Department of Real Estate
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DEPARTMENT OF REAL ESTATE
By

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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To: EXPEDIA MARKETING FIRM	NO. H-4180 SD
	ORDER TO DESIST AND REFRAIN (B&P Code Section 10086)

The Commissioner (hereafter "the Commissioner") of the California Department of Real Estate (hereafter "the Department") caused an investigation to be made of the activities of EXPEDIA MARKETING FIRM, individually and doing business as "Expedia Consulting Firm" (hereafter "Respondent"). Based on that investigation, the Commissioner has determined that Respondent has engaged in, is engaging in, or is attempting to engage in, acts or practices constituting violations of the California Business and Professions Code ("Code") and/or Title 10, Chapter 6, California Code of Regulations ("Regulations"), including acting in the capacity of, advertising or assuming to act as a real estate broker in the State of California within the meaning of Section 10131(d) (performing services for borrowers and/or lenders in connection with loans secured by real property), 10131.2 (collection of advance fees), 10085 (advance fee agreements and materials) and 10085.5 (collecting unauthorized advance fees) of the Code. Furthermore, based on the investigation, the Commissioner hereby issues the following Findings

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of Fact, Conclusions of Law, and Desist and Refrain Order under the authority of Section 10086 of the Code.

FINDINGS OF FACT

1. At no time has Respondent been licensed by the Department in any capacity. During the period of time set out below, Respondent performed services for one or more borrowers and negotiated to do one or more of the following acts for another or others, for or in expectation of compensation: negotiate one or more loans for, or perform services for, borrowers and/or lenders with respect to the collection of advance fees and loan modification, loan refinance, principal reduction, foreclosure abatement or short sale services and/or those borrowers' lenders in connection with loans secured directly or collaterally by one or more liens on real property; and charged, demanded or collected an advance fee for any of the services offered.

2. In furtherance of its plan and scheme to solicit advance fees and provide loan modification services, on or about December 2008, Respondent's employee, Ian Pulu, solicited Karen A. and promised that he could negotiate with her mortgage lender for a loan modification which would include a $225,000 principal reduction, lowering her interest rate to 2% and lowering her mortgage payment to $700 per month. Ian Pulu told Karen A. that Respondent's attorneys would perform a forensic audit for $3,800, after which Respondent would offer her free loan modification services. On or about January 25, 2010, Karen A. entered into a "Forensic Loan Audit Retainer Agreement" with Respondent. Karen A. made payments to Respondent in exchange for its forensic audit and loan modification services on the following dates:

Date	Payment Amount
02/17/10	$600
02/27/10	$600
03/08/10	$600
03/10/10	$200
03/17/10	$600
03/22/10	$600
03/31/10	$600
	$3,800

Respondent failed to secure a loan modification for Karen A. and has not repaid the money received from her.

3. In further of its plan and scheme to solicit advance fees, on or about March 14, 2010, Michael S. entered into a "Forensic Loan Audit Retainer Agreement" with Respondent through its representative, Marcus Wilson. Michael S. made payments to Respondent for its forensic audit and loan modification services on the following dates:

Date	Payment Amount
04/16/10	$1,500
04/19/10	$1,300
	$2,800

Respondent has not obtained a loan modification for Michael S. and has not returned the money it received from him.

CONCLUSIONS OF LAW

Based on the Findings of Fact contained in Paragraphs 1 through 3, above, EXPEDIA MARKETING FIRM, solicited borrowers and/or performed services for those borrowers with respect to the collection of advance fees and loan modification, loan refinance, principal reduction, foreclosure abatement or short sale services and/or those borrowers' lenders in connection with loans secured directly or collaterally by one or more liens on real property; and charged, demanded or collected advance fees for the services to be provided, which acts require a real estate broker license under Sections 10131(d) and 10131.2 of the Code.

EXPEDIA MARKETING FIRM used a form of advance fee agreement which had not been provided to the Department for its prior review and consideration, in violation of Sections 10085 and 10085.5 of the Code, and Section 2970 (submission of advance fee materials) of the Regulations.

DESIST AND REFRAIN ORDER

Based on the Findings of Fact and Conclusions of Law stated herein, EXPEDIA MARKETING FIRM, individually and doing business as "Expedia Consulting Firm", and

whether doing business under your own name, or any other name or fictitious name, IS HEREBY ORDERED to immediately desist and refrain from:

1. Performing any acts within the State of California that require a real estate broker license unless and until you are properly licensed by the Department as a real estate broker.

2. Charging, demanding, claiming, collecting and/or receiving advance fees, as that term is defined in Section 10026 of the Code, for any of the services you offer to others, unless and until you demonstrate and provide evidence satisfactory to the Commissioner that you are properly licensed by the Department as a real estate broker and that EXPEDIA MARKETING FIRM:

   (a) Has an advance fee agreement which has been submitted to the Department and which is in compliance with Sections 2970 and 2972 of the Regulations;

   (b) Has placed all previously collected advance fees into a trust account for that purpose and are in compliance with Section 10146 (deposit of advance fees into trust account) of the Code; and

   (c) Has provided an accounting to trust fund owner-beneficiaries pursuant to Section 2972 of the Regulations.

3. 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 modification or any other form of mortgage loan forbearance services in connection with loans on residential property containing four or fewer dwelling units.

DATED: 3/22/2011

JEFF DAVI
Real Estate 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: EXPEDIA MARKETING FIRM
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EXPEDIA MARKETING FIRM
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JWB/km