

FILED

NOV 30 2009

DEPARTMENT OF REAL ESTATE

By R. Henry

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of

WHITFIELD FINANCIAL SERVICES INC.,
and RAYMOND LORENZO JETER,

Respondent.

No. H-2329 FRESNO

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSES

On December 31, 2008, an Accusation was filed in this matter against the Respondents WHITFIELD FINANCIAL SERVICES INC. and RAYMOND LORENZO JETER (hereinafter "Respondents").

On November 16, 2009, the Respondents petitioned the Commissioner to voluntarily surrender their real estate licenses pursuant to Section 10100.2 of the Business and Professions Code.

IT IS HEREBY ORDERED that Respondents' petition for voluntary surrender of their real estate licenses is accepted as of the effective date of this Order as set forth below, based upon the understanding and agreement expressed in the Declaration executed by Respondents on November 16, 2009 (attached as Exhibit "A" hereto).

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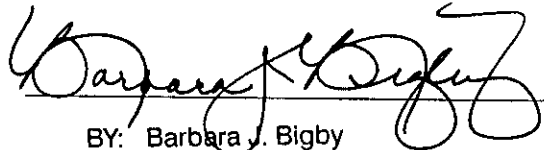
1 Respondents' license certificates and pocket cards shall be sent to the below-
2 listed address so that they reach the Department on or before the effective date of this Order:

3 DEPARTMENT OF REAL ESTATE
4 Attention: Licensing Flag Section
5 P. O. Box 187000
6 Sacramento, CA 95818-7000

7 This Order shall become effective at 12 o'clock
8 noon on DEC 21 2009

9 DATED: 11-30-09

10 JEFF DAVI
11 Real Estate Commissioner

12 
13 BY: Barbara J. Bigby
14 Chief Deputy Commissioner

1 be relicensed as a broker corporation only by petitioning for reinstatement pursuant to Section
 2 11522 of the Government Code. I also understand that by so voluntarily surrendering said
 3 license(s), both WHITFIELD FINANCIAL SERVICES INC. and I agree to the following:

4 The filing of this Declaration shall be deemed as the petition of WHITFIELD
 5 FINANCIAL SERVICES INC. and also as my petition for voluntary surrender. It shall also be
 6 deemed to be an understanding and agreement by both WHITFIELD FINANCIAL SERVICES
 7 INC. and me that we hereby waive all rights either of us may have to require the Commissioner
 8 to prove the allegations contained in the Accusations filed in this matter at a hearing held in
 9 accordance with the provisions of the Administrative Procedure Act (Government Code Sections
 10 11400 et seq.), and that WHITFIELD FINANCIAL SERVICES INC. and I also waive other
 11 rights afforded to us in connection with the hearing such as the right to discovery, the right to
 12 present evidence in defense of the allegations in the Accusation and the right to cross-examine
 13 witnesses. This Declaration is not an admission by myself and/or WHITFIELD FINANCIAL
 14 SERVICES INC. as to the allegations in the Accusation, however we agree that upon acceptance
 15 by the Commissioner, as evidenced by an appropriate order, all affidavits and all relevant
 16 evidence obtained by the Department in these matters prior to the Commissioner's acceptance,
 17 and all allegations contained in the Accusation heretofore filed in the Department Case No. H-
 18 2329 FR, may be considered by the Department to be true and correct for the purpose of deciding
 19 whether to grant relicensure or reinstatement pursuant to Government Code Section 11522. This
 20 Declaration is made for the purpose of reaching a resolution of the allegations contained in
 21 Department Case No. H-2329 FR and is expressly limited to this proceeding and any other
 22 proceeding where the Department is a party and shall not be admissible by any third parties for
 23 any purpose.

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11/16/2009 08:30 FAX 5162273438

DRE LEVAL/RECOVERY

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I declare under penalty of perjury under the laws of the State of California that the above is true and correct and that WHITFIELD FINANCIAL SERVICES INC. and I freely and voluntarily surrender all our license(s) and license rights under the Real Estate Law.

