

1 Department of Real Estate
2 320 West 4th Street, Ste. 350
3 Los Angeles, California 90013-1105

FILED

FEB - 4 2009

DEPARTMENT OF REAL ESTATE
BY: *[Signature]*

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 TO:)
12)
13)
14)
15)
16)
17)

DINORAH INC. doing business as the
Financial Funding Network,
Properties by Dinorah, and
Foreclosure Help Center Inc.;
DINORAH ANNETTE CARMENATE,
individually and as designated
officer of Dinorah Inc.; and
FORECLOSURE HELP CENTER INC.

No. H- 35669 LA
ORDER TO DESIST
AND REFRAIN

18 The Real Estate Commissioner of the State of California
19 has caused an investigation to be made of your activities as a
20 real estate broker, and based on the findings of that
21 investigation is of the opinion that you, DINORAH INC. dba
22 Financial Funding Network, Properties by Dinorah, and Foreclosure
23 Help Center Inc. aka Foreclosure Help Center, and you, DINORAH
24 ANNETTE CARMENATE, have violated Sections 10085, 10145, 10146,
25 10159.5 and 10176(e) of the Business and Professions Code
26 (hereinafter Code), as well as Regulations 2731, 2831.1, 2831.2,

1 2832(a), 2832.1, 2970 and 2972 (all references herein to
2 Regulations refer to the California Code of Regulations, Title
3 10, Chapter 6).

4 And you, FORECLOSURE HELP CENTER INC. aka Foreclosure
5 Help Center, have violated Section 10130 of the Business and
6 Professions Code.

7 1.

8 A. At all times herein mentioned, you, DINORAH INC.
9 and you DINORAH ANNETTE CARMENATE, were licensed by the
10 Department of Real Estate of the State of California (hereinafter
11 Department) as a real estate broker.

12 B. At no time mentioned were you, FORECLOSURE HELP
13 CENTER INC., licensed by the Department as a real estate broker;
14 and

15 C. Loan modification services were conducted by
16 DINORAH INC. from the beginning of the audit period on July 1,
17 2007 to June 30, 2008. Thereafter, from May 19, 2008 through
18 June 30, 2008, the end of the audit period loan modification
19 services were conducted by FORECLOSURE HELP CENTER INC.

20 2.

21 At all times herein mentioned, you, DINORAH INC., you,
22 DINORAH ANNETTE CARMENATE and you, FORECLOSURE HELP CENTER INC.
23 on behalf of homeowners, for and in expectation of compensation
24 and for fees often collected in advance, engaged in the business,
25 acted in the capacity of, advertised or assumed to act as real
26 estate brokers in the State of California within the meaning of
27

1 Code Sections 10131(d) and 10131.2, by providing loan
2 modification, re-finance, foreclosure abatement, and short sale
3 services to distressed homeowners.

4 3.

5 From July 2007 through June 2008, in connection with
6 the aforesaid brokerage activities, you, accepted or received
7 trust funds from borrowers and lenders and thereafter made
8 disbursements of such funds.

9 4.

10 On September 17, 2008, the Department of Real Estate
11 completed an audit examination of the books and records of
12 DINORAH INC. including Foreclosure Help Center Inc. aka
13 Foreclosure Help Center, pertaining to the loan modification
14 service activities described in Paragraph 4, which require a real
15 estate license. The audit examination covered a period of time
16 beginning on July 1, 2007 to June 30, 2008. The audit
17 examination revealed violations of the Code and the Regulations
18 as set forth in the following paragraphs, and more fully
19 discussed in Audit Report LA 070410 and the exhibits and work
20 papers attached to said audit report.

21 5.

