FILED

DEPARTMENT OF REAL ESTATE
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December 13, 2011

DEPARTMENT OF REAL ESTATE

By _____

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

TO: ALLIED FINANCIAL NETWORK, and STEVEN EUGENE BONNER, an individual	No. H-11262 SF ORDER TO DESIST AND REFRAIN (B&P Code Section 10086)

The Commissioner of the California Department of Real Estate ("Commissioner") caused an investigation to be made of the activities of ALLIED FINANCIAL NETWORK ("AFN"), and STEVEN EUGENE BONNER ("BONNER"). Based on the investigation, the Commissioner has determined AFN and BONNER have engaged in, are engaging in, or are 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 the business of, acting in the capacity of, and/or 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 in connection with loans secured by real property) of the Code. Furthermore, based on the investigation, the Commissioner hereby issues the following Findings of Fact, Conclusions of Law, and Desist and Refrain Order under the authority of Section 10086 of the Code.

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Whenever acts referred to below are attributed to AFN, those acts are alleged to have been done by BONNER, acting by himself, or by and/or through one or more agents, associates, affiliates, and/or co-conspirators, and using the name ALLIED FINANCIAL NETWORK.

FINDINGS OF FACT

1. At all times relevant herein, neither AFN (with offices located at 88 S 3rd Street, Suite 321, San Jose, California 95113) nor BONNER held a valid California Department of Real Estate ("Department") license in any capacity.

2. During the period of time set out below, AFN, BONNER, and/or other agents, associates, affiliates, and/or co-conspirators solicited 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 in connection with loans secured directly or collaterally by one or more liens on real property; charge or demand a fee for any of the services offered, in violation of Sections 10130 (real estate broker license required to perform certain acts) and 10139 (criminal penalties for unlicensed activity) of the Code.

3. On or about August 28, 2009, BONNER met with Eric D. ("Borrower") concerning a possible residential mortgage loan modification for a Bend Avenue, San Jose, California residential property owed by the Borrower. During this meeting, the Borrower was informed by BONNER that AFN's fee included a $1,200 non-refundable processing fee and a $1,800 loan modification fee paid at resolution for the Loan Modification Assistance Program; or, in the alternative, an advance payment of $3,000 which would be fully refundable if AFN failed to negotiate a loan modification. The Borrowers paid BONNER and BONNER accepted a payment on behalf of AFN in the amount of $1,200.

CONCLUSIONS OF LAW

4. Based on the findings of fact contained in paragraphs 1 through 3, above, AFN, acting by and/or through one or more agents, associates, affiliates, affiliated

corporations and/or co-conspirators, BONNER, or other names or fictitious names unknown at this time, solicited one or more borrowers and performed services for those borrowers and/or those borrowers' lenders in connection with loans secured directly or collaterally by one or more liens on real property, acts which require a real estate license under Section 10131(d) of the Code, during a period of time when AFN and BONNER were not licensed by the Department in any capacity.

DESIST AND REFRAIN ORDER

Based on the Findings of Fact and Conclusions of Law stated herein, STEVEN EUGENE BONNER, doing business under his own name, the corporate name ALLIED FINANCIAL NETWORK, and/or any other corporation affiliated with AFN which does not hold a valid Department corporate broker license or any other names or fictitious names which does not hold a valid Department license, is HEREBY ORDERED to:

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

2. Immediately desist and refrain from 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 BONNER offers to others, unless and until BONNER demonstrates and provides evidence satisfactory to the Commissioner that BONNER is properly licensed by the Department as a real estate broker, and:

(a) BONNER 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) BONNER has placed all previously collected advance fees into a trust account for that purpose and is in compliance with Section 10146 of the Code;

(c) BONNER has provided an accounting to trust fund owner-beneficiaries pursuant to Section 2972 of the Regulations; and,

(d) BONNER is in compliance with California law, as amended effective as of October 11, 2009, with respect to loan modification and/or forbearance services. Under the amended law, BONNER can only collect advance fees for loan modifications or other mortgage loan forbearance services related to commercial loans and loans for residential properties containing five or more dwelling units.

DATED: 12/5, 2011

BARBARA J. BIGBY
Acting 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:

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