11/16/09

Date and Place


RAYMOND LORENZO JETER

11/16/09

Date and Place

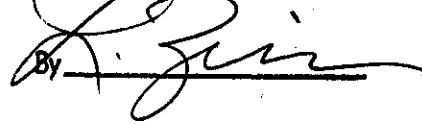

RAYMOND LORENZO JETER for
WHITFIELD FINANCIAL SERVICES INC.

1 TRULY SUGHRUE, Counsel
2 State Bar No. 223266
3 Department of Real Estate
4 P.O. Box 187007
5 Sacramento, CA 95818-7007
6 Telephone: (916) 227-0781

FILED

DEC 31 2008

DEPARTMENT OF REAL ESTATE

By 

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)

No. H- 2329 FRESNO

12)
13 WHITFIELD FINANCIAL SERVICES INC.)
14 and RAYMOND LORENZO JETER)

ACCUSATION

15 Respondents.)

16 The Complainant, JOHN W. SWEENEY, a Deputy Real Estate Commissioner of
17 the State of California, for cause of Accusation against WHITFIELD FINANCIAL SERVICES
18 INC. and RAYMOND LORENZO JETER, (hereinafter "Respondents"), are informed and
19 alleges as follows:

20 PRELIMINARY ALLEGATIONS

21 1

22 The Complainant, JOHN W. SWEENEY, a Deputy Real Estate Commissioner of
23 the State of California, makes this Accusation in his official capacity.

24 2

25 Respondents are presently licensed and/or have license rights under the Real
26 Estate Law, Part 1 of Division 4 of the Business and Professions Code (hereinafter "the Code").

27 ///

1 3

2 At all times mentioned, Respondent WHITFIELD FINANCIAL SERVICES INC.,
3 (hereinafter "WHITFIELD") was and is licensed by the State of California Department of Real
4 Estate (hereinafter "Department") as a real estate broker corporation.

5 4

6 At all times mentioned, Respondent RAYMOND LORENZO JETER, (hereinafter
7 "JETER") was and is licensed by the Department individually as a real estate broker, and as the
8 designated broker officer of WHITFIELD. As said designated officer-broker, JETER was
9 responsible pursuant to Section 10159.2 of the Code for the supervision of the activities of the
10 officers, agents, real estate licensees and employees of WHITFIELD for which a license is
11 required.

12 5

13 At no time mentioned, was Roberto Ornelas (hereinafter "Ornelas") or Pablo
14 Santos (hereinafter "Santos") licensed by the Department either as a real estate salesperson or as
15 a real estate broker.

16 6

17 Whenever reference is made in an allegation in this Accusation to an act or
18 omission of WHITFIELD, such allegation shall be deemed to mean that the officers, directors,
19 employees, agents and real estate licensees employed by or associated with WHITFIELD
20 committed such acts or omissions while engaged in furtherance of the business or operation of
21 WHITFIELD and while acting within the course and scope of their corporate authority and
22 employment.

23 7

24 At all times mentioned, Respondents engaged in the business of, acted in the
25 capacity of, advertised or assumed to act as a real estate broker in the State of California within
26 the meaning of:

27 ///

1 (a) Section 10131(a) of the Code, including the operation and conduct of a
2 real estate resale brokerage with the public wherein, on behalf of others, for compensation or in
3 expectation of compensation, Respondents sold and offered to sell, bought and offered to buy,
4 solicited prospective sellers and purchasers of, solicited and obtained listings of, and negotiated
5 the purchase and resale of real property;

6 (b) Section 10131(d) of the Code, including the operation and conduct of a
7 mortgage loan brokerage business with the public wherein you, for or in expectation of
8 compensation, for another or others, solicited borrowers or lenders or negotiated loans or
9 collected payments or performed services for borrowers or lenders or note owners in connection
10 with loans secured directly or collaterally by liens on real property or on a business opportunity;
11 and

12 (c) Section 10131(b) of the Code, including the operation and conduct of a
13 property management business with the public wherein, on behalf of others, for compensation or
14 in expectation of compensation, Respondents leased or rented and offered to lease or rent, and
15 solicited for prospective tenants of real property or improvements thereon, and collected rents
16 from real property or improvements thereon.

