Department of Real Estate 320 West 4th Street, Suite 350 Los Angeles, California 90013-1105 Telephone: (213) 576-6982	JUL 1 4 2011 DEPARTMENT OF REAL ESTATE By
BEFORE THE DEPART	IMENT OF REAL ESTATE
STATE OF	CALIFORNIA
*	* * *
То:) No. H-37392 LA
ORANGE COUNTY METRO REALTY, IN ORANGE COUNTY METRO PROPERTIE HOME DEFENDERS CENTER,	S,) <u>AND REFRAIN</u>)
JOSEPH ALOIS BRODERICK, and DEREK WALTER MARKOVIC.) (B&P Code Section 10086)))
The Commissioner ("Commissi	oner") of the California Department of Real I
("Department") caused an investigation to be r	nade of the activities of ORANGE COUNTY
METRO REALTY, INC., ORANGE COUNT	Y METRO PROPERTIES, HOME DEFEND
CENTER, JOSEPH ALOIS BRODERICK, an	d DEREK WALTER MARKOVIC. Based o
investigation the Commissioner has determine	
INC., ORANGE COUNTY METRO PROPER	
ALOIS BRODERICK, and DEREK WALTER	R MARKOVIC, have engaged in, are engagin
acts or practices constituting violations of the	
("Code") and/or Title 10, Chapter 6, California	
acting in the capacity of, advertising or assumi	-
California within the meaning of Business and	Professions Code Sections 10131(a) (solicit
prospective sellers or purchasers or obtain listi	ngs of, or negotiate the purchase, sale or exch
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of real property) and Section 10131(d) (solicit borrowers for or negotiate loans or perform
 services for borrowers in connection with loans secured by liens on real property). Furthermore,
 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.

FINDINGS OF FACT

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1. From January 24, 2008, through the present, ORANGE COUNTY METRO 7 REALTY, INC. ("OCMRI") has been licensed as a real estate corporation. From June 27, 2008, 8 through January 4, 2010, OCMRI was acting by and through DEREK WALTER MARKOVIC 9 ("MARKOVIC") as its designated broker-officer pursuant to Code Section 10159.2 to be 10 responsible for ensuring compliance with the Real Estate Law. JOSEPH ALOIS BRODERICK 11 ("BRODERICK") is the Chief Executive Officer, Director and President of Respondent OCMRI. 12 2. From April 17, 2002, through April 16, 2010, ORANGE COUNTY METRO 13 PROPERTIES ("OCMP") was licensed as a real estate corporation. From April 17, 2006, 14 through April 17, 2010, OCMP was acting by and through BRODERICK as its designated 15 broker-officer pursuant to Code Section 10159.2 to be responsible for ensuring compliance with 16 the Real Estate Law. BRODERICK is the Chief Executive Officer, Director and President of 17 Respondent OCMP. 18

3. From February 15, 1985, through February 14, 2009, BRODERICK was
licensed as a real estate broker. BRODERICK's renewal rights have expired pursuant to Code
Section 10201.

4. From November 14, 1983, through the present, MARKOVIC has been
individually licensed as a real estate broker. From June 27, 2008, through January 4, 2010,
MARKOVIC was licensed as the broker-officer of OCMRI.

5. From May 3, 2007, through the present, Ines P. Soriano Née Ines Osorio
("Soriano") has been licensed as a real estate salesperson. From July 15, 2008, through January
3, 2010, Soriano was acting in the employ of OCMRI. From January 5, 2010, through April 16,

1 2010, Soriano was acting in the employ of OCMP.

6. From January 26, 2000, through the present, Ezequiel Martin Palomino
 ("Palomino") has been licensed as a real estate salesperson. From July 15, 2008, through
 January 3, 2010, Palomino was acting in the employ of OCMRI. From January 13, 2010,
 through April 26, 2010, Palomino was acting in the employ of OCMP.

7. From February 14, 1996, through the present, Juan Carlos Ferrufino
("Ferrufino") has been licensed as a real estate salesperson. From July 23, 2009, through
January 6, 2010, Ferrufino was acting in the employ of OCMRI. From January 7, 2010, through
April 16, 2010, Ferrufino was acting in the employ of OCMP.

