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

Telephone: (213) 576-6982 (office)

FILED

FEB 22 2010

DEPARTMENT OF REAL ESTATE
BY: _____

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of DINORAH INC. doing business as the Financial Funding Network, Properties by Dinorah, and Foreclosure Help Center Inc.; DINORAH ANNETTE CARMENATE, individually and as designated officer of Dinorah Inc.; LISA T. MAYERS and MIGUEL MARDUENO, Respondents.	No. H-35643 LA L-2009020908 STIPULATION AND AGREEMENT

It is hereby stipulated by and between Respondents DINORAH INC. and DINORAH ANNETTE CARMENATE, individually and as designated officer of Dinorah Inc., (sometimes collectively referred to as "Respondents"), represented by Joshua A. Rosenthal, Esq. of the Law Firm of Medlin & Hargrave, 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 First Amended Accusation ("Accusation") filed on June 23, 2009, in this matter:

1. All issues which were to be contested and all evidence which was to be presented by Complainant and Respondents 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. Respondents have received, read and understand the Statement to Respondent, the Discovery Provisions of the APA and the Accusation filed by the Department of Real Estate in this proceeding.

3. Respondents timely 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. Respondents hereby freely and voluntarily withdraw said Notice of Defense. Respondents acknowledge that they understand that by withdrawing said Notice of Defense they thereby waive their 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 they will waive other rights afforded to them in connection with the hearing such as the right to present evidence in their defense and the right to cross-examine witnesses.

///

///

4. This Stipulation is based on the factual allegations contained in the Accusation. In the interest of expedience and economy, Respondents choose not to contest these allegations, but to remain silent and understand that, as a result thereof, these factual 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 factual 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.

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 Accusations against Respondent herein.

8. Respondents understand that by agreeing to this Stipulation, Respondents agree to pay, pursuant to Business and Professions Code Section 10148, the cost of the audit. The amount of said cost for the audit is $7,301.72.

9. Respondents have received, read, and understand the "Notice Concerning Costs of Subsequent Audit". Respondents further understand that by agreeing to this Stipulation, the findings set forth below in the Determination of Issues become final, and the Commissioner may charge Respondents for the cost of any subsequent audit conducted pursuant to Business and Professions Code Section 10148 to determine if the violations have been corrected. The maximum cost of the subsequent audit will not exceed $7;301.72.

///

///

///

///

DETERMINATION OF ISSUES

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

I.

The conduct, acts or omissions of DINORAH INC., as described in Paragraph 4, above, are in violation of Sections 10085, 10137, and 10145 and 10146, of the Business and Professions Code ("Code") and Sections 2731, 2831.1, 2831.2, 2832.1, 2970 and 2972 of Title 10, Chapter 6 of the California Code of Regulations ("Regulations") and constitute a basis for discipline of Respondents' license and license rights as violation of the Real Estate Law pursuant to Code Section 10177(d) and 10177(g).

II.

The conduct, acts or omissions of DINORAH ANNETTE CARMENATE as described in Paragraph 4, above, are in violation of Code Section 10159.2 and Regulation 2725 and constitute a basis for discipline of Respondent's license and license rights as violation of the Real Estate Law pursuant to Code Section 10177(h).

///

///

///

///

///

ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

I.

The license and licensing rights of Respondents DINORAH INC. and DINORAH ANNETTE CARMENATE, under the Real Estate Law, are suspended for a period of one hundred twenty (120) days from the effective date of this Decision.

A. Provided, however, that if Respondents request, the initial sixty (60) days of said suspension (or a portion thereof) shall be stayed for two (2) years upon condition that:

1. Each Respondent pays a monetary penalty pursuant to Section 10175.2 of the Business and Professions Code at the rate of $66.66 per day for each day of the suspension for a monetary penalty of $4,000 or $8,000 total.

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 Respondents occur within two (2) years from the effective date of the Decision in this matter.

4. If Respondents fail 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 the 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 Respondents pay 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.

B. The remaining sixty (60) days of the one hundred twenty (120) day suspension shall be stayed for two (2) years upon the following terms and conditions:

1. Respondents shall obey all laws, rules and regulations governing the rights, duties and responsibilities of a real estate licensee in the State of California; and

2. That no final subsequent determination be made after hearing or upon stipulation, that cause for disciplinary action occurred within two (2) years from the effective date of this Decision. Should such a determination be made, the Commissioner may, in his discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed suspension. Should no such determination be made, the stay imposed herein shall become permanent.

