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

Telephone: (213) 576-6982 (office)

FILED

AUG 27 2009

DEPARTMENT OF REAL ESTATE
BY: [signature]

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of TRAVIS COREY IVERSON; and JORGE RICARDO CRUZ, Respondents,	No. H-35574 LA STIPULATION AND AGREEMENT

It is hereby stipulated by and between JORGE RICARDO CRUZ (sometimes referred to as ("Respondent"), and the Complainant, acting by and through Elliott Mac Lennan, Counsel for the Department of Real Estate, as follows for the purpose of settling and disposing of the Accusation filed on December 30, 2008, in this matter:

1. All issues which were to be contested and all evidence which was to be presented by Complainant and Respondent at a formal hearing on the Accusation, which hearing was to be held in accordance with the provisions of the Administrative

Procedure Act ("APA"), shall instead and in place thereof be submitted solely on the basis of the provisions of this Stipulation and Agreement (Stipulation).

2. Respondent has received, read and understands the Statement to Respondent, the Discovery Provisions of the APA and the Accusation filed by the Department of Real Estate in this proceeding.

3. Respondent filed a Notice of Defense pursuant to Section 11506 of the Government Code for the purpose of requesting a hearing on the allegations in the Accusation. Respondent hereby freely and voluntarily withdraws said Notice of Defense. Respondent acknowledges that he understands that by withdrawing said Notice of Defense he thereby waives his right to require the Commissioner to prove the allegations in the Accusation at a contested hearing held in accordance with the provisions of the APA and that he will waive other rights afforded to him in connection with the hearing such as the right to present evidence in his defense of the allegations in the Accusation and the right to cross-examine witnesses.

4. This Stipulation is based on the allegations contained in the Accusation. In the interest of expedience and economy, Respondent chooses not to contest these allegations, but to remain silent and understands that, as a result thereof, these allegations, without being admitted or denied, will serve as a prima facie basis for the disciplinary action stipulated to

herein. The Real Estate Commissioner shall not be required to provide further evidence to prove said allegations.

5. This Stipulation is made for the purpose of reaching an agreed disposition of this proceeding and is expressly limited to this proceeding and any other proceeding or case in which the Department of Real Estate ("Department"), the state or federal government, or any agency of this state, another state or federal government is involved, and otherwise shall not be admissible in any other criminal or civil proceedings.

6. It is understood by the parties that the Real Estate Commissioner may adopt this Stipulation as his Decision in this matter thereby imposing the penalty and sanctions on Respondents real estate licenses and license rights as set forth in the "Order" herein below. In the event that the Commissioner, in his discretion, does not adopt the Stipulation, it shall be void and of no effect and Respondents shall retain the right to a hearing and proceeding on the Accusation under the provisions of the APA and shall not be bound by any stipulation or waiver made herein.

7. The Order or any subsequent Order of the Real Estate Commissioner made pursuant to this Stipulation shall not constitute an estoppel, merger or bar to any further administrative or civil proceedings by the Department of Real Estate with respect to any matters which were not specifically alleged to be causes for Accusation in this proceeding but do

constitute a bar, estoppel and merger as to any allegations actually contained in the Accusation against Respondents herein.

DETERMINATION OF ISSUES

By reason of the foregoing, it is stipulated and agreed that the following determination of issues shall be made:

The conduct of JORGE RICARDO CRUZ, as described in Paragraph 4, above, constitutes a violation of Business and Professions Code Sections 10137 and 10177(g) and is a basis for the discipline of Respondent's license pursuant to said sections.

ORDER

WHEREFORE THE FOLLOWING ORDER IS HEREBY MADE:

I. The real estate broker license of Respondent JORGE RICARDO CRUZ, under the Real Estate Law is revoked; provided, however, a restricted real estate broker license shall be issued to said Respondent, pursuant to Section 10156.5 of the Business and Professions Code if Respondent:

A. Makes application thereof and pays to the Department of Real Estate the appropriate fee for the restricted license within ninety (90) days from the effective date of this Decision.