8. At no time mentioned herein has HOME DEFENDERS CENTER ever been
licensed by the Department in any capacity.

12 Maria M. and Antonio M.

9. On or about February 16, 2009, Soriano and Palomino, solicited loan 13 negotiation and modification services to Maria M. and Antonio M. in connection with a loan 14 secured by real property located in the city of Coachella, California. Soriano and Palomino 15 solicited loan negotiation and modification services to Maria M. and Antonio M. on behalf of 16 OCMP, OCMRI, MARKOVIC and BRODERICK, who were doing business as HOME 17 DEFENDERS CENTER. Maria M. and Antonio M. paid an advance fee totaling \$3,000 to 18 HOME DEFENDERS CENTER for the loan negotiation and modification services. Soriano and 19 Palomino failed to provide copies of any written agreement or contract pertaining to the loan 20 modification services promised to Maria M. and Antonio M. HOME DEFENDERS CENTER 21 failed to perform the services promised or to obtain any loans for the subject property on more 22 favorable terms. HOME DEFENDERS CENTER failed to refund the advance fee paid by Maria 23 M. and Antonio M. 24

10. The advance fee agreement used by OCMP, OCMRI, MARKOVIC and
BRODERICK, while doing business as HOME DEFENDERS CENTER, had not been approved
by the Department prior to use as is required under Code Section 10085 and Regulation 2970.

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11. The advance fees collected by OCMP, OCMRI, MARKOVIC and 1 BRODERICK, while doing business as HOME DEFENDERS CENTER, were not deposited in a 2 trust account as required under Code Section 10146. 3 12. Use of a fictitious business name for activities requiring the issuance of a real 4 estate license requires the filing of an application for the use of such name with the Department 5 in accordance with the provisions of Code Section 10159.5. б 13. OCMP, OCMRI, MARKOVIC and BRODERICK acted without Department 7 authorization in using the fictitious business name HOME DEFENDERS CENTER to engage in 8 activities requiring the issuance of a real estate license. 9 Agustin E and Lidia E. 10 14. On or about March 18, 2009, Soriano and Palomino, while acting on behalf 11 of OCMP, OCMRI, MARKOVIC and BRODERICK, who were doing business as HOME 12 DEFENDERS CENTER, solicited loan negotiation and modification services to Agustin E. and 13 Lidia E. in connection with a loan secured by real property located in Salton City, California. 14 Agustin E. and Lidia E. paid an advance fee totaling \$3,000 for loan negotiation and 15 modification services. Soriano and Palomino induced Agustin E. to sign a durable power of 16 attorney for Metro Escrow, Re/Max Metro, HOME DEFENDERS CENTER, attorney Kevin 17 Spainhour, and his employees and/or associates. Agustin E. never met with Kevin Spainhour. 18 HOME DEFENDERS CENTER failed to perform the services promised or to obtain any loans 19 for the subject property on more favorable terms. HOME DEFENDERS CENTER failed to 20 provide Agustin E. and Lidia E. with an accounting of the advance fee trust funds deposited in a 21 trust account for Agustin E. and Lidia E. as the beneficiaries. HOME DEFENDERS CENTER 22 failed to refund the advance fee paid by Agustin E. and Lidia E. 23 Manuel N. 24 15. On or about August 22, 2009, Ferrufino, while acting on behalf of OCMRI 25 and BRODERICK, doing business as Re/Max Metro, solicited loan negotiation and modification 26 services to Manuel N. in connection with a loan secured by real property located in the city of 27

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Fresno, California. Ferrufino charged Manuel N. an advance fee totaling \$3,000 for loan
 negotiation and modification services. Ferrufino collected an advance fee of \$1,500 from Mr.
 Navarro. Ferrufino failed to provide copies of any written agreement or contract pertaining to
 the loan modification services for the subject property. OCMRI failed to perform the services
 promised or to obtain any loans for the subject property on more favorable terms. OCMRI failed
 to refund the advance fee paid by Manuel N.

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CONCLUSIONS OF LAW

8 16. Based on the information contained in Paragraphs 1 through 15, above,
 9 OCMP, OCMRI and MARKOVIC violated Code Sections 10085 and 10085.6 of the Code and
 10 Regulation 2970 by failing to submit advance fee agreements and materials to the Department of
 11 Real Estate prior charging and collecting advance fees from any person.