///

///

///

II.

Pursuant to Section 10148 of the Business and Professions Code, Respondents DINORAH INC. and DINORAH ANNETTE CARMENATE shall pay the Commissioner's reasonable cost for (a) the audit which led to this disciplinary action (b) a subsequent audit to determine if Respondents are now in compliance with the Real Estate Law. The cost of the audit which led to this disciplinary action is $7,301.72. In calculating the amount of the Commissioner's reasonable cost, the Commissioner may use the estimated average hourly salary for all persons performing audits of real estate brokers, and shall include an allocation for travel time to and from the auditor's place of work. Said amount for the prior and subsequent audits shall not exceed $14,603.44.

Respondents shall pay such cost within 60 days of receiving an invoice from the Commissioner detailing the activities performed during the audit and the amount of time spent performing those activities.

The Commissioner may suspend the license of Respondents pending a hearing held in accordance with Section 11500, et seq., of the Government Code, if payment is not timely made as provided for herein, or as provided for in a subsequent agreement between the Respondent and the Commissioner. The suspension shall remain in effect until payment is made in full or until Respondents enter into an agreement satisfactory to the Commissioner to provide for payment, or until a decision providing otherwise is adopted following a hearing held pursuant to this condition.

III.

Prior to the effective of the Decision herein, Respondents shall first provide evidence satisfactory to the Commissioner that the trust fund deficit set forth in the Accusation in the amount of $12,314.32 representing the combined shortages of $8,271.02 (Dinorah Inc.) and $4,043.30 (~~Foreclosure Help Center Inc.~~), have been restored, including the identification of the source of funds used to cure the deficit. If Respondents fail to satisfy this condition, all licenses and licensing rights or Respondents shall be indefinitely suspended, unless or until such proof is provided.

IV.

All licenses and licensing rights of Respondent DINORAH ANNETTE CARMENATE are indefinitely suspended unless or until Respondent provides proof satisfactory to the Commissioner, of having taken and successfully completed the continuing education course on trust fund accounting and handling specified in paragraph (3) of subdivision (a) of Section 10170.5 of the Business and Professions Code. Proof of satisfaction of this requirement includes evidence that Respondent has successfully completed the trust fund account and handling continuing education course within 120 days prior to the effective date of the Decision.

DATED: 1-31-10

ELLIOTT MAC LENNAN, Counsel for the Department of Real Estate

* * *

EXECUTION OF THE STIPULATION

We have read the Stipulation and discussed it with our attorney. Its terms are understood by us and are agreeable and acceptable to us. We understand that we are waiving rights given to us by the California Administrative Procedure Act (including but not limited to Sections 11506, 11508, 11509 and 11513 of the Government Code), and we 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 we would have the right to cross-examine witnesses against us and to present evidence in defense and mitigation of the charges.

MAILING AND FACSIMILE

Respondents shall (1) mail the original signed signature page of the stipulation to Elliott Mac Lennan: Attention: Legal Section, Department of Real Estate, 320 W. 4th St., Suite 350, Los Angeles, California 90013-1105. Respondents shall also (2) facsimile a copy of signed signature page, to the Department at (213) 576-6917, Attention: Elliott Mac Lennan.

A facsimile constitutes acceptance and approval of the terms and conditions of this stipulation. Respondents agree, acknowledge and understand that by electronically sending to the Department a facsimile copy of Respondents' actual signature as it appears on the stipulation that receipt of the facsimile copy by the Department shall be as binding on Respondents as if the Department had received the original signed stipulation.

DATED: 1/12/10

DINORAH INC., a corporate real estate broker,
BY: Dinorah Inc. D.O., Respondent

DATED: 1/12/10

DINORAH ANNETTE CARMENATE, individually and as designated officer of Dinorah Inc., Respondent

DATED: 1/19/10

JOSHUA A. ROSENTHAL, ESQ.
Attorney for Respondents

* * *

The foregoing Stipulation and Agreement is hereby adopted as my Decision as to Respondents DINORAH INC. and DINORAH ANNETTE CARNEMATE, individually and as designated officer of Dinorah Inc. and shall become effective at 12 o'clock noon on March 24, 2010.

IT IS SO ORDERED 2/11, 2010.

