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Bureau of Real Estate
320 West Fourth Street, Ste. 350
Los Angeles, California 90013

Telephone: (213) 576-6982

FILED
February 2, 2016
BUREAU OF REAL ESTATE
By _____

BUREAU OF REAL ESTATE

STATE OF CALIFORNIA

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To: RAUL IRIZARRY, JR.; JESSE ROBERT ALCALA; BENEFIT CONNECTIONS, LLC, doing business as Mortgage Protection Counselors; and R.E. QUEST, LLC.	CalBRE No. H-02988 FR ORDER TO DESIST AND REFRAIN (B&P Code Section 10086)

The Commissioner ("Commissioner") of the California Bureau of Real Estate ("Bureau") caused an investigation to be made of the activities of RAUL IRIZARRY, JR. ("IRIZARRY"); JESSE ROBERT ALCALA ("ALCALA"); BENEFIT CONNECTIONS, LLC, doing business as Mortgage Protection Counselors ("BENEFIT"); and R.E. QUEST, LLC ("QUEST'), and has determined that each, other than IRIZARRY, has engaged in or is engaging in acts or practices constituting violations of the California Business and Professions Code ("Code") including engaging in the business of, acting in the capacity of, or assuming to act, as a real estate broker in the State of California within the meaning of Section 10131(d) (soliciting borrowers or lenders or negotiating loans) and Section 10131.2 (advance fee handling). Based on the findings of that investigation, as set forth below, the Commissioner hereby issues the following Findings of Fact, Conclusions of Law and Desist and Refrain Order pursuant to Code Section 10086.

FINDINGS OF FACT

1. At no time herein mentioned has ALCALA, BENEFIT or QUEST been licensed by the Bureau in any capacity.

2. IRIZARRY was previously licensed under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code as a broker. On or about November 30, 2014, his license expired.

3. Whenever acts referred to below are attributed to BENEFIT or QUEST those acts are alleged to have been done by BENEFIT and/or QUEST, acting alone, or by and/or through one or more agents, associates, affiliates, and/or co-conspirators, including but not limited to each of those named herein, and using a fictitious name(s) unknown at this time.

4. At the time set forth below, each of those named herein engaged in the business of, acted in the capacity of, or advertised loan modification and/or foreclosure rescue services offering to perform and performing loan modification or negotiation services with respect to loans which were secured by liens on real property for compensation or in expectation of compensation and for fees collected in advance of the transaction, including but not limited to the activities described below.

5. At all times mentioned herein IRIZARRY, ALCALA, BENEFIT and QUEST engaged in the business of claiming, demanding, charging, receiving, collecting or contracting for the collection of an advance fee, as defined by Code Section 10026, including but not limited to the activities described in Paragraphs 7, below.

6. On October 11, 2009, Code Section 10085.6 went into effect. By its terms Section 10085.6 prohibits any real estate licensee who negotiates, attempts to negotiate, arranges, attempts to arrange, or otherwise offers to perform a loan modification with respect to residential property to "claim, demand, charge, collect, or receive any compensation until after the licensee has fully performed each and every service the licensee contracted to perform or represented that he, she, or it would perform."

7. On dates subsequent to October 11, 2009, IRIZARRY, ALCALA, BENEFIT and QUEST engaged in advance fee activities including, but not limited to, the

following activities with respect to loans which were secured by liens on real property:

a. At a date prior to March 31, 2012, Arturo R. heard a commercial on a Spanish language radio station for a company offering to perform loan modifications. When Arturo R. telephoned the advertised phone number he was solicited by ALCALA who was acting as an unlicensed representative of BENEFIT to obtain a modification of the loan on his real property. Arturo R. was told that the total cost of the loan modification would be $4,700 and payable in two installments. On or about March 31, 2012, Arturo R. wrote out a check for an advance fee of $2,349.50 to Mortgage Protection Counselors, the fictitious business name of BENEFIT. On or about May 31, 2012, Arturo R. wrote out another check to the same company as an advance fee in the amount of $2,349.50. Arturo R. subsequently received a loan modification of his mortgage loan.

b. At a date prior to March 21, 2012, ALCALA solicited Domingo R. for a modification of the mortgage loan on his property at 2212 Avondale Drive, Bakersfield, California 93306. Domingo R. was told that the total cost of the loan modification would be $4,699. On or about May 10, 2012, Domingo R. wrote out an advance fee check in the amount of $2,349.50 made payable to BENEFIT's fictitious business name, Mortgage Protection Counselors. On or about November 26, 2012, Domingo R. gave Mortgage Protection Counselors an additional check in the amount of $2,349.50 as the second installment of the total cost of the loan modification. As of December 13, 2013, no loan modification had been obtained on Domingo R's behalf.

