DEPARTMENT OF REAL ESTATE
P. O. Box 187007
Sacramento, CA 95818-7007

Telephone: (916) 227-0789

FILED

MAR 29 2012

DEPARTMENT OF REAL ESTATE

By D. Contreras

BEFORE THE

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

TO: MORTGAGE RELIEF ASSISTANCE GROUP, INC., a Corporation, and DAVID EDGARDO REYES MELENDEZ.	NO. H-11351 SF ORDER TO DESIST AND REFRAIN (B&P Code Section 10086)

The Real Estate Commissioner (Commissioner) of the California Department of Real Estate (Department) caused an investigation to be made of the activities of MORTGAGE RELIEF ASSISTANCE GROUP, INC., and DAVID EDGARDO REYES MELENDEZ. Based on that investigation, the Commissioner has determined that MORTGAGE RELIEF ASSISTANCE GROUP, INC. (MRAGI) and DAVID EDGARDO REYES MELENDEZ (REYES) (collectively referred to as "you") 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 real estate brokers 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. Additionally, you have violated Sections 10130 (unlicensed activity), 10131.2 (brokers collecting advance fees),

10139 (penalties for unlicensed activities), 10085 (advanced fee agreements), 10085.5 (advance fee payments), 10085.6 (advance fee payments), 10146 (depositing advanced fees into a trust account), 10176(a) (misrepresentation) and 10176(i) (fraud and dishonest dealing by licensee), 10159.5 (fictitious name), and 10177(d) (violating the real estate law), of the Code and Sections 2731 (fictitious name), 2970 (advance fee materials) and 2972 (accounting content) of the Regulations. 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.

Whenever acts referred to below are attributed to MRAGI and REYES, those acts are alleged to have been done by MRAGI and REYES, acting by themselves, or by and/or through one or more agents, associates, affiliates, and/or co-conspirators, known or unknown.

FINDINGS OF FACT

1. MRAGI is not now, and has never been, licensed by the Department in any capacity.

2. During the period of time set out below, REYES was licensed by the Department as a real estate salesperson but was not in the employ of a real estate broker.

3. During the period of time set out below, MRAGI and REYES solicited borrowers and negotiated to do one or more of the following acts for said borrowers, for or in expectation of compensation: negotiated one or more loans for, or performed services for, borrowers and/or 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.

4. Between about July 30, 2009 and about December 18, 2009, MRAGI and REYES claimed, demanded, charged, received, collected or contracted for advance fees from the borrowers shown below prior to submission to the Department of any or all materials used in advanced fee agreements or performed services for the following borrowers in connection with loans secured with real property before the borrowers became obligated to complete said loans,

and failed to deposit said advance fees into a trust account with a bank or other recognized depository, in violation of Sections 10130, 10131.2, 10139, 10085, 10085.5, 10085.6, and10146 of the Code, and Sections 2970 and 2972 of the Regulations:

Borrower	Property Address	Advance Fee	Date
Alicia G.	Newbridge St. East Palo Alto, CA	$1,300	7/30/09
Martin G.	Sunatra Ave San Jose, CA	$1,300 $1,300	7/29/09 9/15/09
Abron N.	Fallbrook Ave. San Jose, CA	$1,300 $1,300 $ 900	12/18/09 12/20/09 11/xx/10

5. On about December 18, 2009, REYES represented himself as an attorney to Abron M., when in fact; REYES is not now, and has never been, licensed as an attorney, in violation of Sections 10176(a) and 10176(i) of the Code.

6. Between about July 30, 2009 and about December 18, 2009, REYES failed to obtain a real estate license bearing the fictitious business name "Mortgage Relief Assistance Group, Inc." while conducting activities for which a license was required, in violation of Section 10159.5 of the Code and Section 2731 of the Regulations.

CONCLUSIONS OF LAW

1. Based on the Findings of Fact contained in Paragraphs 1 through 6, MRAGI, acting by itself, or by and/or through one or more agents, associates, affiliates, and/or co-conspirators, solicited borrowers, to perform services for those borrowers and their 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 10130, 10131(d), 10131.2 and 10139 of the Code, during a period of time when MRAGI was not licensed by the Department in any capacity.

2. Based on the Findings of Fact contained in Paragraphs 1 through 6, REYES, represented himself as an attorney and acting through MGRI, by himself or by and/or through one or more agents, associates, affiliates, and/or co-conspirators, solicited borrowers, to perform

services for those borrowers and their 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 10130, 10131(d), 10131.2, 10139, 10159.5 and 10176(a) and (i) of the Code and Section 2731 of the Regulations, during a period of time when REYES, was not in the employ of a broker.

3. Based on the Findings of Fact contained in Paragraphs 1 through 6, MRAGI, and REYES, acting by themselves, or by and/or through one or more agents, associates, affiliates, and/or co-conspirators, known or unknown, solicited 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, and charged, demanded or collected advance fees for the services to be provided, in violation of Sections 10085, 10085.5, 10085.6, 10131.2, 10146 and 10177(d) of the Code, and Sections 2970 and 2972 of the Regulations.

DESIST AND REFRAIN ORDER

Based on the Findings of Fact and Conclusions of Law stated herein, you, MORTGAGE RELIEF ASSISTANCE GROUP, INC., whether doing business under your own name, or any other names or fictitious names, ARE 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 until and unless you have obtained a real estate broker license. And, in particular, you are 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 service in connection with loans on residential property containing four or fewer dwelling units (Section 10085.6 of the Code); and,

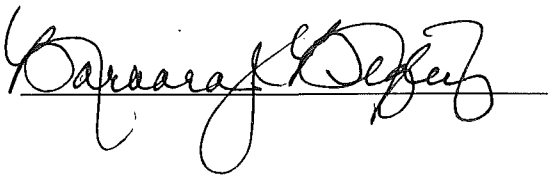
(ii) charging, demanding, claiming, collecting and/or receiving advance fees, as that term is defined in Section 10026 of the Code, for any other real estate related services offered by you to others.

Based upon the Findings of Fact and Conclusions of Law stated herein, it is hereby ordered that you, DAVID EDGARDO REYES MELENDEZ, whether doing business under your own name, or any other names, or any fictitious names, ARE HEREBY ORDERED TO IMMEDIATELY DESIST AND REFRAIN from:

1. 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 service in connection with loans on residential property containing four or fewer dwelling units (Section 10085.6 of the Code);
2. 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 you to others;
3. representing yourself as an attorney until such time as you have obtained a license to practice law; and,
4. using the fictitious business name "Mortgage Relief Assistance Group, Inc." until such time as you have obtained a real estate license bearing said fictitious business name.

DATED: 3/23, 2012

BARBARA 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: MORTGAGE RELIEF ASSISTANCE GROUP, INC.
DAVID EDGARDO REYES MELENDEZ
39488 Stevenson Place, Suite #109
Fremont, CA 94539

and

25354 Cypress Avenue
Hayward, CA 94541

DAVID EDGARDO REYES MELENDEZ
MORTGAGE RELIEF ASSISTANCE GROUP, INC.
39488 Stevenson Place, Suite #109
Fremont, CA 94539

and

1848 Weir Drive
Hayward, CA 94541

ATTY MFC/kc