17 FIRST CAUSE OF ACTION

18 8

19 Each and every allegation in Paragraphs 1 through 7, inclusive, above are
20 incorporated by this reference as if fully set forth herein.

21 9

22 In connection with the operation and conduct of the real estate activities
23 described in Paragraph 7, WHITFIELD engaged in the business of claiming, demanding,
24 charging, receiving, collecting or contracting for the collection of advance fees within the
25 meaning of Sections 10026 and 10131.2 (hereinafter "advance fee") of the Code including but
26 not limited to the following:

27 ///

HOMEOWNER	DATE	AMOUNT
Serena Romero	1/8/08	\$2,000
Jose Ferreira	2/6/08	\$2,000
Edward Belville	2/8/08	\$2,000
Luz C. Lugo	2/12/08	\$1,000
Eladio Arroyo	2/13/08	\$2,000
Martha Mendez	2/15/08	\$3,500
Guadalupe Monroy	2/27/08	\$2,000
Raul Vega	4/17/08	\$2,000

10

In connection with the collection and handling of said advance fee, WHITFIELD:

(a) Failed to cause the advance fee contract and all materials used in obtaining the advance fee agreement to be submitted to the Department of Real Estate prior to use as required by Section 10085 of the Code and Section 2970 of Title 10 of the California Code of Regulations (hereinafter "the Regulations").

(b) Failed to immediately deliver said trust funds into a neutral escrow depository, or into a trust fund account in violation of Section 10146 of the Code.

(c) Failed to furnish the principal borrower the verified accounting required by Section 10146 of the Code and Section 2972 of the Regulations.

11

The acts and/or omissions of WHITFIELD described in the First Cause of Action, constitute violation of Section 10177(d) of the Code in conjunction with Sections 10085, and 10146 of the Code and Sections 2970 and 2972 of the Regulations, and are cause for the suspension or revocation of WHITFIELD's license and license rights.

SECOND CAUSE OF ACTION

12

Each and every allegation in Paragraphs 1 through 11, inclusive, above, are incorporated by this reference as if fully set forth herein.

///

Beginning on or about February 2008 and continuing thereafter, WHITFIELD employed and compensated Ornelas and Santos to perform the acts and conduct the real estate activities described in Paragraph 7, above, including but not limited to the activities described in Paragraphs 14, 15, and 16.

14

In course of the activities and employment described in Paragraph 13, without first being licensed by the Department either as a real estate salesperson or as a real estate broker, Santos, acting for and on behalf of another or others, for or in expectation of compensation, represented borrowers by soliciting lenders on behalf of the borrower for restructuring of existing property loans, including but not limited to the real property located at:

Property Address	Homeowner
40 Holly Drive, Freedom	Jose Ferreira
1331 Bellehaven Street, Salinas	Raul Vega

15

In course of the activities and employment described in Paragraph 13, without first being licensed by the Department either as a real estate salesperson or as a real estate broker, Santos, acting for and on behalf of another or others, for or in expectation of compensation, solicited Deputy Commissioner Rene Esquivel, using the name of Diego Lopez, for a loan modification/renegotiation.

16

In course of the activities and employment described in Paragraph 13, without first being licensed by the Department either as a real estate salesperson or as a real estate broker, Ornelas, acting for and on behalf of another or others, for or in expectation of compensation, represented borrowers by soliciting lenders on behalf of the borrower for restructuring of existing property loans, including but not limited to the real property located at:

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Property Address	Homeowner
336 Block Avenue, Salinas	Serena Romero
118 Lewis Court, Watsonville	Martha Mendez

17

In acting as described in Paragraphs 13 through 16, WHITFIELD violated the provisions of Section 10137 of the Code and willfully caused, suffered and/or permitted Santos and Ornelas to violate Section 10130 of the Code.