JEFF DAVI
Real Estate Commissioner

BY: Barbara J Bigby
Chief Deputy Commissioner

FILED

FEB 22 2010

DEPARTMENT OF REAL ESTATE
BY: Kelly

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of DINORAH INC. doing business as the Financial Funding Network, Properties by Dinorah, and Foreclosure Help Center Inc.; DINORAH ANNETTE CARMENATE, individually and as designated officer of Dinorah Inc.; LISA T. MAYERS and MIGUEL MARDUENO, Respondents.	No. H-35643 LA L-2009020908

DISMISSAL

The First Amended Accusation filed against LISA T. MAYERS and MIGUEL MARDUENO on June 23, 2009, is dismissed.

IT IS SO ORDERED this 11th day of February, 2010.

JEFF DAVI
Real Estate Commissioner

BY: Barbara J. Bigby
Chief Deputy Commissioner

Sacto

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

JUN 23 2009

DEPARTMENT OF REAL ESTATE
BY: D. Guerly

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of DINORAH INC. doing business as the Financial Funding Network, Properties by Dinorah, and Foreclosure Help Center Inc.; DINORAH ANNETTE CARMENATE, individually and as designated officer of Dinorah Inc.; LISA T. MAYERS and MIGUEL MARDUENO, Respondents.	No. H-35643 LA L-2009020908 FIRST AMENDED ACCUSATION

The Accusation filed on January 22, 2009, is amended in its entirety as now set forth:

The Complainant, Robin Trujillo, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against DINORAH INC. dba Financial Funding Network, Properties by Dinorah, and Foreclosure Help Center Inc. aka Foreclosure Help Center; DINORAH ANNETTE CARMENATE aka Dinorah A. Carmenate,

individually and as designated officer of Dinorah Inc., LISA T. MAYERS and MIGUEL MARDUENO, alleges as follows:

1.

The Complainant, Robin Trujillo, acting in her official capacity as a Deputy Real Estate Commissioner of the State of California, makes this Accusation against DINORAH INC. DINORAH ANNETTE CARMENATE, LISA T. MAYERS and MIGUEL MARDUENO.

2.

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.

3.

License History

A.1 DINORAH INC. At all times mentioned, Respondent DINORAH INC. was licensed or had license rights issued by the Department of Real Estate ("Department") as a real estate broker. On March 20, 2000, DINORAH INC. was originally licensed as a corporate real estate broker. At all times mentioned herein, Respondent DINORAH INC was authorized to act by and through Respondent DINORAH ANNETTE CARMENATE as its broker designated pursuant to Business and Professions Code (hereinafter "Code") Sections 10159.2 and 10211 to be responsible for ensuring compliance with the Real Estate Law.

A.2. CARMENATE is the corporate President and CEO of DINORAH INC. At all times mentioned herein, CARMENATE has owned

or controlled more than 10% of DINORAH INC.'s stock, to wit, CARMENATE is the sole shareholder of DINORAH INC.

B. DINORAH ANNETTE CARMENATE. At all times mentioned, Respondent DINORAH ANNETTE CARMENATE ("CARMENATE") was licensed or had license rights issued by the Department as a real estate broker. On December 12, 1991, CARMENATE was originally licensed as a real estate broker.

C.1 Foreclosure Help Center Inc. aka Foreclosure Help Center (collectively "FHC"). Foreclosure Help Center Inc. is an unlicensed California corporation. CARMENATE is the corporate President and CEO of FHC. At all times mentioned herein, CARMENATE has owned or controlled more than 10% of FHC's stock, to wit, CARMENATE is the sole shareholder of FHC. At no time mentioned, was FHC licensed or in possession of license rights issued by the Department as a real estate broker. FHC is the alter ego of Respondents DINORAH INC. and CARMENATE.

C.2 Loan modification services were conducted by DINORAH INC. from the beginning of the audit period on July 1, 2007 to May 18, 2008. Thereafter, from May 19, 2008 through June 30, 2008, the end of the audit period loan modification services were conducted by Foreclosure Help Center Inc.

D. LISA T. MAYERS. At all times mentioned, LISA T. MAYERS ("MAYERS") was licensed or had license rights issued by the Department as a real estate broker. On July 21, 2001, MAYERS was originally licensed as a real estate salesperson. On May 26,

2009, MAYERS became licensed as a real estate broker. Between July 21, 2001 and May 26, 2009, MAYERS was a salesperson licensed employed by DINORAH INC. and employed as an agent for FHC performing loan modifications services therein.