c. On or about June 4, 2012, Victor P. was solicited by BENEFIT for a modification of the mortgage loan on Victor P.'s property at 25831-7th Avenue, Corcoran, California 93212. Victor P. was given the following documents: "Contract Service Agreement" stating that BENEFIT would be paid in advance for its services; "Disclosure Statement" stating that BENEFIT would charge $2,349.50 upon pre-approval of a modification and $2,349.50 when Victor P. receives a trial modification agreement from his lender; and "Payment Agreement" stating that the total cost of the loan modification would be $4,699 plus $50 for a credit report. On or about June 15, 2012, Victor P. paid BENEFIT, using its fictitious business

name, Mortgage Protection Counselors, an advance fee in the amount of $1,350 as partial payment for a loan modification.

d. On or about December 12, 2012, Veronica and Augustin O. paid QUEST on behalf of IRIZARRY an advance fee of $1,500 for a modification of the mortgage loan on their property at 11307 Summit Point Court, Bakersfield, California 93312. On or about January 7, 2013, Veronica O. paid QUEST on behalf of IRIZARRY an additional advance fee payment of $1,000. Finally, on or about June 2, 2013, Veronica O. paid QUEST on behalf of IRIZARRY an advance fee payment of $1,811.14. In or around August, 2013, Veronica and Augustin O. received an agreement from their lender modifying their mortgage loan.

CONCLUSIONS OF LAW

8. The activities described in Paragraphs 4, 5 and 7, above, require a real estate license under Section 10131(d) and Section 10131.2 of the Code.

9. Based on the information contained in Paragraphs 4, 5 and 7, above, ALCALA, BENEFIT and QUEST performed and/or participated in loan solicitation, negotiation and modification activities which require a real estate broker license under the provisions of Code Sections 10131(d) and 10131.2 during a period of time when they were not licensed by the Bureau as a real estate broker nor employed as a real estate salesperson by the broker on whose behalf the activities were performed in violation of Section 10130 of the Code.

10. Based on the information contained in Paragraphs 4, 5 and 7, above, IRIZARRY collected advance fees pursuant to an agreement which constitutes an advance fee agreement within the meaning of Code Section 10085.

11. Based on the information contained in Paragraphs 4, 5 and 7, above, and by virtue of the application of Code Section 10085.6 to the advance fee transactions described in Paragraph 7, above, IRIZARRY violated the statute's provisions when he collected advance fees after October 11, 2009, when such advance fees were prohibited by Code Section 10085.6.

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DESIST AND REFRAIN ORDER

Based on the Findings of Fact and Conclusions of Law stated herein:

1. IT IS HEREBY ORDERED that JESSE ROBERT ALCALA, BENEFIT CONNECTIONS, LLC, doing business as Mortgage Protection Counselors, and R.E. QUEST, LLC, whether doing business under the name "Mortgage Protection Counselors" or any other name(s), or any fictitious name, immediately desist and refrain from performing any acts within the State of California for which a real estate broker license is required. In particular each of them is ORDERED TO DESIST AND REFRAIN from:

(i) charging, demanding, claiming, collecting and/or receiving advance fees, as that term is defined in Section 10026 of the Code, in any form, and under any conditions, with respect to the performance of loan modifications or any other form of mortgage loan forbearance services in connection with loans on residential property containing four or fewer dwelling units (Code Section 10085.6).

(ii) charging, demanding, claiming, collecting and/or receiving advance fees, as that term is defined in Section 10026 of the Code, for any other real estate related services offered by them to others.

2. IT IS HEREBY ORDERED that RAUL IRIZARRY, JR. immediately desist and refrain from:

(i) charging, demanding, claiming, collecting and/or receiving advance fees, as that term is defined in Section 10026 of the Code, in any form, and under any conditions, with respect to the performance of loan modifications or any other form of mortgage loan forbearance services in connection with loans on residential property containing four or fewer dwelling units (Code Section 10085.6).

DATED: January 26, 2016

WAYNE S. BELL
REAL ESTATE COMMISSIONER

By: _____
JEFFREY MASON
Chief Deputy Commissioner

Notice: Business and Professions Code Section 10139 provides that "Any person acting as a real estate broker or real estate salesperson without a license or who advertises using words indicating that he or she is a real estate broker without being so licensed shall be guilty of a public offense punishable by a fine not exceeding twenty thousand dollars ($20,000), or by imprisonment in the county jail for a term not to exceed six months, or by both fine and imprisonment; or if a corporation, be punished by a fine not exceeding sixty thousand dollars ($60,000)."

cc: Raul Irizarry, Jr.
Jesse Robert Alcala
Benefit Connections LLC, dba Mortgage Protection Counselors
R.E. Quest, LLC