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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of

No. H-38740 LA

MERIDIAN CAPITAL REAL ESTATE
SERVICES INC and LAUREN BRIDE
BRADSHAW, individually, and as
designated officer of Meridian
Capital Real Estate Services 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 MERIDIAN CAPITAL REAL ESTATE SERVICES INC and LAUREN
BRIDE BRADSHAW, individually, and as designated officer of
Meridian Capital Real Estate Services 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 MERIDIAN CAPITAL REAL
ESTATE SERVICES INC and LAUREN BRIDE BRADSHAW.

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.

LICENSE HISTORY

3.

A. At all times mentioned, MERIDIAN CAPITAL REAL ESTATE SERVICES INC ("MCRESI") was licensed and/or had license rights issued by the Department of Real Estate ("Department") as a corporate real estate broker. MCRESI was originally licensed as a corporate real estate broker on October 26, 2009.

B. At all times mentioned, LAUREN BRIDE BRADSHAW ("BRADSHAW") was licensed and/or had license rights issued by the Department as a real estate broker. BRADSHAW was originally licensed as a real estate broker on September 2, 2009.

C. From October 26, 2009, through the present, MCRESI has been licensed by the Department as a corporate real estate broker by and through BRADSHAW, as the designated officer and broker responsible, pursuant to Code Section 10159.2 for supervising the activities requiring a real estate license conducted on behalf of MCRESI, or by MCRESI's officers, agents and employees.

BROKERAGE

MERIDIAN CAPITAL REAL ESTATE SERVICES INC

4.

At all times mentioned, in the City of Rancho Cucamonga, County of San Bernardino, MCRESI and BRADSHAW acted as real

1 estate brokers, conducting licensed activities within the meaning
2 of Code Sections 10131(a) and 10131(d): selling or buying real
3 property for others and collecting payments or performing
4 services for borrowers, in connections with loans secured by real
5 property. In addition, MCRESI and BRADSHAW conducted broker-
6 controlled escrows through their escrow division under the
7 exemption set forth in California Financial Code Section
8 17006(a)(4) for real estate brokers performing escrows incidental
9 to a real estate transaction where the broker is a party and
10 where the broker is performing acts for which a real estate
11 license is required.

12 AUDIT

13 MERIDIAN CAPITAL REAL ESTATE SERVICES INC

14 5.

15 On June 27, 2012, the Department completed audit
16 examinations of the books and records of MCRESI pertaining to the
17 activities described in Paragraph 4 which require a real estate
18 license. The audit examinations covered a period of time from
19 April 1, 2009 to February 29, 2012 for MCRESI's sales activities
20 and July 11, 2011 to April 30, 2012 for MCRESI's broker escrow
21 activities. The audit examinations revealed violations of the
22 Code and the Regulations as set forth in the following
23 paragraphs, and as more fully discussed in Audit Reports LA110102
24 and LA110261 and the exhibits and workpapers attached to said
25 audit reports.

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1 VIOLATIONS OF THE REAL ESTATE LAW

2 6.

3 In the course of activities described in Paragraph 4
4 above and during the examination periods described in Paragraph
5 5, Respondents MCRESI and BRADSHAW acted in violation of the Code
6 and the Regulations in that:

7 (a) MCRESI did not disburse earned escrow fees of
8 \$3,719.20 from its escrow trust account within twenty-five (25)
9 days after their deposit, in violation of Code Sections 10145 and
10 10176(e), as well as Regulation 2835, in conjunction with
11 Regulation 2951.

12 (b) The control record for all trust funds received
13 and disbursed for MCRESI's broker escrow activities was
14 inaccurate and/or incomplete, in violation of Code Section 10145
15 and Regulation 2831, in conjunction with Regulation 2951.

16 (c) The separate records maintained for MCRESI's broker
17 escrow activity were inaccurate and/or incomplete, in violation
18 of Code Section 10145 and Regulation 2831.1, in conjunction with
19 Regulation 2951.