E. MIGUEL MARDUENO. At all times mentioned, MIGUEL MARDUENO ("MARDUENO") was an expired licensee without license rights. On May 8, 1997 MARDUENO was originally licensed as a real estate salesperson. On May 7, 2001, MARDUENO real estate salesperson license expired. The Department retains jurisdiction over lapsed licenses pursuant to Code Section 10203.

Brokerage

4.

At all times mentioned, in the City of Costa Mesa, County of Orange, DINORAH INC. and CARMENATE acted as real estate brokers conducting licensed activities within the meaning of:

A. Code Section 10131(a). Respondents DINORAH INC. and CARMENATE engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers, including the solicitation for listings of and the negotiation of the sale of real property as the agent of others. Respondents DINORAH INC. and CARMENATE operated a residential resale brokerage dba Properties by Dinorah.

B. Code Section 10131(d). Respondents DINORAH INC. and CARMENATE 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. Respondents DINORAH INC. and CARMENATE operated a mortgage and loan brokerage dba Financial Funding Network; and

C. Code Section 10131(d). Respondents DINORAH INC., CARMENATE, MAYERS and MARDUENO engaged in loan modification service activities dba Foreclosure Help Center. For compensation or in expectation of compensation and for fees often collected in advance, Respondents contacted lenders on behalf of distressed homeowner/borrowers seeking favorable modification of the terms of their home loans, offered loan modification services including forbearance agreements, principal and interest reduction, foreclosure abatement, loan restructuring, and/or short sale services.

FIRST CAUSE OF ACTION
(Audit Examination)

5.

On September 17, 2008, the Department completed an audit examination of the books and records of DINORAH INC. pertaining to the loan modification service activities described in Paragraph 4, which require a real estate license. The audit examination covered a period of time beginning on July 1, 2007 to June 30, 2008. The audit examination revealed violations of the Code and the Regulations as set forth in the following

paragraphs, and more fully discussed in Audit Report LA 070410 and the exhibits and work papers attached to said audit report.

Bank and Trust Accounts

6.

At all times mentioned, in connection with the activities described in Paragraph 4, above, DINORAH INC. accepted or received funds including funds in trust (hereinafter "trust funds") from or on behalf of actual or prospective parties, including lenders, borrowers and homeowners, to mortgage loan modification transactions handled by DINORAH INC. itself and by and through FHC. Thereafter DINORAH INC. made deposits and or disbursements of such trust funds. From time to time herein mentioned during the audit period, said trust funds were deposited and/or maintained by DINORAH INC. in the bank and trust accounts as follows:

"Dinorah Inc.
Account No. 374-340038-9"
Washington Mutual Bank
Tustin, California (B/A #1)

"Foreclosure Help Center Inc. Trust Account
Account No. 492-413327-8"
Washington Mutual Bank
Tustin, California (T/A #1)

"Foreclosure Help Center Inc.
Account No. 492-413326-0"
Washington Mutual Bank
Tustin, California (B/A #2)

Audit Violations

7.

In the course of activities described in Paragraphs 4 and 6, above, and during the examination period described in Paragraph 5, Respondents DINORAH INC. acting through FHC, and CARMENATE, acted in violation of the Code and the Regulations in that Respondents:

(a)(1) DINORAH INC. Permitted, allowed or caused the disbursement of trust funds from DINORAH INC.'s general bank account, B/A #1, where the disbursement of funds reduced the total of aggregate funds in B/A #1, to an amount which, on June 30, 2008, was $8,271.02, less than the existing aggregate trust fund liability of DINORAH INC. to every principal who was an owner of said funds, without first obtaining the prior written consent of the owners of said funds, in violation of Code Section 10145 and Regulation 2832.1.

(a)(2) FHC. Permitted, allowed or caused the disbursement of trust funds from Foreclosure Help Center Inc.'s trust account, T/A #1, where the disbursement of funds reduced the total of aggregate funds in T/A #1, to an amount which, on June 30, 2008, was $4,043.30, less than the existing aggregate trust fund liability of FHC to every principal who was an owner of said funds, without first obtaining the prior written consent of the owners of said funds, in violation of Code Section 10145 and Regulation 2832.1.

(b) Mixed and commingled trust funds and personal funds by depositing advance fees for loan modification services to be rendered for borrowers, including but not limited to Juan Galvan, Ignacio/Fernando Ruiz, Raul Davila, Mario/Laura Lopes, Yolanda Garcia and Antonio Lopez, received via credit card payments, cash and check from said borrowers and deposited into DINORAH INC.'s general operating account, B/A #1, instead of depositing said trust funds into a trust account in the name of the broker, in violation of Code Sections 10145 and 10176(e) and Regulation 2832(a).