B. As a further condition precedent to the issuance of any restricted license issued to Respondent, Respondent shall provide evidence satisfactory to the Real Estate Commissioner that Respondent has reached a settlement with Nathaniel and Karen Lumpkin via their attorney, Nathan Fransen, Esq. to make

restitution to the Lumkins in not less than $17,400, on terms and conditions as reflected in the settlement agreement in the case now pending in Superior Court between Respondent and the Lumpkins.

C. The restricted license issued to Respondent shall be subject to all of the provisions of Section 10156.7 of the Business and Professions Code and to the following limitations, conditions and restrictions imposed under authority of Section 10156.6 of that Code:

1. The restricted license issued to Respondent may be suspended prior to hearing by Order of the Real Estate Commissioner in the event of a Respondent's conviction or plea of nolo contendere to a crime which is substantially related to a Respondent's fitness or capacity as a real estate licensee.

2. The restricted license issued to Respondent may be suspended prior to hearing by Order of the Real Estate Commissioner on evidence satisfactory to the Commissioner that Respondent has violated provisions of the California Real Estate Law, the Subdivided Lands Law, Regulations of the Real Estate Commissioner or conditions attaching to the restricted license.

3. Respondent shall not be eligible to apply for the issuance of an unrestricted real estate license nor for the removal of any of the conditions, limitations or restrictions of a restricted license until two (2) years have elapsed from the effective date of this Decision.

4. Respondent shall, within nine (9) months from the effective date of this Decision, present evidence satisfactory to the Real Estate Commissioner that Respondent has, since the most recent issuance of an original or renewal real estate license, taken and successfully completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a real estate license. If Respondent fails to satisfy this condition, the Commissioner may order the suspension of the restricted license until Respondent presents such evidence. The Commissioner shall afford Respondent the opportunity for a hearing pursuant to the Administrative Procedure Act to present such evidence.

II. The restricted real estate broker of Respondent JORGE RICARDO CRUZ under the Real Estate Law is suspended for a period of sixty (60) days from the effective date of this Decision.

A. Provided, however, that if Respondent requests, said sixty day suspension (or a portion thereof) shall be stayed for two (2) years upon condition that:

1. Respondent pays a monetary penalty pursuant to Section 10175.2 of the Business and Professions Code at the rate of $16.67 per day for each day of the sixty day suspension for a total monetary penalty of $1,000.

2. Said payment shall be in the form of a cashier's check or certified check made payable to the Recovery Account of

the Real Estate Fund. Said check must be received by the Department prior to the effective date of the Decision in this matter.

3. No further cause for disciplinary action against the real estate license of Respondent occurs within two (2) years from the effective date of the Decision in this matter.

4. If Respondent fails to pay the monetary penalty in accordance with the terms of the Decision, the Commissioner may, without a hearing, order the immediate execution of all or any part of the stayed suspension, in which event Respondent shall not be entitled to any repayment nor credit, prorated or otherwise, for money paid to the Department under the terms of this Decision.

5. If Respondent pays the monetary penalty and if no further cause for disciplinary action against the real estate license of Respondent occurs within two (2) years from the effective date of the Decision, the stay hereby granted shall become permanent.

III. Respondent shall within six months from the effective date of the restricted license, take and pass the Professional Responsibility Examination administered by the Department including the payment of the appropriate examination fee. If Respondent fails to satisfy this condition, the Commissioner may order suspension of the restricted license until Respondent passes the examination.

IV. During the restricted period, Respondent shall not serve as the designated broker at any corporate real estate broker unless and until Respondent is the owner of record of the controlling shares of the corporation.

DATED: 7-22-09

ELLIOTT MAC LENNAN, Counsel for the Department of Real Estate

* * *

I have read the Stipulation and Agreement. Its terms are understood by me and are agreeable and acceptable to me. I understand that I am waiving rights given to me by the California Administrative Procedure Act (including but not limited to Sections 11506, 11508, 11509 and 11513 of the Government Code), and I willingly, intelligently and voluntarily waive those rights, including the right of requiring the Commissioner to prove the allegations in the Accusation at a hearing at which I would have the right to cross-examine witnesses against me and to present evidence in defense and mitigation of the charges.

