

1 BUREAU OF REAL ESTATE  
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FILED  
SEP 01 2015  
BUREAU OF REAL ESTATE  
By L. Frost

8 STATE OF CALIFORNIA  
9 BUREAU OF REAL ESTATE

10 To: )  
11 RECOVER TREE, LLC, and COREY MITCHELL. ) No. H-6302 SAC  
12 ) ORDER TO DESIST AND REFRAIN  
13 ) (B&P Code Section 10086)

14 The Commissioner of the California Bureau of Real Estate ("Bureau") caused an  
15 investigation to be made of the activities of RECOVER TREE, LLC ("RECOVER TREE"), and  
16 COREY MITCHELL ("MITCHELL"). Based on that investigation, the Commissioner has  
17 determined that RECOVER TREE and MITCHELL have engaged in, are engaging in, or are  
18 attempting to engage in, acts or practices constituting violations of the California Business and  
19 Professions Code ("Code") and/or Title 10, Chapter 6, California Code of Regulations  
20 ("Regulations"), including the business of, acting in the capacity of, and/or advertising or  
21 assuming to act as, real estate brokers in the State of California within the meaning of Sections  
22 10131(d) (performing services for borrowers and/or lenders in connection with loans secured by  
23 real property) and 10131.2 (real estate broker license required to charge and collect an advance  
24 fee) of the Code. Furthermore, based on the investigation, the Commissioner hereby issues the  
25 following Findings of Fact, Conclusions of Law, and Desist and Refrain Order under the  
26 authority of Section 10086 of the Code.

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1 charged, demanded or collected advance fees for the services to be provided, which acts require  
2 a real estate broker license under Sections 10131(d) (real estate license required for enumerated  
3 acts) and 10131.2 (real estate broker license required to charge or collect an advance fee) of the  
4 Code, in violation of Section 10130 of the Code.

5 7. RECOVER TREE and MITCHELL used a form of advance fee agreement  
6 which had not been provided to the Bureau for its prior review and consideration, in violation of  
7 Section 10085 of the Code (prior submission of advance fee materials required) and Section  
8 2970 (details for prior submission of advance fee materials) of the Regulations.

9 DESIST AND REFRAIN ORDER

10 Based on the Findings of Fact and Conclusions of Law stated herein, RECOVER  
11 TREE and MITCHELL whether doing business under their own names, or any other name or  
12 fictitious name, ARE HEREBY ORDERED to:

13 1. Immediately desist and refrain from performing any acts within the State  
14 of California for which a real estate broker license is required. In particular, they are ordered to  
15 desist and refrain from soliciting borrowers and/or performing services for borrowers or lenders  
16 in connection with loans secured directly or collaterally by one or more liens on real property,  
17 unless and until they obtain a real estate broker license issued by the Bureau.

18 2. Immediately desist and refrain from charging, demanding, claiming,  
19 collecting and/or receiving advance fees, as that term is defined in Section 10026 of the Code,  
20 for any of the services they offer to others, unless and until they demonstrate and provide  
21 evidence satisfactory to the Commissioner that they are properly licensed by the Bureau as real  
22 estate brokers, and that RECOVER TREE and MITCHELL:

23 (A) Have an advance fee agreement which has been submitted to the Bureau  
24 and which is in compliance with Sections 2970 and 2972 of the Regulations;

25 (B) Have placed all previously collected advance fees into a trust account for  
26 that purpose and are in compliance with Section 10146 of the Code;

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1 (C) Have provided an accounting to trust fund owner-beneficiaries pursuant to  
2 Section 2972 of the Regulations; and

3 (D) Are in compliance with California law, as amended effective as of  
4 October 11, 2009, with respect to loan modification and/or forbearance services. Under the  
5 amended law, they can only collect advance fees for loan modification or other mortgage loan  
6 forbearance services related to commercial loans and loans for residential properties containing  
7 five or more dwelling units.

8 3. Immediately desist and refrain from demanding, claiming, collecting and/or  
9 receiving advance fees, as that term is defined in Section 10026 of the Code, in any form, and  
10 under any conditions, with respect to the performance of loan modification or any other form of  
11 mortgage loan forbearance services in connection with loans on residential property containing  
12 four or fewer dwelling units.

13 DATED: July 28, 2015

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15 REAL ESTATE COMMISSIONER

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18 By: JEFFREY MASON  
19 Chief Deputy Commissioner

20 - NOTICE -

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

RE 576 (Rev. 7/15)

LEGAL

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*This notice is required by California Civil Procedure (C.C.P.) §412.30.*

**TO THE PERSON SERVED:**

**COREY MITCHELL**

*(Name of individual being served)*

**RECOVER TREE, LLC.**

*(Name of corporation or unincorporated association)*

You are hereby served the attached Order on behalf of the corporation or unincorporated association named above as a person upon whom a copy of the Order may be delivered to effect service on said party under the provisions of:

- C.C.P. §416.10 (*Corporation*)
  - C.C.P. §416.40 (*Unincorporated association, including partnership*)
  - C.C.P. §
  
  - Service is being made on you as an individual *as well* as on behalf of the corporation or the unincorporated association.
  - Service is being made on you on behalf of the corporation or the unincorporated association, *not* as an individual.
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