(c)(1) DINORAH INC. failed to maintain a separate record for each beneficiary or transaction, thereby failing to account for all advance fees collected from the borrowers June Galvan, Ignacio/Fernando Ruiz, Raul Davila, Mario/Laura Lopes, Yolanda Garcia ad Antonio Lopez for loan modification services, in violation of Code Section 10145 and Regulation 2831.1.

(c)(2) FHC failed to maintain a separate record for each beneficiary or transaction, thereby failing to account for all advance fees collected from the borrowers Cesar Ponce, Victor Lopez, Feliciano Mena, Jorge Partida, Jeronimo Merida and Carol Russell for loan modification services, in violation of Code Section 10145 and Regulation 2831.1.

(d)(1) DINORAH INC. failed to perform a monthly reconciliation of the balance of all separate beneficiary or transaction records maintained pursuant to Regulation 2831.1 with

the record of all trust funds received and disbursed by B/#1 for loan modification services, in violation of Code Section 10145 and Regulation 2831.2.

(d)(2) FHC failed to perform a monthly reconciliation of the balance of all separate beneficiary or transaction records maintained pursuant to Regulation 2831.1 with the record of all trust funds received and disbursed by T/#1 and B/#2, in violation of Code Section 10145 and Regulation 2831.2

(e) DINORAH INC. and FHC collected advance fees within the meaning of Code Section 10026 from homeowners seeking loan modification services wherein DINORAH INC. and FHC failed to provide homeowners Juan Galvan, Ignacio/Fernando Ruiz, Raul Davila, Mario/Laura Lopes, Yolanda Garcia and Antonio Lopez a pre-approved advance fee agreement in the form of a No Objection Letter provided by the Department. The failure of DINORAH INC. acting through FHC to submit an advance fee agreement to the Department prior to its use as required by Code Sections 10085 and Regulation 2970, is in violation of Code Section 10177(d).

(f) DINORAH INC. and FHC failed to establish and maintain a trust account at a bank or other recognized financial institution in the name of the broker for deposit of advance fees collected by DINORAH INC. and FHC, as required by and in violation of Code Section 10146.

(g) With reference to the lack of an advance fee agreement, DINORAH INC. acting through FHC, failed to provide a

complete description of services to be rendered provided to each prospective tenant an allocation and disbursement of the amount collected as the advance fee, as required by Code Section 10085 and Regulation 2972, and in violation of Code Section 10177(d); and

(h) Used the fictitious name of "Foreclosure Help Center", to conduct licensed activities including loan modification services without holding a license bearing said fictitious business name until August 4, 2008, after the close of the audit examination, in violation of Code Section 10159.5 and Regulation 2731.

Discipline Statutes and Regulations

8.

The conduct of Respondents DINORAH INC. and CARMENATE, acting through itself and FHC described in Paragraph 7, above, violated the Code and the Regulations as set forth below:

PARAGRAPH	PROVISIONS VIOLATED
7(a)	Code Section 10145 and Regulation 2832.1
7(b)	Code Sections 10145 and 10176(e) and Regulation 2832(a)
7(c)	Code Section 10145 and Regulation 2831.1

7(d)	Code Section 10145 and Regulation 2831.2
7(e)	Code Sections 10085 and 10177(d) and Regulation 2970
7(f)	Code Section 10146
7(g)	Code Sections 10085 and 10177(d) and Regulation 2972
7(h)	Code Section 10159.5 and Regulation 2731

The foregoing violations constitutes cause for the suspension or revocation of the real estate license and license rights of DINORAH INC. and CARMENATE, including DINORAH INC. providing loan modification services through unlicensed FHC, under the provisions of Code Sections 10177(d) for willful disregard of the Real Estate Law, for violation of the Real Estate Law and/or 10177(g) for negligence or incompetence.

///

///

///

///

SECOND CAUSE OF ACTION
(Loan Modification and Advanced Fee Brokerage)

9.

At all times mentioned Respondents DINORAH INC., CARMENATE, MAYERS and MARDUENO acted as real estate brokers conducting licensed activities within the meaning of California Business and Professions Code Sections 10131(d) and 10131.2. As aforesaid in Paragraph 4C, all Respondents engaged in the business of providing a loan modification service as well as an advance fee brokerage, FHC, an unlicensed corporation and a dba of DINORAH INC.

