

1 MARTHA J. ROSETT, Counsel (SBN 142072)
2 Department of Real Estate
3 320 West Fourth St. #350
4 Los Angeles, CA 90013

FILED

NOV 30 2012

DEPARTMENT OF REAL ESTATE

BY: 

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7
8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * * *

11 In the Matter of the Accusation of) No. H-38577 LA
12 OMAR SANDOVAL,) ACCUSATION
13)
14 Respondent.)

15 The Complainant, Veronica Kilpatrick, a Deputy Real Estate Commissioner, for
16 cause of Accusation against OMAR SANDOVAL, is informed and alleges as follows:

17 1. The Complainant, Veronica Kilpatrick, a Deputy Real Estate Commissioner of
18 the State of California, makes this Accusation in her official capacity.

19 2. OMAR SANDOVAL ("SANDOVAL") is licensed by Department of Real
20 Estate ("Department") as a real estate salesperson. SANDOVAL was originally licensed by the
21 Department on October 18, 2007. SANDOVAL has never been licensed by the Department as a
22 real estate broker.
23

24 3. At all times relevant herein SANDOVAL was licensed to conduct real estate
25 activities as a salesperson under the employment of Colonial Realty Group Inc. as his
26 supervising broker of record.
27

1 4. Beginning on or before December 1, 2009, and continuing through on or about
2 October 13, 2011, SANDOVAL engaged in the business of, acted in the capacity of, advertised
3 or assumed to act as a real estate broker in the State of California within the meaning of Business
4 and Professions Code ("Code") Sections 10131(d) and 10131.2. His activities included soliciting
5 borrowers or lenders for and/or negotiating loans, collecting payments and/or performing
6 services for borrowers or lenders in connection with loans secured by liens on real property. His
7 activities also included claiming, demanding, charging, receiving, collecting or contracting for
8 the collection of advance fees within the meaning of Code Sections 10026 and 10085.
9

10 Hector and Deifilia A.

11 5. On or about October 30, 2010, Respondent SANDOVAL entered into a loan
12 modification agreement with homeowners Hector and Deifilia A. ("Homeowners").
13 SANDOVAL promised to assist the Homeowners in negotiating with their lender to try to obtain
14 a modification of the terms of their home loan in exchange for upfront payment of a fee of
15 \$3,500.00.
16

17 6. The Homeowners paid SANDOVAL \$3,500.0 in three payments between
18 October 30, 2010 and January 3, 2011. At the time, the Homeowners were current on their
19 mortgage payments to their lender. SANDOVAL advised them to stop making payments, and
20 promised to negotiate further with the lender. However, SANDOVAL did not in fact assist the
21 Homeowners in obtaining a loan modification, and stopped communicating with them.
22 Eventually, SANDOVAL moved out of the location and address the Homeowners had for him,
23 so they were not able to contact him at all. SANDOVAL provided no services and did not return
24 any portion of the Homeowners' fees to them.
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1 7. At the time that SANDOVAL solicited and collected advance fees from Hector
2 and Deifilia A., he was not acting with the knowledge, authority or supervision of Colonial
3 Realty Inc. or its designated broker-officer Kenneth Moore McFarland. SANDOVAL's
4 supervising broker was not aware of the loan modification transactions he was engaging in.
5 SANDOVAL was paid directly by Hector and Deifilia A.

6 8. At the time that SANDOVAL solicited and collected advance fees from Hector
7 and Deifilia A., it was unlawful under California law for anyone to collect advance fees for loan
8 modification services.

9 Jose G.

10 9. On or about December 8, 2009, SANDOVAL, using the business name Coast
11 2 Coast Financial LLC, entered into a loan modification agreement with Jose G. Pursuant to the
12 agreement, SANDOVAL agreed to provide loan modification services to Jose G. in exchange for
13 payment of an upfront advance fee of \$4,500.00.
14

15 10. On or about December 8, 2009, SANDOVAL collected an advance fee of
16 \$4,500.00 from Jose G. for loan modification services.

17 11. SANDOVAL never provided Jose G. with loan modification services.

18 12. At the time that SANDOVAL solicited and collected advance fees from Jose
19 G., he was not acting with the knowledge, authority or supervision of his supervising broker
20 Colonial Realty Inc. or its designated broker-officer Kenneth Moore McFarland. SANDOVAL's
21 supervising broker was not aware of the loan modification transactions he was engaging in.
22 SANDOVAL was paid directly by Jose G.
23

24 13. At the time that SANDOVAL solicited and collected advance fees from Jose
25 G., it was unlawful under California law for anyone to collect advance fees for loan modification
26

1 services.

2 Grounds for discipline

3 14. Respondent SANDOVAL's conduct in soliciting and collecting advance fees
4 for loan modification services, and conducting activities requiring a real estate broker license
5 when he was not licensed as a broker and was acting without the knowledge, authority or
6 supervision of his employing broker of record constitutes grounds to revoke or suspend
7 SANDOVAL's real estate license and license rights pursuant to Code Sections 10130, 10177(d),
8 10176(i) and/or 10177(j).

9
10 15. Respondent SANDOVAL's conduct in soliciting and collecting advance fees
11 ers for loan modification services after October 30, 2009 constitutes grounds to revoke or
12 suspend SANDOVAL's real estate license and license rights pursuant to Code Sections 10085
13 and 10085.5.

14
15 16. Respondent SANDOVAL's conduct in accepting compensation for activities
16 requiring a real estate broker license from someone other than his employing broker of record
17 and without his employing broker's knowledge, authority or supervision constitutes grounds to
18 revoke or suspend SANDOVAL's real estate license and license rights pursuant to Code
19 Sections 10137, 10177(d), 10176(i) and/or 10177(j).

20
21 17. Respondent SANDOVAL's conduct in representing to homeowners that he
22 would perform loan modification services for them, accepting compensation from them in
23 advance, and failing to perform any services or refund the homeowner's money constitutes
24 dishonest dealing and is grounds to revoke or suspend SANDOVAL's real estate license and
25 license rights pursuant to Code Section 10177(j).

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1 Business and Professions Code Section 10106 provides, in pertinent part, that in
2 any order issued in resolution of a disciplinary proceeding before the Department, the
3 Commissioner may request the Administrative Law Judge to direct a licensee found to have
4 committed a violation of this part to pay a sum not to exceed the reasonable costs of the
5 investigation and enforcement of the case.

6 WHEREFORE, Complainant prays that a hearing be conducted on the allegations
7 of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary
8 action against all licenses and/or license rights of Respondent OMAR SANDOVAL under the
9 Real Estate Law, for the cost of investigation and enforcement as permitted by law, and for such
10 other and further relief as may be proper under other applicable provisions of law.
11

12 Dated at Los Angeles, California

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14 this 21 day of November, 2012.

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16 
17 Veronica Kilpatrick
18 Deputy Real Estate Commissioner
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21
22

23 cc: Omar Sandoval
24 Colonial Realty Group Inc.
25 Veronica Kilpatrick
26 Sacto.
27