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Respondent (1) shall mail to Elliott Mac Lennan: Attention: Legal Section, Department of Real Estate, 320 W. Fourth St., Suite 350, Los Angeles, California 90013-1105 the original signed signature page of the stipulation herein. Additionally, Respondent shall also (2) facsimile a copy of stipulation signature page, as actually signed by Respondent, to the Department at the following telephone/fax number: (213) 576-6917, Attention: Elliott Mac Lennan. A facsimile constitutes acceptance and approval of the terms and conditions of this stipulation. Respondent agrees, acknowledges and understands that by electronically sending to the Department a facsimile copy of Respondent's actual signature as it appears on the stipulation, which receipt of the facsimile copy by the Department shall be as binding on Respondent as if the Department had received the original signed stipulation.

DATED: 6/4/09

JORGE RICARDO CRUZ, Respondent

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JUN. 5. 2009 1:42PM WFHM/ASC LOSSMIT ART NO. 3129 P. 1

* * *

The foregoing Stipulation and Agreement is hereby adopted as my Decision and shall become effective at 12 o'clock noon on September 16, 2009.

IT IS SO ORDERED 8-6-, 2009.

JEFF DAVI
Real Estate Commissioner

Sacto

FILED

MAR 4 2009

DEPARTMENT OF REAL ESTATE
BY: _____

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of TRAVIS COREY INVERSON; and JORGE RICARDO CRUZ,	)	No. H-35574 LA

DECISION

This Decision is being issued in accordance with the provisions of Section 11520 of the Government Code, on evidence of compliance with Section 11505 of the Government Code and pursuant to the Order of Default filed on July 28, 2008, and the findings of fact set forth herein are based on one or more of the following: TRAVIS COREY IVERSON's, express admissions; (2) affidavits; (3) Declaration of April Burke, Statement of Nathaniel/Karen Lumpkin, and Loan/Escrow files re Nathaniel/Karen Lumpkin and (4) other evidence.

FACTUAL FINDINGS

1.

On December 30, 2008, Robin Trujillo filed the Accusation in her official capacity as a Deputy Real Estate Commissioner of the State of California. The Accusation, Statement to Respondent TRAVIS COREY IVERSON and Notice of Defense were mailed by certified mail, to Respondent's last known mailing addresses on file with the Department on December 30, 2008.

2.

On January 28, 2008, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondent TRAVIS COREY IVERSON default were entered herein.

3.

All references to the "Code" are to the California Business and Professions Code and all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

LICENSE HISTORY

4.

A. At all times mentioned, JORGE RICARDO CRUZ ("CRUZ"), was licensed or had license rights issued by the Department of Real Estate ("Department") as a real estate broker. On March 7, 1986, CRUZ was originally licensed as a real estate broker.

B.1. At all times mentioned, TRAVIS COREY IVERSON ("IVERSON"), was licensed or had license rights issued by the Department as a real estate salesperson. On July 29, 2004, IVERSON was originally licensed as a real estate salesperson. On July 28, 2008, said license expired. Respondent retains license rights pursuant to Code Section 10103.

B.2. During all times mentioned herein below, IVERSON was licensed by Premier Mortgage Funding Inc. At no time was IVERSON employed by or licensed CRUZ.

LICENSED ACTIVITIES AND BROKERAGE

5.

At all times mentioned, in City and County of Riverside, CRUZ acted as real estate broker and conducted licensed activities within the meaning of Business and Professions Code Sections:

A. Section 10131(a). CRUZ operated a residential resale brokerage. CRUZ engaged in the business of, acted in the capacity of, advertised or assumed to act as a real estate broker, including the solicitation for listings of and the negotiation of the sale of real property as the agent of others.

B. Section 10131(d). CRUZ operated a mortgage and loan brokerage. CRUZ engaged in activities with the public wherein lenders and borrowers were solicited for loans secured directly or collaterally by liens on real property, wherein such loans were arranged, negotiated, processed and consummated on behalf of others for compensation or in expectation of compensation and for fees often collected in advance.

