Department of Real Estate
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FILED
OCT 26 2012
DEPARTMENT OF REAL ESTATE
By R. Mar

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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To: MFS/TA, INC. and ROBERT ALLEN KISLING.	NO. H-4420 SD ORDER TO DESIST AND REFRAIN (B & P Code Section 10086)

The Commissioner ("the Commissioner") of the California Department of Real Estate ("the Department") caused an investigation to be made of the activities of MFS/TA, INC., individually and doing business as "Future Security Financial", "Golden Real Estate Group", "Golden Valley Lending Group", "Millennium Financial Systems", "Millennium Real Estate Group", "Nationwide Loan Modification Services" and "RK Funding", ("MFS"); and ROBERT ALLEN KISLING, individually and doing business as "Associated Financial Systems", "Millennium Financial Systems" and "V.A. Mortgage Express", ("KISLING"), (collectively, "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), 10137 (unlawful employment or payment of compensation) 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, MFS was and is licensed by the Department as a corporate real estate broker.

2. At all times relevant herein, KISLING was and is licensed by the Department as a real estate broker, and is licensed by the Department as the designated broker/officer of MFS.

3. At all times relevant herein, neither MFS or KISLING was the employing broker for Barbara Lee McManus.

4. At no time has Madeleine Kisling or Sandi Alonzo (also known as "Sandra Lee Alonzo") been licensed in any capacity by the Department to conduct real estate activity in the State of California.

5. 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.

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6. On or about March 9, 2009, Sandra Lee Alonzo, while in the employ of and representing MFS, doing business as Nationwide Modification Services, entered into a loan modification services contract with Juan F. and Ysabel C. Under the terms of the loan modification services contract, MFS agreed to negotiate a loan modification on behalf of Juan F. and Ysabel C. for their real property located at 4063 Poppy Place, San Diego, California, in exchange for an advance fee payment of $3,500. On or about March 11, 2009, Juan F. and Ysabel C. paid to MFS $3,500 for loan modification services. After receiving advance fee payments from Juan F. and Ysabel C., MFS failed to obtain a loan modification for them and did not repay the advance fees received from them.

7. On or about March 11, 2009, Joel Saul Hernandez, while licensed as a real estate salesperson in the employ of and representing MFS, doing business as Nationwide Modification Services, entered into a loan modification services contract with Juan G., Adriana M. and Zoilo S. Under the terms of the loan modification services contract, MFS agreed to negotiate a loan modification on behalf of Juan G., Ysabel C. and Zoilo S. for their real property located at 2274 Montemar Avenue, Escondido, California, in exchange for an advance fee payment of $3,000. On or about March 12, 2009, Juan G., Adriana M. and Zoilo S. paid $1,500 in advance fees to MFS as partial payment for loan modification services. On or about June 8, 2009, Juan G., Adriana M. and Zoilo S. paid the remaining advance fees of $1,500 to Respondents for loan modification services. After receiving advance fee payments from Juan G., Adriana M. and Zoilo S., Respondents failed to obtain a loan modification for them and did not repay the advance fees received from them.

8. In connection with the collection and handling of advance fees as alleged above, Respondents failed to submit the advance fee contract and all materials used in obtaining those advance fees to the Department of Real Estate for approval prior to their use in obtaining advance fees.

9. MFS used the fictitious business names of "Nationwide Loan Modification Services" and "Nationwide Modification Services" in conducting the loan

modification activity set forth in Paragraphs 4 and 5, above, without first obtaining licenses bearing those fictitious business names from the Department.

10. In or about the period of March 2009 through August 2009, Barbara Lee McManus conducted loan modification activities on behalf of MFS in at least four (4) real estate transactions. In exchange for those activities, Barbara Lee McManus was paid $500 for each transaction by MFS.

11. MFS/TA, INC. and ROBERT ALLEN KISLING employed and compensated Barbara Lee McManus for activities related to real estate while Barbara Lee McManus was not licensed under the real estate broker license of either MFS/TA, INC. or ROBERT ALLEN KISLING.