General Allegations

10.

During March 2008 and continuing thereafter to date, DINORAH INC. and CARMENATE, operating by and through FHC, placed infomercials soliciting loan modification and foreclosure rescue services on various media including Spanish language radio, television and newspaper advertisements intending to solicit an audience of homeowners facing financial distress, foreclosure and eviction from their homes. DINORAH INC. and CARMENATE offered these services through licensed and unlicensed agents predicated upon payment of advance fees for promised services to be rendered.

///

///

///

Maria Alvarez

11.

On or about December 29, 2007, Maria Alvarez entered into a Loan Modification Program via an Engagement Agreement with FHC for Alvarez' residence located at 2401 W. Lincoln Ave., Long Beach, California. Alvarez paid $995 to FHC for promised loan modification services to be rendered. Alvarez had contacted FHC after seeing an ad in a Spanish language newspaper and by watching an infomercial on Spanish language television. FHC failed to perform the promised loan modification services contracted for. Instead Respondents sold Alvarez' house via short-sale without notice to Alvarez.

12.

Maria Alvarez' Engagement Agreement was entered into prior to the Department's issuance of an advance fee agreement to DINORAH INC. in the form of a 'No Objection' letter dated October 15, 2008.

Iris Elba Chang

13.

On or around February 23, 2008, in arrears in her mortgage payments, Iris Elba Chang (Chang) sought a reduction of her monthly payments. Chang entered into a loan modification program with FHC. Pursuant to FHC's Engagement Agreement, Chang paid a total of $995 in two payments: $700 then $295. After Chang signed the Engagement Agreement authorizing FHC to conduct

loan modification services on her behalf for her residence located at 11330 Homestead St., Santa Fe Springs, California, Chang received a Notice of Default and pending trustee sale of her home. Chang was assured by FHC that FHC would stop the impending trustee's sale. Subsequently, Chang learned that her home sold in a short sale by Respondents DINORAH INC. and CARMENATE and FHC. Ultimately, Chang was summarily dispossessed from her home.

14.

Iris Elba Chang's Engagement Agreement was entered into prior to the Department's issuance of a 'No Objection' letter from the Department dated October 15, 2008.

Arturo M. Moreno

15.

On or about February 26, 2008, Arturo Moreno entered into a Loan Modification Program via an Engagement Agreement, with FHC for Moreno's residence located at 44122 Raysack St., Lancaster, California. Moreno paid FHC $1,990 for promised loan modification services.

16.

Arturo Moreno's Engagement Agreement was entered into prior to the Department's issuance of a 'No Objection' letter.

///

///

///

Johnny De Jesus

17.

During April 2008, Johnny De Jesus entered into a Loan Modification Agreement with FHC for De Jesus' residence located at 2276 Easy St. Long Beach, CA 90810. 2401 W. Lincoln Ave., Long Beach, California. De Jesus paid FHC $1,990 for promised loan modification.

18.

Johnny De Jesus' Loan Modification Agreement was entered into prior to DRE's issuance of a 'No Objection' letter.

Guillermo Sanchez Dias

19.

During 2008, Guillermo Sanchez Dias (Dias) entered into a loan modification program with FHC for Diaz' residence located at 14801 Pacific Ave. 27, Baldwin Park, California. Pursuant to FHC's Engagement Agreement, Dias paid FHC a total of $995 in two payments: $595 and $400 for promised loan modification services.

20.

Guillermo Sanchez Diaz' Engagement Agreement was entered into prior to the Department's issuance of a 'No Objection' letter.

21.

Oscar Gump Livingston

During 2008, Oscar Gump Livingston (Livingston) entered into a loan modification program with FHC for Livingston's

residence located at 2654 Faust Court, San Jose, California. Pursuant to FHC's Retention Agreement, Livingston paid $995 to FHC for promised loan modification services.

22.

Oscar Gump Livingston's Retention Agreement was entered into prior to the Department's issuance of an advance fee 'No Objection' letter dated October 15, 2008.

Sammer Younis

23.

On or around December 3, 2008, Sammer Younis (Younis) entered into a loan modification program with FHC through Theresa Struckmeyer, an unlicensed agent representing FHC, for promised loan modification services. Younis went to DINORAH's office to discuss the loan modification process with an unlicensed individual "David", also an agent for FHC. Younis sought to modify the terms of the loan on his residence located at 13104 Glen Ct #21 Chino Hills, California. Younis made an initial $500 deposit and took the loan modification contract home to review with his wife Chantal Johnson. After reviewing the contract, Younis called DINORAH the following day requesting a refund as stated in paragraph two on the first page of the Mortgage Loan Modification Agreement. Pursuant to the Mortgage Loan Modification Agreement, Younis was scheduled to pay the initial deposit, paid December 3, 2008, another $500 payment the next day, December 4, 2008, and a final payment on January 14, 2009.