FRAUD AND DISHONEST DEALING THROUGH THE INSTRUMENTALITY OF AN EQUITY-SKIMMING SCHEME DISGUISED AS A HOMEOWNER FORECLOSURE RESCUE AND CREDIT REPAIR TRANSACTION

6.

(a) On September 15, 2005, financially distressed homeowners Karen and Nathaniel Lumpkin ("the Lumpkins") received a Notice of Default on their home located at 3762, South Peach Tree Place, Ontario, California ("Peachtree").

(b) By referral, the Lumpkin's contacted IVERSON who was employed by Premier Mortgage Funding Inc. for credit counseling assistance with their mortgage payment arrearages.

(c) IVERSON recommended that the Lumpkins sell their home to an investor. By using an investor's credit, IVERSON counseled, they'd obtain some needed cash to pay bills enhancing their credit score which would enable them to buy back Peachtree in six months.

(d) IVERSON promised to handle the foreclosure rescue credit repair plan by finding the LUMPKIN'S an investor, brokering the sale, arranging a new loan on Peachtree and setting up a rental arrangement whereby they could remain in their home throughout the sale and re-purchase transaction.

(e) On December 15, 2005, the Lumpkins sold Peachtree to investor April Burke ("Burke"). Although having never seen Peachtree, Burke, an acquaintance of IVERSON, purchased it for $580,000. Even though Burke made no down payment, she received a non-recurring closing cost credit of approximately $30,218.10, from the Lumpkins via escrow. In essence, the Lumpkins paid investor Burke's closing costs. In reality, Burke was a straw buyer recruited by IVERSON in order to generate a commission for IVERSON.

(f) At the actual close of escrow on January 5, 2006, the Lumpkins received $9,541.12, which they paid over to IVERSON at his request and upon his representation that it was payment for Burke for her lending credit to them. In reality, Burke received only $5,000.

(g) On January 13, 2006, the original estimated close of escrow, a Settlement Statement provided for the Lumpkins to receive $43,136.01 in cash for their sale to Burke of Peachtree.

(h) The Lumpkins never received the $43,136.01, although in July 2006, however, they did receive $2,700.

(i) The Lumpkins remained in possession of Peachtree, making Burke's mortgage payments for the next six months. Thereafter on or around August 2006, they asked IVERSON to arrange for them to buy back Peachtree according to the oral terms he had previously represented to them.

(j) IVERSON declined their request. IVERSON, claiming that they had made some late payments and needed a perfect track record of payments, unilaterally extended the buy back period another six months.

(k) On or around February 2007, after one year of making Burke's mortgage payments, the Lumpkins again went to IVERSON. This time IVERSON informed them that another investor's credit would be needed to effect the buy back. IVERSON recommended that the Lumpkins provide a friend of family member for this purpose.

(l) On or about March 16, 2007, the Lumpkins went once again to IVERSON. Inquiring, after seeing the office boxed up and packed, they were informed by office manager Barbara Richardson that the office was moving to an unknown destination. The Lumpkins believed that IVERSON was not going to direct Burke to sell Peachtree back to them. Nor did they believe that IVERSON was going to comply with the oral buy back agreement. The Lumpkins were unable to continue to make the $4,000 monthly mortgage payments on Burke's loan, an increase of $1,600 from their original mortgage payment of $2,400.

(m) During 2008, Peachtree was foreclosed. Served with an Unlawful Detainer, the Lumpkins were dispossessed and summarily evicted.

(o) On January 5, 2006, the actual date of close of escrow, at IVERSON's direction and insistence, CRUZ, the named broker set forth on the Real Estate Purchase Agreement and Joint Escrow Instructions, directed his brokerage commission be paid to Iverson International.

(p) IVERSON received a $17,400 sales commission paid to his company, Iverson International. Additionally, IVERSON received a $17,375 mortgage finance loan commission paid to or through Dana Capital Group Inc., having the same address as Iverson International. During times mentioned, IVERSON was not employed by or licensed under Dana Capital Group Inc.