12. Madeleine Kisling was a signatory on the bank account of MFS/TA, INC., a licensed California corporate real estate broker, into which MFA/TA, INC. deposited real estate trust funds. As a signatory on that account, Madeleine Kisling withdrew trust funds from the account.

13. MFS/TA, INC. and ROBERT ALLEN KISLING allowed non-licensee Sandra Lee Alonzo to negotiate loan modification agreements and collect advance fees on their behalf related to real estate activities requiring a real estate license.

CONCLUSIONS OF LAW

14. Based on the Findings of Fact contained in Paragraphs 1 through 13, above, MFS/TA, INC., individually and doing business as "Future Security Financial", "Golden Real Estate Group", "Golden Valley Lending Group", "Millennium Financial Systems", "Millennium Real Estate Group", "Nationwide Loan Modification Services" and "RK Funding", and ROBERT ALLEN KISLING, individually and doing business as "Associated Financial Systems", "Millennium Financial Systems" and "V.A. Mortgage Express", 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.

15. MFS/TA, INC. and ROBERT ALLEN KISLING used a form of 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 Section 2970 (submission of advance fee materials) of the Regulations.

16. MFS/TA, INC. and ROBERT ALLEN KISLING employed and compensated Barbara Lee McManus for activities related to real estate while Barbara Lee McManus was licensed under another real estate broker.

17. MFS/TA, INC. and ROBERT ALLEN KISLING allowed non-licensee Madeleine Kisling to be listed as a signatory on their bank account in which trust funds related to real estate acitivites were deposited. Thereafter, Madeleine Kisling was allowed to withdraw funds from that bank account, including trust funds.

18. MFS/TA, INC. and ROBERT ALLEN KISLING allowed non-licensee Sandra Lee Alonzo to negotiate loan modification agreements and collect advance fees on their behalf related to real estate activities requiring a real estate license.

DESIST AND REFRAIN ORDER

Based on the Findings of Fact and Conclusions of Law stated herein, MFS/TA, INC. and ROBERT ALLEN KISLING, whether doing business under your own names, or any other names or fictitious names, ARE HEREBY ORDERED to immediately desist and refrain from:

1. 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

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satisfactory to the Commissioner that you are properly licensed by the Department as a real estate broker and that MFS/TA, INC. and ROBERT ALLEN KISLING:

(a) Have 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) Have 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) Have provided an accounting to trust fund owner-beneficiaries pursuant to Section 2972 of the Regulations;

(d) Refunded to each borrower listed in Paragraph 7, above, any and all advance fees paid to you by Juan F. and Ysabel C.; and Juan G., Adriana M. and Zoilo S., in this matter.

2. 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.

3. Employing or paying compensation to real estate salespersons which are not licensed under your corporate real estate broker license or real estate broker license.

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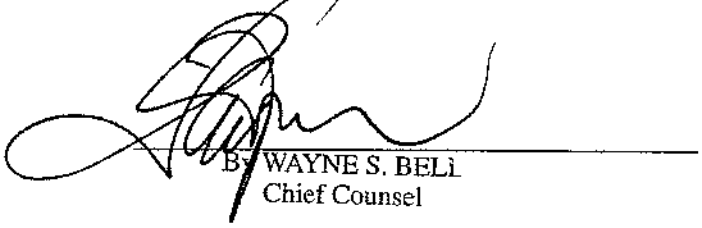
4. Employing or paying compensation to persons without a California real estate license for activities related to real estate that requires a real estate license.

5. Allowing persons without a California real estate license to be signatories on any of your bank accounts which contain trust funds related to real estate activity.

DATED: 10/24/2012

REAL ESTATE COMMISSIONER



By WAYNE S. BELL
Chief Counsel

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: ROBERT ALLEN KISLING
630 Alta Vista Drive, #103
Vista, CA 92084

ROBERT ALLEN KISLING
As Agent for Service of Process
MFS/TA, INC.
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