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**FILED**  
OCT 08 2021  
DEPT. OF REAL ESTATE  
By *[Signature]*

9 BEFORE THE DEPARTMENT OF REAL ESTATE  
10 STATE OF CALIFORNIA

11 \* \* \*

12 In the Matter of the Accusation of ) No. H-42036 LA  
13 JEFFREY DURAND RUSSELL, )  
14 doing business as JDR Mortgage ) ACCUSATION  
15 and Priority Mortgage Funding, )  
16 Respondent. )

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18 The Complainant, María Suárez, a Supervising Special Investigator of the State  
19 of California, for cause of Accusation against JEFFREY DURAND RUSSELL, doing business  
20 as JDR Mortgage and Priority Mortgage Funding, ("Respondent"), is informed and alleges as  
21 follows:

22 1.

23 The Complainant, María Suárez, acting in her official capacity as a Supervising  
24 Special Investigator of the State of California, makes this Accusation against Respondent  
25 JEFFREY DURAND RUSSELL.

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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.

Respondent JEFFREY DURAND RUSSELL ("RUSSELL") presently has license rights under the Real Estate Law, Part 1 of Division 4 of the Code as a real estate broker. Respondent also has an individual mortgage loan originator license endorsement and a company mortgage loan originator license endorsement.

#### BROKERAGE

JEFFREY DURAND RUSSELL

4.

At all times mentioned, in the City of Laguna Niguel, County of Orange, Respondent JEFFREY DURAND RUSSELL acted as a real estate broker, conducting licensed activities within the meaning of Code section 10131(d) (solicits borrowers or lenders for or negotiates loans or collects payments or performs services for borrowers or lenders or note owners in connection with loans secured by real property).

#### AUDIT

JEFFREY DURAND RUSSELL

5.

On February 27, 2020, the Department completed audit examinations of the books and records of Respondent JEFFREY DURAND RUSSELL pertaining to the activities described in Paragraph 4 which require a real estate license. The audit examinations covered a period of time from September 1, 2018, to December 31, 2019. The audit examinations revealed violations of the Code and the Regulations as set forth in the following paragraphs, and as more fully discussed in Audit Report LA190065 and the exhibits and workpapers attached to said audit report.

AUDIT VIOLATIONS OF THE REAL ESTATE LAW

6.

In the course of activities described in Paragraph 4 above and during the examination period described in Paragraph 5 above, Respondent RUSSELL acted in violation of the Code and the Regulations in that:

6(a) Respondent did not maintain a complete and accurate control record or general ledger of all trust funds received and disbursed, in violation of Code section 10145 and Regulations section 2831.

6(b) Respondent did not maintain a complete and accurate separate record of all trust funds received and disbursed for each beneficiary in connection with Respondent's mortgage loan brokerage and servicing activities, in violation of Code section 10145 and Regulations section 2831.1.

6(c) The Housing Financial Discrimination Act of 1977 Fair Lending Notice that Respondent provided to borrowers indicated that Respondent made the loan pursuant to a license issued by the Department of Oversight, but Respondent was not licensed by the Department of Oversight and made the loan pursuant to his company mortgage loan originator license endorsement, in violation of Code section 10176(a).

7.

The conduct, acts, or omissions of Respondent RUSSELL, 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 section 10145 and Regulations section 2831
6(b)	Code section 10145 and Regulations section 2831.1
6(c)	Code section 10176(a)

The foregoing violations constitute cause for the suspension or revocation of all the licenses, license endorsements, and license rights of Respondent under the Real Estate Law pursuant to the provisions of Code sections 10176(a), 10177(d), and 10177(g).

Accusation of Jeffrey Durand Russell

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Code section 10148(b) provides, in pertinent part, that the Real Estate Commissioner shall charge a real estate broker for the cost of any audit if the Commissioner has found in a final decision, following a disciplinary hearing, that the broker has violated Code section 10145 or a Regulation or rule of the Commissioner interpreting said Code section.

9.

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

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 all the licenses, license endorsements, and license rights of Respondent JEFFREY DURAND RUSSELL under the Real Estate Law, for the cost of audit, investigation, and enforcement as permitted by law, and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Los Angeles, California

this 8th day of October, 2021.

*Maria Suarez*  
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María Suárez  
Supervising Special Investigator

cc: JEFFREY DURAND RUSSELL  
María Suárez  
Sacto.  
Audits

Accusation of Jeffrey Durand Russell