(q) To date, IVERSON has never been employed by or licensed under CRUZ. During all times mentioned, IVERSON was licensed by Premier Mortgage Funding Inc.

IN AGGRAVATION

Respondent IVERSON violated the Home Equity Sales Contract provisions of California Civil Code Section 1695.

IN AGGRAVATION

Respondent IVERSON violated the Mortgage Foreclosure Consultants provisions of California Civil Code Section 2945.

DETERMINATION OF ISSUES

1.

The conduct of Respondent IVERSON, as described in Finding 4B, above, is in violation of Code Section 10137. Cause for disciplinary action exists pursuant to Code Sections 10137 and 10177(d).

2.

The conduct of Respondent IVERSON, as described in Finding 6, herein above, is cause for disciplinary action pursuant to Code Sections 10176(a), 10176(b), 10176(e), 10176(i) and 10177(g).

The standard of proof applied was clear and convincing proof to a reasonable certainty.

ORDER

The real estate broker license and license rights of Respondent TRAVIS COREY IVERSON, under the provisions of Part I of Division 4 of the Business and Professions Code is revoked.

This Decision shall become effective at 12 o'clock noon on March 24, 2009.

DATED: 2/26/09

JEFF DAVI
Real Estate Commissioner

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

(213) 576-6982

FILED

JAN 28 2009

DEPARTMENT OF REAL ESTATE
BY: [signature]

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of TRAVIS COREY INVERSON; and JORGE RICARDO CRUZ, Respondents.	No. H-35574 LA

DEFAULT ORDER

Respondent TRAVIS COREY INVERSON, having failed to file a Notice of Defense within the time required by Section 11506 of the Government Code, is now in default. It is, therefore, ordered that a default be entered on the record in this matter.

IT IS SO ORDERED January 28, 2009

JEFF DAVI
Real Estate Commissioner

M. Dolores Weeks

By: M. DOLORES WEEKS
Regional Manager

ELLIOTT MAC LENNAN, SBN 66674
Department of Real Estate
320 West 4th Street, Ste. 350
Los Angeles, California 90013-1105

Telephone: (213) 576-6911 (direct)
-or- (213) 576-6982 (office)

FILED

DEC 30 2008

DEPARTMENT OF REAL ESTATE
BY: [signature]

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of TRAVIS COREY IVERSON; and JORGE RICARDO CRUZ, Respondents.	No. H-35574 LA A C C U S A T I O N

The Complainant, Neal Shigemitsu, a Deputy Real Estate Commissioner of the State of California, acting in his official capacity, for cause of Accusation against TRAVIS COREY IVERSON and JORGE RICARDO CRUZ, is informed and alleges as follows:

1.

All references to the "Code" are to the California Business and Professions Code and all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

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LICENSE HISTORY

2.

A. At all times mentioned, JORGE RICARDO CRUZ ("CRUZ"), was licensed or had license rights issued by the Department of Real Estate ("Department") as a real estate broker. On March 7, 1986, CRUZ was originally licensed as a real estate broker.

B. At all times mentioned, TRAVIS COREY IVERSON ("IVERSON"), was licensed or had license rights issued by the Department as a real estate salesperson. On July 29, 2004, IVERSON was originally licensed as a real estate salesperson. On July 28, 2008, said license expired. Respondent retains license rights pursuant to Code Section 10103.

LICENSED ACTIVITIES AND BROKERAGE

3.

At all times mentioned, in City and County of Riverside, CRUZ acted as real estate broker and conducted licensed activities within the meaning of Business and Professions Code Sections:

A. Section 10131(a). CRUZ operated a residential resale brokerage. CRUZ engaged in the business of, acted in the capacity of, advertised or assumed to act as a real estate broker, including the solicitation for listings of and the negotiation of the sale of real property as the agent of others.

