

Accused

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DEPARTMENT OF REAL ESTATE
BY: *R. Theodorholt*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

11	In the Matter of the Accusation of)	No. H-37724 LA
12	SECURITY PACIFIC MORTGAGE)	<u>A C C U S A T I O N</u>
13	CORPORATION; RUSSELL CARL)	
14	BARNES, individually and as)	
15	designated officer of Security)	
16	Pacific Mortgage Corporation;)	
17	and PAMELA JEAN EVERETT,)	
18	individually and as designated)	
19	officer of Security Pacific)	
20	Mortgage Corporation,)	
21)	
22	Respondents.)	

20 The Complainant, Robin Trujillo, a Deputy Real Estate
21 Commissioner of the State of California, for cause of Accusation
22 against SECURITY PACIFIC MORTGAGE CORPORATION, RUSSELL CARL
23 BARNES individually and as designated officer of Security Pacific
24 Mortgage Corporation, and PAMELA JEAN EVERETT individually and as
25 designated officer of Security Pacific Mortgage Corporation, is
26 informed and alleges as follows:
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1.

The Complainant, Robin Trujillo, a Deputy Real Estate Commissioner of the State of California, makes this Accusation in her official capacity.

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 or to the California Financial Code.

3.

Respondent SECURITY PACIFIC MORTGAGE CORPORATION ("SPMC") is licensed by the Department of Real Estate ("Department") as a corporate real estate broker. Respondent SPMC was originally licensed as a corporate real estate broker on or about November 12, 1997, with real estate broker Denis Ray Thomas as its designated officer. Respondent RUSSELL CARL BARNES ("BARNES") was the designated officer of SPMC from July 3, 2001, until December 7, 2007. Respondent PAMELA JEAN EVERETT ("EVERETT") was the designated officer of SPMC from December 8, 2007, to April 2, 2009.

4.

Respondent BARNES is licensed by the Department as a real estate broker. Respondent BARNES was originally licensed as a real estate broker on January 15, 1985.

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Respondent EVERETT is licensed by the Department as a real estate broker. Respondent EVERETT was originally licensed as a real estate salesperson on June 5, 1990, and as a real estate broker on August 15, 1994.

6.

At all times mentioned, in the City of Big Bear Lake, County of San Bernardino, Respondents engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate brokers within the meaning of Code Sections 10131(a) and (d), including the solicitation for listings of and the negotiation of the purchase and sale of real property as the agent of others. Their activities also included soliciting borrowers or lenders for and/or negotiating loans, collecting payments and/or performing services for borrowers or lenders in connection with loans secured by liens on real property.

7.

On December 11, 2008, the Department completed an audit examination of the books and records of SPMC pertaining to the real estate sales activities described in paragraph 6, above. The audit examination covered the period of time from January 1, 2007, to September 30, 2008. The primary purpose of the examination was to determine Respondents' compliance with the Real Estate Law. The audit examination revealed numerous violations of the Code and the Regulations as set forth in the following paragraphs, and more fully discussed in Audit Reports LA 080093 and LA 080098 and the exhibits and work papers attached

1 to said audit report.

2 8.

3 At all times herein relevant, in connection with the
4 activities described in Paragraph 6, above, SPMC accepted or
5 received funds, and funds in trust (hereinafter "trust funds")
6 including, but not limited to, earnest money deposits, appraisal
7 fees, and credit report fees. Thereafter, SPMC made deposits and
8 or disbursements of such trust funds. From time to time herein
9 mentioned during the audit period, said trust funds were
10 deposited and/or maintained by SPMC in the following trust
11 account:

12 Security Pacific Mortgage Corporation Trust Account
13 Account No. XXXX771 (Redacted for security)
14 First Mountain Bank
15 Big Bear Lake, California

16 (T/A #1 - SPMC's trust account)

17 9.

18 With respect to the licensed activities referred to in
19 Paragraph 6, and the audit examination including the exhibits and
20 work papers referenced in Paragraph 7, it is alleged that

21 Respondents:

22 (a) Failed to maintain a columnar record of the
23 receipt and disbursement of trust funds, in violation of Code
24 Section 10145 and Regulations 2831;

25 (b) Failed to maintain a separate record for each
26 beneficiary of trust funds collected, in violation of Code
27 Section 10145 and Regulation 2831.1.

10.

The conduct of Respondents described in Paragraph 9, above, violated the Code and the Regulations as set forth below:

<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
9(a)	Code Sections 10145 and Regulation 2831
9(b)	Code Sections 10145 and Regulation 2831.1
9(c)	Code Section 10145 and Regulation 2832
9(d)	Code Section 10145 and Regulation 2834
9(e)	Code Section 10159.5 and Regulation 2731

Each of the foregoing violations constitute cause for the suspension or revocation of the real estate license and

1 license rights of Respondents under the provisions of Code
2 Sections 10177(d), 10177(g), and/or 10177(h).

3
4 WHEREFORE, Complainant prays that a hearing be
5 conducted on the allegations of this Accusation and that upon
6 proof thereof, a decision be rendered imposing disciplinary
7 action against the license and license rights of Respondents
8 SECURITY PACIFIC MORTGAGE CORPORATION, RUSSELL CARL BARNES
9 individually and as designated officer of Security Pacific
10 Mortgage Corporation, and PAMELA JEAN EVERETT individually and as
11 designated officer of Security Pacific Mortgage Corporation,
12 under the Real Estate Law (Part 1 of Division 4 of the Business
13 and Professions Code) and for such other and further relief as
14 may be proper under other applicable provisions of law.

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16 Dated at Los Angeles, California: December 8, 2011.

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19 _____
20 Robin Trujillo
21 Deputy Real Estate Commissioner

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24 cc: Security Pacific Mortgage Corporation
25 Russell Carl Barnes
26 Pamela Jean Everett
27 Robin Trujillo
Sacto
Audits - Zaky Wanis