20 (d) Real Estate Salesperson Bryan H. Bradshaw, was
21 authorized to sign on MCRESI's escrow trust account during a time
22 period when he was not licensed under MCRESI, in violation of
23 Code Section 10145 and Regulation 2834, in conjunction with
24 Regulation 2951.

25 (e) MCRESI did not disclose to all parties in writing
26 that MCRESI and/or BRADSHAW had any interest as a stockholder,
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1 officer, partner or owner in the escrow operation, in violation
2 of Regulation 2950(h).

3 (f) MCRESI conducted broker escrow activities using
4 the fictitious business name "Meridian Capital Escrow" without
5 first obtaining a license from the Department bearing such
6 fictitious business name, in violation of Code Section 10159.5
7 and Regulation 2731.

8 (g) MCRESI submitted Residential Purchase Agreements
9 which stated that MCRESI held deposit checks, when the checks
10 were not in MCRESI's possession, in violation of Code Section
11 10176(a).

12 (h) The original license certificates for MCRESI's
13 salespersons were not always made available for inspection during
14 the course of the audit examination, in violation of Code Section
15 10160 and Regulation 2753.

16 (i) MCRESI did not notify the Department of the
17 employment of salesperson Stephanie L. Tran in a timely manner,
18 in violation of Code Section 10161.8 and Regulation 2752.

19 (j) MCRESI did not always display its license at each
20 branch office location, in violation of Code Section 10162.

21 (k) MCRESI did not notify the Department of the
22 location or address of a branch office within the next business
23 day of making a change, in violation of Code Section 10163 and
24 Regulation 2715.

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7.

The conduct of Respondents MCRESI and BRADSHAW, described in Paragraph 6, above, violated the Code and the Regulations as set forth below:

<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
6(a)	Code Sections 10145 and 10176(e) and Regulations 2835/2951.
6(b)	Code Section 10145 and Regulations 2831/2951
6(c)	Code Section 10145 and Regulations 2831.1/2951
6(d)	Code Section 10145 and Regulations 2834/2951
6(e)	Regulation 2950(h)
6(f)	Code Section 10159.5 and Regulation 2731
6(g)	Code Section 10176(a)
6(h)	Code Section 10160 and Regulation 2753
6(i)	Code Section 10161.8 and Regulation 2752
6(j)	Code Section 10162
6(k)	Code Section 10163 and Regulation 2715

The foregoing violations constitute cause for the suspension or revocation of the real estate license and license rights of MCRESI and BRADSHAW, under the provisions of Code

1 Sections 10165, 10176(a), 10177(d) and/or 10177(g).

2 SUPERVISION AND COMPLIANCE

3 8.

4 The overall conduct of Respondent BRADSHAW constituted
5 a failure on her part, as an officer designated by a corporate
6 broker licensee, to exercise reasonable supervision and control
7 over the licensed activities of MCRESI as required by Code
8 Section 10159.2, and to keep MCRESI in compliance with the Real
9 Estate Law, and is cause for the suspension or revocation of the
10 real estate license and license rights of BRADSHAW pursuant to
11 the provisions of Code Sections 10177(d), 10177(g) and 10177(h).

12 9.

13 Code Section 10106, provides, in pertinent part, that
14 in any order issued in resolution of a disciplinary proceeding
15 before the Department, the Commissioner may request the
16 administrative law judge to direct a licensee found to have
17 committed a violation of this part to pay a sum not to exceed the
18 reasonable costs of the investigation and enforcement of the
19 case.

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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 MERIDIAN CAPITAL REAL ESTATE SERVICES INC and LAUREN BRIDE
6 BRADSHAW, individually and as designated officer of Meridian
7 Capital Real Estate Services Inc, under the Real Estate Law, that
8 Complainant be awarded its costs of investigation and prosecution
9 of this case, and for such other and further relief as may be
10 proper under the provisions of law.

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12 Dated at Los Angeles, California

13 this 5th day of February, 2013

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16 
17 Maria Suarez
18 Deputy Real Estate Commissioner
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24 CC: MERIDIAN CAPITAL REAL ESTATE SERVICES INC
25 LAUREN BRIDE BRADSHAW
26 Maria Suarez
27 Sacto
Audits