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B. Section 10131(d). CRUZ operated a mortgage and loan brokerage. CRUZ engaged in activities with the public wherein lenders and borrowers were solicited for loans secured directly or collaterally by liens on real property, wherein such loans were arranged, negotiated, processed and consummated on behalf of others for compensation or in expectation of compensation and for fees often collected in advance.

FRAUD AND DISHONEST DEALING THROUGH THE INSTRUMENTALITY OF AN EQUITY-SKIMMING SCHEME DISGUISED AS A HOMEOWNER FORECLOSURE RESCUE AND CREDIT REPAIR TRANSACTION

General Allegations

4.

(a) On September 15, 2005, financially distressed homeowners Karen and Nathaniel Lumpkin ("the Lumpkins") received a Notice of Default on their home located at 3762, South Peach Tree Place, Ontario, California ("Peachtree").

(b) By referral, the Lumpkin's contacted IVERSON who was employed by Premier Mortgage Funding Inc. for credit counseling assistance with their mortgage payment arrearages.

(c) IVERSON recommended that the Lumpkins sell their home to an investor. By using an investor's credit, IVERSON counseled, they'd obtain some needed cash to pay bills enhancing their credit score which would enable them to buy back Peachtree in six months.

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(d) IVERSON promised to handle the foreclosure rescue credit repair plan by finding the LUMPKIN'S an investor, brokering the sale, arranging a new loan on Peachtree and setting up a rental arrangement whereby they could remain in their home throughout the sale and re-purchase transaction.

(e) On December 15, 2005, the Lumpkins sold Peachtree to investor April Burke ("Burke"). Although having never seen Peachtree, Burke, an acquaintance of IVERSON, purchased it for $580,000. Even though Burke made no down payment, she received a non-recurring closing cost credit of approximately $30,218.10, from the Lumpkins via escrow. In essence, the Lumpkins paid investor Burke's closing costs. In reality, Burke was a straw buyer recruited by IVERSON in order to generate a commission for CRUZ and IVERSON.

(f) At the actual close of escrow on January 5, 2006, the Lumpkins received $9,541.12, which they paid over to IVERSON at his request and upon his representation that it was payment for Burke for her lending credit to them. In reality, Burke received only $5,000.

(g) On January 13, 2006, the original estimated close of escrow, a Settlement Statement provided for the Lumpkins to receive $43,136.01 in cash for their sale to Burke of Peachtree.

(h) The Lumpkins never received the $43,136.01, although in July 2006, however, they did receive $2,700.

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(i) The Lumpkins remained in possession of Peachtree, making Burke's mortgage payments for the next six months. Thereafter on or around August 2006, they asked IVERSON to arrange for them to buy back Peachtree according to the oral terms he had previously represented to them.

(j) IVERSON declined their request. IVERSON, claiming that they had made some late payments and needed a perfect track record of payments, unilaterally extended the buy back period another six months.

(k) On or around February 2007, after one year of making Burke's mortgage payments, the Lumpkins again went to IVERSON. This time IVERSON informed them that another investor's credit would be needed to effect the buy back. IVERSON recommended that the Lumpkins provide a friend of family member for this purpose.

(l) On or about March 16, 2007, the Lumpkins went once again to IVERSON. Inquiring, after seeing the office boxed up and packed, they were informed by office manager Barbara Richardson that the office was moving to an unknown destination. The Lumpkins believed that IVERSON was not going to direct Burke to sell Peachtree back to them. Nor did they believe that IVERSON was going to comply with the oral buy back agreement. The Lumpkins were unable to continue to make the $4,000 monthly mortgage payments on Burke's loan, an increase of $1,600 from their original mortgage payment of $2,400.

(m) During 2008, Peachtree was foreclosed. Served with an Unlawful Detainer, the Lumpkins were dispossessed and summarily evicted.

(o) On January 5, 2006, the actual date of close of escrow, at IVERSON's direction and insistence, CRUZ, the named broker set forth on the Real Estate Purchase Agreement and Joint Escrow Instructions, directed his brokerage commission be paid to Iverson International.