24.

This method of collecting fees and modifying terms of Sammer Younis' was not part of the Department's 'No Objection' letter dated October 15, 2008.

Alfred Haro

25.

On or around December 10, 2008, Alfred Haro (Haro) entered into a loan modification program with FHC for loan modification services to be rendered. Haro went to DINORAH's office and discussed the loan modification process with Elizabeth Moriel, an unlicensed agent representing FHC. Haro sought to modify the terms of the loan on his residence located at 12319 Wicker Drive Whittier, California. Haro's accounting statement dated December 10, 2008 evidenced that he paid FHC $1,000. DINORAH INC., however, reports Haro paid $3,000 in two payments of $1,500 each.

26.

This method of collecting fees and modifying terms for Alfred Haro was not part of the Department's 'No Objection' letter of October 15, 2008.

Raquel Diaz

27.

On or around January 16, 2009, Raquel Diaz (Diaz) entered into a loan modification program with FHC for promised loan modification services to be rendered. Diaz sought to modify

the terms of the loan on her residence located at 14551 Alder Dr. Corona, California. Diaz entered into two agreements with FHC for the first and second loans on her residence with the same lender. The trust account information reflects that $1,000 was received and $1,000 paid to DINORAH, then $1,500 was received and $1,500 was paid to DINORAH for submission of the second loan to the lender. This indicates DINORAH disbursed $1,500 for submission of a file to the lender, though the loan modification agreement states only $1,000 will be disbursed to the broker upon submission of a file to the lender.

28.

This method of collecting fees and modifying terms from Raquel Diaz was not part of the Department's 'No Objection' letter of October 15, 2008.

Ruben Arellano

29.

On or around January 21, 2009, Ruben Arellano (Arellano) entered into a loan modification program with FHC for promised loan modification services. Arellano sought to modify the terms of the loan on his residence located at 1000 W. MacArthur Blvd. #80 Santa Ana, California. The FHC loan modification agreement recites that $300 will be collected from Arellano within 10 days. The trust account information provided by DINORAH shows Arellano paid $1,500 on two separate occasions. A second entry was added to the loan modification agreement for

the advance fee amount and the dates due. The accounting statements provided by DINORAH INC. inaccurately reflects that the total of the advance fee received and the balance.

30.

Ruben Arellano's loan modification agreement was entered into by Arellano and Lisa T. Mayers and paid to her, not the DINORAH. Lisa T. Mayers is real estate broker associate of DINORAH and/or affiliated with DINORAH,

31.

Ruben Arellano's loan modification agreement was entered after Department's 'No Objection' letter dated October 15, 2008.

32.

The unilateral changes to Ruben Arellano's loan modification agreement were not submitted to the Department for review or approved by the Department.

Carmen Magana

33.

On or around January 22, 2009, Carmen Magana (Magana) entered into a loan modification program with FHC for loan modification services to be rendered. Magana sought to modify the terms of the loan on her residence located at 819 S. Ross St. Santa Ana, California. Two loan modification agreements each state Magana will pay $3,000. The agreements do not adequately disclose that two fees will be required form Magana.

One for the first loan and another fee for the second loan on Magana's residence with the same lender. Both agreements fail to enter the lender's name and address. The accounting information provided reflects $2,000 total was collected from Magana and $1,000 was disbursed to DINORAH. The accounting information also reflects that another $1,000 was withdrawn, but it is not clear why it was withdrawn.

34.

These agreements were entered after Department's 'No Objection' letter dated October 15, 2008

35.

This method of collecting fees and modifying terms was not part of the DRE approved agreement. Magana's advance fee balance is reported to be zero.

Jesus P. Garcia

36.

On or around January 22, 2009, Jesus P. Garcia (Garcia) entered into a loan modification program with FHC for loan modification services to be rendered. Garcia sought to modify the terms of the loan on his residence located at 919 E. Buffalo Santa Ana, CA 92706. Both of two loan modification agreements state that Garcia will pay FHC $2,500. Neither agreement adequately discloses that a $2,500 fee will be required for the first loan and then an additional $2,500 fee for the second loan respectively, on Garcia's residence with the same lender.

