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Department of Real Estate
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Los Angeles, CA 90013

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FILED

FEB 15 2013

DEPARTMENT OF REAL ESTATE
BY: _____

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

To: PFS LOSS MITIGATION LLC and RICHARD MERCADO, dba PFS Loss Mitigation LLC.	No. H-38708 LA ORDER TO DESIST AND REFRAIN (B&P Code Section 10086)

The Real Estate Commissioner of the State of California ("Commissioner") has caused an investigation to be made of the activities of PFS LOSS MITIGATION LLC and RICHARD MERCADO, dba PFS Loss Mitigation LLC. Based on that investigation, the Commissioner has determined that PFS LOSS MITIGATION LLC and RICHARD MERCADO, dba PFS Loss Mitigation LLC, 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"), including acting in the capacity of, advertising and/or assuming to act as real estate brokers in the State of California within the meaning of Code Sections 10131(d) (advertising, soliciting borrowers for, and offering to perform loan modification services for distressed homeowners) and 10131.2 (collecting advance fees in connection with those services). Based on

that 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 PFS LOSS MITIGATION LLC and/or RICHARD MERCADO, those acts are alleged to have been done by PFS LOSS MITIGATION LLC and/or RICHARD MERCADO, acting by and/or through one or more agents, associates, affiliates and/or co-conspirators, including but not limited to the individuals herein named.

FINDINGS OF FACT

1. PFS LOSS MITIGATION LLC (PFS) is a Nevada Limited Liability Company doing business in California as a foreign Limited Liability Company. At all times relevant herein, PFS's principal executive office in California is and was 9681 Business Center Drive #B, Rancho Cucamonga, CA 91730. PFS has never been licensed in any capacity by the Department of Real Estate of the State of California ("Department").

2. RICHARD MERCADO ("MERCADO") has never been licensed by the Department as a real estate broker or as a salesperson employed by a broker. MERCADO is the principal manager and agent for service of process for PFS.

3. At times relevant herein, PFS and MERCADO also engaged in business using the names PFS Loss Mitigation Inc., Prestige Financial, and Prestige Credit. They also advertised from the following internet website addresses: http://prestigecreditinc.com; http://pfslossmitigation.com.

4. All further references to the parties listed in Paragraphs 1 and 2 above, include those parties and entities themselves, as well as the officers, agents and employees of the parties listed in Paragraphs 1 and 2 above.

5. Beginning at a time on or before July 6, 2009 and continuing through on or after November 10, 2011, PFS and MERCADO advertised, solicited and offered loan modification services to consumers in California, and collected advance fees for those services. The loan modification services offered included negotiating with lenders on behalf of borrowers to refinance or modify the terms of mortgage loans.

CONCLUSIONS OF LAW

The conduct, acts and/or omissions of PFS LOSS MITIGATION LLC and RICHARD MERCADO, as set forth in the Findings of Fact above, when not licensed by the Department as real estate brokers or as salespersons employed by a real estate broker licensed by the Department, was in violation of Code Section 10130.

DESIST AND REFRAIN ORDER

Based on the Findings of Fact and Conclusions of Law stated herein, PFS LOSS MITIGATION LLC and RICHARD MERCADO, whether doing business under your own names, or any other names, or fictitious names, ARE HEREBY ORDERED to immediately desist and refrain from performing any acts within the State of California for which a real estate broker license is required. In particular:

(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; and

(ii) charging, demanding, or collecting a fee for any of the services you offer to others, unless and until you obtain a real estate broker license issued by the Department, and

until you demonstrate and provide evidence satisfactory to the Commissioner that you are in full compliance with all of the requirements of the Code and Commissioner's Regulations relating to charging, collecting, and accounting for fees..

DATED: 2/5/13,

REAL ESTATE COMMISSIONER

By AWET P. KIDANE
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: PFS LOSS MITIGATION LLC
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