17. Based on the information contained in Paragraphs 1 through 15, above,
OCMP, OCMRI and MARKOVIC violated Code Section 10146 and Regulation 2972 by failing
to furnish a verified copy of accounting content which includes identification of the trust fund
account into which the advance fee had been deposited, description of services rendered, the
amount allocated or disbursed from the advance fee at the end of each calendar quarter and when
the contract has been completely performed by the licensee.

18. Based on the information contained in Paragraphs 1 through 15, above,
OCMP, OCMRI and MARKOVIC violated Code Section 10159.5 of the Code and Regulation
2731 by using HOME DEFENDERS CENTER, an unlicensed fictitious business name, to
conduct activities requiring the issuance of a real estate license.

19. Based on the information contained in Paragraphs 1 through 15, above,
 HOME DEFENDERS CENTER violated Code Section 10130 by engaging in activities requiring
 a real estate license without first obtaining a broker license from the Department.

25 20. Based on the information contained in Paragraphs 3 through 15, above,
26 BRODERICK violated Code Section 10130 by engaging in activities requiring a real estate
27 license during a period of time when his broker license from the Department was expired.

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1	DESIST AND REFRAIN ORDER	
2	Based upon the FINDINGS OF FACT and CONCLUSIONS OF LAW stated	
3	herein, IT IS HEREBY ORDERED THAT HOME DEFENDERS CENTER and JOSEPH	
4	ALOIS BRODERICK immediately desist and refrain from: performing any acts within the State	
5	of California for which a real estate broker license is required, unless you are so licensed.	
6	IT IS FURTHER ORDERED THAT ORANGE COUNTY METRO REALTY,	
7	INC., ORANGE COUNTY METRO PROPERTIES and DEREK WALTER MARKOVIC,	
8	whether doing business under their own names or any other fictitious names, ARE HEREBY	
9	ORDERED TO:	
10	1. Immediately desist and refrain from charging, demanding, claiming, collecting	
11	and/or receiving advance fees, as that term is defined in Code Section 10026, in any form, and	Ì
12	under any conditions, with respect to the performance of loan modification or any other form of	
13	mortgage loan forbearance services in connection with loan on residential property containing	
14	four or fewer dwelling units (Code Section 10085.6).	
15	2. Immediately desist and refrain from charging, demanding, claiming, collecting	,
16	and/or receiving advance fees, as that term is defined in Code Section 10026, for any of the other	
17	real estate related services offered to others, unless and until ORANGE COUNTY METRO	
18	REALTY, INC., ORANGE COUNTY METRO PROPERTIES, DEREK WALTER	
19	MARKOVIC, and each of them, demonstrate and provide evidence satisfactory to the	
20	Commissioner that each:	
21	a. Has an advance fee agreement which has been submitted to the Department	
22	and which is in compliance with Code Section 10085 and Regulation 2970;	
23	b. Has placed all previously collected advance fees into a trust account for that	
24	purpose and is in compliance with Code Section 10146; and	
25	c. Has provided an accounting to trust fund owner-beneficiaries from whom	
26	advance fees have previously been collected in compliance with Code Section 10146 and	
27	Regulation 2972.	

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1	DATED: 6/28 , 2011.
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3	BARBARA J. BIGBY Acting Real Estate Commissioner
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9	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
10	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
11	imprisonment in the county jail for a term not to exceed six months, or by both fine and
12	imprisonment; or if a corporation, be punished by a fine not exceeding sixty thousand dollars (\$60,000)."
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15	cc: Orange County Metro Realty, Inc., Orange County Metro Properties, Home Defenders
16 17	Center, and Joseph Alois Broderick 3951 S. Plaza Drive, Suite 120
18	Santa Ana, CA 92704
19	Derek Walter Markovic
20	3981 Lone Mesa Drive Las Vegas, NV 89147
21	Ines P. Soriano
22	5800 E. Avenida Portola Anaheim, CA 92807
23	Ezequiel Palomino
24	1315 N. Tustin Ave., Suite I 159
25	Orange, CA 92867
26	Juan Carlos Ferrufino 215 S. Owens Drive
27	Anaheim, CA 92808