct of Respondents PSMC and THOMPSON constitutes a breach of fiduciary duty with respect to the said Respondent's real estate consumers and clientele including property owners and tenants. This conduct and violation are cause for the suspension or revocation of the real estate license and license rights of Respondents PSMC and THOMPSON pursuant to Code Section 10176(i) and/or 10177(g).

Broker Supervision

11.

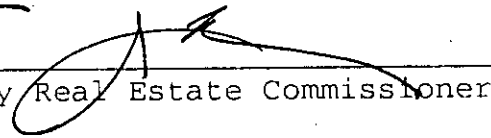
The overall conduct of Respondent THOMPSON constitutes a failure on his part, as officer designated by a corporate broker licensee, to exercise the reasonable supervision and control over the licensed activities of PSMC as required by Code Section 10159.2. This conduct is cause for the suspension or revocation of the real estate license and license rights of THOMPSON pursuant to the provisions of Code Sections 10177(d), 10177(g) and 10177(h).

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 the license and license rights of Respondents
5 PACIFIC SUMMIT MANAGEMENT CORP. and RUSSELL WILLIAM THOMPSON,
6 under the Real Estate Law (Part 1 of Division 4 of the Business
7 and Professions Code) and for such other and further relief as
8 may be proper under other applicable provisions of law.

9 Dated at Los Angeles, California

10 this

9th Day of September

11 
Deputy Real Estate Commissioner

12
13
14
15
16
17
18
19
20
21
22
23 cc: Pacific Summit Management Inc.
24 c/o Russell William Thompson D.O.
25 Joseph D. Aiu
26 Enforcement - Sara Knapton
27 Sacto
Audits - Jasmeet Carval