18

The facts described above as to the Second Cause of Accusation constitute cause to suspend or revoke all licenses and license rights of Respondent WHITFIELD pursuant to the provisions of Section 10137 of the Code in conjunction with Section 10177(d) of the Code.

THIRD CAUSE OF ACTION

19

Each and every allegation in Paragraphs 1 through 18, inclusive, above, are incorporated by this reference as if fully set forth herein.

20

In acting as a real estate broker, as described in Paragraph 7, WHITFIELD accepted or received funds in trust (hereinafter "trust funds") from or on behalf of lenders, investors, note purchasers, borrowers, and others in connection with the servicing, solicitation, negotiation, processing, and consummation of mortgage loan investments by WHITFIELD.

21

The aforesaid trust funds accepted or received by WHITFIELD were deposited or caused to be deposited by WHITFIELD into one or more bank accounts (hereinafter "trust funds accounts") maintained by WHITFIELD for the handling of trust funds, including but not limited to the following:

///

TITLE AND ACCOUNT NUMBERS

BANK

1		
2	Whitfield Financial Services Inc dba Cal branch	Bank of America
3	Property Management	4055 Capitola Road
4	Account No. 06708-43865	Capitola, CA 95010
5	(hereinafter "Bank #1")	
6	Whitfield Financial Services Inc Main Account	Bank of America
7	Account No. 06701-43755	4055 Capitola Road
8	(hereinafter "Bank #2")	Capitola, CA 95010
9	Whitfield Financial Services Inc Main Account	Bank of America
10	Account No. 05260-74608	800 Northridge Shopping
11	(hereinafter "Bank #3")	Centre
12		Salinas, CA 93906

22

11 In the course of activities described in Paragraph 7 and for each of the trust funds
12 accounts identified in Paragraph 21, in connection with the collection and disbursement of said
13 trust funds, WHITFIELD:

14 (a) Failed to deposit trust funds into one or more trust funds accounts in the
15 name of WHITFIELD as trustee at a bank or other financial institution, in conformance with
16 Section 10145 of the Code and Section 2832 of the Regulations.

17 (b) Failed to maintain a written control record of all trust funds received and
18 disbursed, containing all information required by Section 2831 of the Regulations.

19 (c) Failed to maintain separate beneficiary or transaction records containing
20 all information required by Section 2831.1 of the Regulations.

21 (d) Failed to reconcile the balance of separate beneficiary or transaction
22 records with the control record of trust funds received and disbursed at least once a month, and/or
23 failed to maintain a record of such reconciliations for each account as required by Section 2831.2
24 of the Regulations.

25 (e) Caused, permitted, and/or allowed, the possible withdrawal of trust funds
26 from the trust funds accounts by a person who was not licensed by the Department and not
27 covered by a fidelity bond, in violation of Regulation 2834.

In course of the activities described in Paragraph 7, WHITFIELD:

(a) Employed real estate salespersons, including but not limited to Andrea Cantrell, Dyla J. Hawn, Lauren M. Jeter, Laura Monroy, Cherieka J. Morgan Gossett, Tee O'Brian, Martha Real-Zepeda, Melvin F. Roach, Rachel P. Rubin, and Kathleen L. Sealey-Lowery to engage in activities requiring a real estate salesperson license without first entering into the broker-salesperson relationship agreement with such salespersons as required by Section 2726 of the Regulations.

(b) Failed to maintain a written control record of all trust funds received and not placed in broker's trust account containing all information required by Section 2831 of the Regulations.

(c) Failed to immediately notify the Commissioner in writing that two salespersons, Victor Munoz and Kevin Zenter, were employed by WHITFIELD as required by Section 10161.8 of the Code and Section 2752 of the Regulations.

(d) Failed to maintain a record of the WHITFIELD's action to effect compliance with Section 2905 of the Regulations (concerning pest control documentation) for the sale of the property located at 217 Herlong Avenue, San Jose in accordance with Section 10148 of the Code.

(e) Failed to maintain a definite place of business in the State of California which shall serve as his office for the transaction of business and be the place where his license is displayed in violation of Section 10162 of the Code.