22 In connection with your activities as real estate
23 brokers, as described above, you, DINORAH INC. and you, DINORAH
24 ANNETTE CARMENATE, and you, FORECLOSURE HELP CENTER INC., in
25 connection with your activities requiring a real estate license,
26 acted in violation of the Real Estate Law as follows:
27

1 (a) (1) DINORAH INC. Permitted, allowed or caused the
2 disbursement of trust funds from the escrow trust account where
3 the disbursement of funds reduced the total of aggregate funds in
4 Bank Account #1, to an amount which, on June 30, 2008, was
5 \$8,271.02, less than the existing aggregate trust fund liability
6 of DINORAH INC. to every principal who was an owner of said
7 funds, without first obtaining the prior written consent of the
8 owners of said funds, as required by Code Section 10145 and
9 Regulation 2832.1.

10 (a) (2) FORECLOSURE HELP CENTER INC. Permitted, allowed
11 or caused the disbursement of trust funds from FORECLOSURE HELP
12 CENTER INC.'S trust account, Trust Account #1, where the
13 disbursement of funds reduced the total of aggregate funds in
14 Trust Account #1, to an amount which, on June 30, 2008, was
15 \$4,043.30, less than the existing aggregate trust fund liability
16 of FORECLOSURE HELP CENTER INC. to every principal who was an
17 owner of said funds, without first obtaining the prior written
18 consent of the owners of said funds, as required by Code Section
19 10145 and Regulation 2832.1.
20

21 (b) Mixed and commingled trust funds and personal funds
22 by depositing advance fees for loan modification services to be
23 rendered for borrowers, including but not limited to, Juan
24 Galvan, Ignacio/Fernando Ruiz, Raul Davila, Mario/Laura Lopes,
25 Yolanda Garcia and Antonio Lopez, received via credit card
26 payments, cash and check from said borrowers and deposited into
27

1 DINORAH INC.'s general operating account, Bank Account #1,
2 instead of depositing said trust funds into a trust account, in
3 violation of Code Sections 10145 and 10176(e) and Regulation
4 2832(a).

5 (c)(1) DINORAH INC. failed to maintain a separate
6 record for each beneficiary or transaction, thereby failing to
7 account for all advance fees collected from the borrowers June
8 Galvan, Ignacio/Fernando Ruiz, Raul Davila, Mario/Laura Lopes,
9 Yolanda Garcia ad Antonio Lopez, as required by Code Section
10 10145 and Regulation 2831.1.

11 (c)(2) FORECLOSURE HELP CENTER INC. failed to maintain
12 a separate record for each beneficiary or transaction, thereby
13 failing to account for all advance fees collected from the
14 borrowers Cesar Ponce, Victor Lopez, Feliciano Mena, Jorge
15 Partida, Jeronimo Merida and Carol Russell, as required by Code
16 Section 10145 and Regulation 2831.1.

17 (d)(1) DINORAH INC. failed to perform a monthly
18 reconciliation of the balance of all separate beneficiary or
19 transaction records maintained pursuant to Regulation 2831.1 with
20 the record of all trust funds received and disbursed by Bank
21 Account #1, as required by Code Section 10145 and Regulation
22 2831.2.

23 (d)(2) FORECLOSURE HELP CENTER INC. failed to perform
24 a monthly reconciliation of the balance of all separate
25 beneficiary or transaction records maintained pursuant to
26

27

1 Regulation 2831.1 with the record of all trust funds received and
2 disbursed by Trust Account #1 and Bank Account #2, as required by
3 Code Section 10145 and Regulation 2831.2

4 (e) DINORAH INC. and FORECLOSURE HELP CENTER INC.
5 collected advance fees within the meaning of Code Section 10026
6 from stressed homeowners seeking loan modification services yet
7 failed to provide homeowners Juan Galvan, Ignacio/Fernando Ruiz,
8 Raul Davila, Mario/Laura Lopes, Yolanda Garcia and Antonio Lopez
9 a pre-approved advance fee agreement by the Department. The
10 failure of DINORAH INC. to submit an advance fee agreement to the
11 Department five days prior to its use is in violation of Code
12 Section 10085 and Regulation 2970.

