Department of Real Estate
P. O. Box 187007
Sacramento, CA 95818-7007

Telephone: (916) 227-0789

FILED

AUG 23 2011

DEPARTMENT OF REAL ESTATE

By K. Contreras

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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To: CHRISTINA L. FLANARY and THE PRO PER LEGAL PROFESSIONALS.	NO. H-2661 FR ORDER TO DESIST AND REFRAIN (B&P Code Section 10086)

The Commissioner (hereafter "the Commissioner") of the California Department of Real Estate (hereafter "the Department") caused an investigation to be made of the activities of CHRISTINA L. FLANARY (hereafter "FLANARY") and THE PRO PER LEGAL PROFESSIONALS (hereafter "PRO PER"), (collectively hereafter "Respondents"). Based on that investigation, the Commissioner has determined that Respondents 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") and/or Title 10, Chapter 6, California Code of Regulations ("Regulations"), including acting in the capacity of, advertising or assuming to act as a real estate broker in the State of California within the meaning of Section 10131(d) (performing services for borrowers and/or lenders in connection with loans secured by real property), 10131.2 (collection of advance fees), 10085 (advance fee agreements and materials) and 10085.5 (collecting unauthorized advance fees) of the Code. Furthermore,

based on the 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

1. At all times relevant herein, FLANARY was and is licensed by the Department as a real estate salesperson.

2. At no time has PRO PER been licensed by the Department in any capacity.

3. During the period of time set out below, Respondents performed services for one or more borrowers and negotiated to do one or more of the following acts for another or others, for or in expectation of compensation: negotiate one or more loans for, or perform services for, borrowers and/or lenders with respect to the collection of advance fees and loan modification, loan refinance, principal reduction, foreclosure abatement or short sale services and/or those borrowers' lenders in connection with loans secured directly or collaterally by one or more liens on real property; and charged, demanded or collected an advance fee for any of the services offered.

4. In furtherance of their plan and scheme to solicit advance fees and provide loan modification services, on or about October 30, 2009, Respondents entered into a loan modification services agreement with Ana Maria G. According to that agreement, Respondents agreed to negotiate a loan modification on behalf of Ana Maria G. for her property located at 1317 Shadowglen Road, Sacramento, California, in exchange for an advance fee payment of $1,595. On or about November 4, 2009, Ana Maria G. paid the advance fee of $1,595 to Respondents. No loan modification was ever obtained by Respondents for Ana Maria G., nor did Respondents ever refund the advance fee paid to them by Ana Maria G.

5. In furtherance of their plan and scheme to solicit advance fees and provide loan modification services, on or about October 7, 2009, Respondents entered into a loan modification services agreement with Elida G. According to that agreement, Respondents agreed to negotiate a loan modification on behalf of Elida G. for her property located at 33444

Canvas Back, Woodland, California, in exchange for an advance fee payment of $250. On or about that same date, Elida G. paid the advance fee of $250 to Respondents. On or about November 11, 2009, Elida G. paid an additional $1,595 to Respondents to be enrolled in "The Hedge Fund Program" loan modification program. No loan modification was ever obtained by Respondents for Elida G., nor have Respondents ever refunded the advance fees paid to them by Elida G.

CONCLUSIONS OF LAW

6. Based on the Findings of Fact contained in Paragraphs 1 through 5, above, CHRISTINA L. FLANARY and THE PRO PER LEGAL PROFESSIONALS, solicited borrowers and/or performed services for those borrowers with respect to the collection of advance fees and loan modification, loan refinance, principal reduction, foreclosure abatement or short sale services and/or those borrowers' lenders in connection with loans secured directly or collaterally by one or more liens on real property; and charged, demanded or collected advance fees for the services to be provided, which acts require a real estate broker license under Sections 10131(d) and 10131.2 of the Code in violation of Section 10130 of the Code.

7. CHRISTINA L. FLANARY and THE PRO PER LEGAL PROFESSIONALS used a form of an advance fee agreement which had not been provided to the Department for its prior review and consideration, in violation of Section 10085 of the Code, and Sections 2970 (submission of advance fee materials) and 2972 (content of verified accounting) of the Regulations.

DESIST AND REFRAIN ORDER

Based on the Findings of Fact and Conclusions of Law stated herein, CHRISTINA L. FLANARY and THE PRO PER LEGAL PROFESSIONALS, whether doing business under your own name, or any other name or fictitious name, ARE HEREBY ORDERED to:

1. Immediately desist and refrain from charging, demanding, claiming, collecting and/or receiving advance fees, as that term is defined in Section 10026 of the

Code, for any of the services you offer to others, unless and until you demonstrate and provide evidence satisfactory to the Commissioner that you are properly licensed by the Department as a real estate broker and that CHRISTINA L. FLANARY and THE PRO PER LEGAL PROFESSIONALS:

(a) Has an advance fee agreement which has been submitted to the Department and which is in compliance with Sections 2970 and 2972 of the Regulations;

(b) Has placed all previously collected advance fees into a trust account for that purpose and are in compliance with Section 10146 (deposit of advance fees into trust account) of the Code;

(c) Has provided an accounting to trust fund owner-beneficiaries pursuant to Section 2972 of the Regulations.

2. Immediately desist and refrain from 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 modification or any other form of mortgage loan forbearance services in connection with loans on residential property containing four or fewer dwelling units.

DATED: 8/19/11

BARBARA J. BIGBY
Acting Real Estate Commissioner

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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: Christina L. Flanary
415 West Twain Avenue
Fresno, CA 93704

The Pro Per Legal Professionals
4021 North Fresno Street, Suite 109
Fresno, CA 93726

David E. Mendez
4021 N. Fresno Street, Suite 104
Fresno, CA 93726

ATTY JWB/km