(f) Failed to retain the real estate salesperson license certificates at his main office as required by Section 10160 of the Code and Section 2753 of the Regulations.

In connection with the mortgage loan brokerage business described in Paragraph 6(b), WHITFIELD violated and/or willfully failed to comply with Section 10240 of the Code by:

1 (a) Failing to cause to be delivered to the borrowers the written Mortgage
2 Loan Disclosure Statement as required by Section 10241 of the Code; and/or,

3 (b) Failing to obtain the signature of the borrowers on written Mortgage Loan
4 Disclosure Statements; and/or,

5 (c) Failing to retain on file for a period of three years a true and correct copy
6 of a written Mortgage Loan Disclosure Statements signed by the borrowers.

7 24

8 The acts and/or omissions of WHITFIELD as alleged in the Third Cause of
9 Action constitute grounds for disciplinary action under the following provisions:

10 (a) As to Paragraph 22(a), under Section 10145 of the Code and Section 2832
11 of the Regulations in conjunction with Section 10177(d) of the Code;

12 (b) As to Paragraph 22(b), under Section 2831 of the Regulations in
13 conjunction with Section 10177(d) of the Code;

14 (c) As to Paragraph 22(c), under Section 2831.1 of the Regulations in
15 conjunction with Section 10177(d) of the Code;

16 (d) As to Paragraph 22(d), under Section 2831.2 of the Regulations in
17 conjunction with Section 10177(d) of the Code;

18 (e) As to Paragraph 22(e), under Section 2834 of the Regulations in
19 conjunction with Section 10177(d) of the Code;

20 (f) As to Paragraph 22(a), under Section 2726 of the Regulations in
21 conjunction with Section 10177(d) of the Code;

22 (g) As to Paragraph 23(b), under Section 2831 of the Regulations in
23 conjunction with Section 10177(d) of the Code;

24 (h) As to Paragraph 23(c), under Section 2752 of the Regulations in
25 conjunction with Section 10177(d) of the Code;

26 (i) As to Paragraph 23(d), under Section 2905 of the Regulations in
27 conjunction with Section 10177(d) of the Code and Section 10148 of the Code;

1 (j) As to Paragraph 23(e), under Section 10162 of the Code in conjunction
2 with Section 10177(d) of the Code;

3 (k) As to Paragraph 23(f), under Section 10160 of the Code and Section 2753
4 of the Regulations in conjunction with Section 10177(d) of the Code;

5 (l) As to Paragraph 24, under Section 10240 of the Code in conjunction with
6 Section 10177(d) of the Code;

7 FOURTH CAUSE OF ACTION

8 26

9 Each and every allegation in Paragraphs 1 through 25, inclusive, above, are
10 incorporated by this reference as if fully set forth herein.

11 27

12 Respondent JETER failed to exercise reasonable supervision over the acts of
13 WHITFIELD in such a manner as to allow the acts and events described in Paragraphs 8 through
14 25 to occur.

15 28

16 The acts and/or omissions of JETER described in Paragraph 28, constitute failure
17 on the part of JETER, as designated broker-officer for WHITFIELD, to exercise reasonable
18 supervision and control over the licensed activities of WHITFIELD as required by Section
19 10159.2 of the Code.

20 29

21 The facts described above as to the Fourth Cause of Accusation constitute cause
22 for the suspension or revocation of the licenses and license rights of Respondent JETER under
23 Section 10177(g) and/or Section 10177(h) of the Code and Section 10159.2 of the Code in
24 conjunction with Section 10177(d) of the Code.

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27 ///

1 WHEREFORE, Complainant prays that a hearing be conducted on the allegations
2 of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary
3 action against all licenses and license rights of Respondents under the Real Estate Law (Part 1 of
4 Division 4 of the Business and Professions Code), and for such other and further relief as may be
5 proper under other provisions of law.

6
7 
8 JOHN W. SWEENEY
 Deputy Real Estate Commissioner

9 Dated at Fresno, California,
10 this 30th day of December, 2008

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