13 (f) DINORAH INC. and FORECLOSURE HELP CENTER INC.
14 failed to establish and maintain a trust account at a bank or
15 other recognized financial institution in the name of the broker
16 for deposit of advance fees collected by DINORAH INC. and
17 FORECLOSURE HELP CENTER INC., in violation of Code Section 10146.
18

19 (g) With reference to the lack of an advance fee
20 agreement, DINORAH INC. and FORECLOSURE HELP CENTER INC., failed
21 to provide a complete description of services to be rendered
22 provided to each prospective tenant; 10 point type font; and, an
23 allocation and disbursement of the amount collected as the
24 advance fee, in violation of Code Section 10085 and Regulation
25 2972; and
26
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1 (h) Used the fictitious name of "Foreclosure Help
2 Center", to conduct licensed activities including loan
3 modification services without holding a license bearing said
4 fictitious business name, in violation of Code Section 10159.5
5 and Regulation 2731.

6 6.

7 Your acts, FORECLOSURE HELP CENTER INC., as described
8 in Paragraph 4, above, are acts requiring a real estate license
9 under the provisions of Code Sections 10130, 10131(d) and
10 10131.2.

11 7.

12 You, FORECLOSURE HELP CENTER INC. violated Code
13 Sections 10130, 10131(d) and 10131.2 by acting in the capacity of
14 a licensed real estate broker when you were not licensed as a
15 real estate broker.

16 NOW, THEREFORE, YOU, FORECLOSURE HELP CENTER INC., ARE
17 ORDERED TO DESIST AND REFRAIN from performing any and all
18 activities for which a real estate broker license is required
19 unless and until you are in compliance with Sections 10130,
20 10131(d) and 10131.2 of the California Business and Professions
21 Code
22

23 AND, MOREOVER, YOU, FORECLOSURE HELP CENTER INC., ARE
24 ORDERED TO DESIST AND REFRAIN from performing any and all
25 activities for which a real estate broker license is required,
26
27

1 under any fictitious business name, unless and until you obtain a
2 real estate broker license.

3 NOW, FURTHERMORE, YOU, DINORAH INC. and YOU, DINORAH
4 ANNETTE CARMENATE, ARE ORDERED TO DESIST AND REFRAIN from
5 performing any and all acts requiring a real estate license in
6 California unless and until you are in compliance with Sections
7 10085, 10145, 10146 and 10159.5 of the California Business and
8 Professions Code, and Sections 2731, 2831.1, 2831.2, 2832(a),
9 2832.1, 2970 and 2972 of Title 10, Chapter 6, of the California
10 Code of Regulations.

11 AND FURTHERMORE, YOU, DINORAH INC. and YOU, DINORAH
12 ANNETTE CARMENATE, and YOU, FORECLOSURE HELP CENTER, ARE ORDERED
13 TO DESIST AND REFRAIN from collecting advance fees as that terms
14 in defined in Code Section 10185, in any form particularly with
15 respect to loan modification, loan re-finance, foreclosure
16 abatement or short sale services, unless and until you provide
17 evidence satisfactory to the Real Estate Commissioner and
18 demonstrate that you have:
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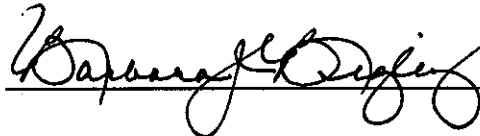
1 (1) a pre-approved advance fee agreement from the
2 Department of Real Estate pursuant to Regulation 2970;

3 (2) placed all previously collected advance fees into a
4 trust account for that purpose; and

5 (3) provided an accounting to trust fund owner-
6 beneficiaries pursuant to Regulation 2972.

7
8 DATED: 1/30, 2009.

9
10 JEFF DAVI
11 Real Estate Commissioner

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13 

14 BY: Barbara J. Blgby
15 Chief Deputy Commissioner

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23
24 cc: Dinorah Inc.
25 Dinorah Annette Carmenate
26 Foreclosure Help Center Inc.
27 2801 Bristol #110
Costa Mesa, CA 92626