(p) IVERSON received a $17,400 sales commission paid to his company, Iverson International. Additionally, IVERSON received a $17,375 mortgage finance loan commission paid to or through Dana Capital Group Inc., having the same address as Iverson International. During times mentioned, IVERSON was not employed by or licensed under Dana Capital Group Inc.

(q) To date, IVERSON has never been employed by or licensed under CRUZ. During all times mentioned, IVERSON was licensed by Premier Mortgage Funding Inc.

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VIOLATIONS OF THE CALIFORNIA REAL ESTATE LAW

General Violation

5.

Respondents IVERSON designed and IVERSON and CRUZ implemented a predatory financing scheme resulting in homeowners Karen and Nathaniel Lumpkin losing their home through foreclosure and eviction. Using the artifice of credit counseling and foreclosure rescue by credit repair, Respondent IVERSON induced distressed homeowners Karen and Nathaniel Lumpkin to sell their home to straw buyer April Burke in exchange for a cash sum to pay down their debt and buy their home back in six months, once their credit score improved. Respondents profited from the Lumpkins' loss by receiving commissions on the sale and on the mortgage finance of the Lumpkin's home and by converting the cash to be paid to the Lumpkins from escrow to Respondent's own use and purposes.

Specific Violations

6.

The conduct or omissions of Respondents IVERSON and CRUZ, as set forth above in Paragraph 4, subjects their real estate licenses and license rights to suspension or revocation under the following California Business and Professions Code Sections:

(a) Section 10137 as to Respondent CRUZ for compensating Respondent IVERSON by way of a commission for the sale of the Lumpkin residence, while at no time was IVERSON ever employed by

CRUZ, and in fact was employed under the license of another real estate broker, Premier Mortgage Funding Inc.

(b) Section 10137 as to Respondent IVERSON for accepting compensation from CRUZ for the Lumpkin sale to April Burke, wherein IVERSON was never employed by or licensed under CRUZ, being at all times mentioned employed by and licensed under Premier Mortgage Funding Inc.

(c) Section 10176(a) for intentionally, negligently and substantially misrepresenting to homeowners Karen and Nathaniel Lumpkin, the true nature of the fraudulent equity-skimming scheme disguised as a foreclosure rescue through credit repair.

(d) 10176(b) for making false promises of a character likely to influence, persuade or induce homeowners Karen and Nathaniel Lumpkin, to enter into a fraudulent equity-skimming scheme cast in the guise of a foreclosure repair through credit repair.

(e) Section 10177(d) for willful disregard of or violation of the Real Estate Law for the predatory equity stripping and dispossession scheme against homeowners Karen and Nathaniel Lumpkin.

(f) 10176(e) for commingling the Lumpkin's trust funds from escrow into Respondents' own accounts or for Respondents' own purposes.

(g) Section 10176(i) for fraud or dishonest dealing for the design and implementation of the fraudulent equity-skimming scheme.

(h) Section 10176(i) for conversion of the Lumkins' cash pay out trust funds from escrow.

(i) Section 10176(i) for failing to act in a fiduciary capacity with respect to the Lumkin's pecuniary interests; and,

(j) 10177(g) for negligence or incompetence for which a license is required, with respect to homeowners Lumpkin in a transaction for which a license is required.

IN AGGRAVATION

Respondents IVERSON and CRUZ violated the Home Equity Sales Contract provisions of California Civil Code Section 1695.

IN AGGRAVATION

Respondents IVERSON and CRUZ violated the Mortgage Foreclosure Consultants provisions of California Civil Code Section 2945.

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WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action against the license and license rights of Respondents JORGE RICARDO CRUZ and TRAVIS COREY IVERSON, under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) and for such other and further relief as may be proper under other applicable provisions of law including monetary restitution to homeowners Karen and Nathaniel Lumpkin, pursuant to the California Administrative Act.

Dated at Los Angeles, California
this December 30, 2008.

Neal Shigemitsu
Deputy Real Estate Commissioner

cc: Jorge Ricardo Cruz
Travis Corey Iverson
Neal Shigemitsu
Paula Hugo
Sacto