Garcia deposited $2500 and the DINORAH disbursed $2000 when the file was submitted to the lender. The agreement states the broker will disburse $1000 when the file is submitted to the lender.

37.

Jesus P. Garcia's agreements were entered after Department's 'No Objection' letter dated October 15, 2008.

38.

FHC's method of collecting fees and modifying terms of Jesus P. Garcia's loan modification agreements were not part of the Department's 'No Objection' letter dated October 15, 2008.

Fredrico Aguirre

39.

On or around May 4, 2008, Fredrico Aguirre (Aguirre) entered into a loan modification program with FHC for promised loan modification services. Aguirre sought modification of the mortgage loan terms on his residence located at 523 S. Lemon St. Anaheim, California. Aguirre paid $1990 and was promised that his loan would be modified by Miguel Mardueno an expired licensee and "Representative of FHC" with whom Aguirre dealt. Aguirre also dealt with forenamed Lisa T. Mayer. Aguirre paid $1990 from his ATM card to Miguel Mardueno.

40.

Aguirre's payment to Miguel Mardueno was not deposited into an advance fee trust account. Aguirre discovered from his

lender that for the past nine months DINORAH had not contacted the lender to modify his loan. Seeking refund of advance fees paid for DINORAH's failure to perform, Aguirre contacted DINORAH. DINORAH responded by providing Aguirre a fax number to an attorney's office. To date, Aguirre has not received a refund.

41.

After DINORAH's failure to attempt a loan medication, DINORAH listed Aquirre's residence listed at various prices seemingly non relational to then prevailing marketing conditions. Moreover, the picture of Aguirre's residence provided for the Multiple Listing Service (MLS) was not that of Aguirre's residence. Ultimately, Aguirre terminated the listing agreement yet DINORAH failed to cancel the MLS.

42.

Fredrico Aguirre's loan modification agreement was entered before the Department's issuance of the 'No Objection' letter dated October 15, 2008.

43.

The conduct, acts or omissions of Respondents DINORAH INC., CARMENATE, LISA T. MAYER, and MIGUEL MARDUENO, as set forth above in Paragraph 4, subjects their real estate licenses and license rights to discipline including suspension, restriction or revocation under the following California Business and Professions Code Sections:

(a) Section 10137 as to Respondents DINORAH INC. and CARMENATE for compensating Respondents LISA T. MAYERS, for homeowners Ruben Adelanto and homeowner and MIGUEL MARDUENO for loan modification services to Rueben Arellano and Frederico Aguirre.

(b) Code Section 10137 as to Respondents DINORAH INC. and CARMENATE for compensating unlicensed loan modification agents and other unknown agents, as set forth in Paragraphs 9 through 42 above. In relation to FHC's loan modification program, Respondents DINORAH INC. and CARMENATE utilized employees and/or representatives in soliciting and modifying loans and in soliciting and handling trust funds in the form of advance fees from who were not licensed by the Department as real estate brokers or as salesperson operating under either Respondent DINORAH INC.'s real estate broker license or Respondent CARMENATE's individual broker license. Among the unlicensed representatives performing activities requiring a real estate license were Elizabeth Moriel (Alfredo Haro)(Ruben Arellano) and Miguel Mardueno (Fredrico Aguirre), Theresa Struckmeyer (Sammer Younis), and "David" (Sammer Younis).

(c) Code Section 10176(a) as to Respondents DINORAH INC. and CARMENATE for making false and/or misleading representations in order to induce the forenamed homeowners to induce them to enter into FHC's loan modification program, as set forth in Paragraphs 9 through 42.

(d) Code Section 10176(a) as to Respondents DINORAH INC. and CARMENATE for making negligent representations in order to induce the forenamed homeowners to induce them to enter into FHC's loan modification program, as set forth in Paragraphs 9 through 42.

(e) Code Section 10176(b) as to Respondents DINORAH INC. and CARMENATE for making false promises of a character likely to influence, persuade or induce the forenamed homeowners, as set forth in Paragraphs 9 through 42, to enter into FHC's loan modification agreement.

(f) Code Section 10176(c) as to Respondents DINORAH INC. and CARMENATE for a continued and flagrant course of misrepresentation or making of false promises through real estate agents or salespersons, including but not limited to LISA T. MAYERS, real estate broker, and MIGUEL MARDUENO, an unlicensed person and expired real estate salesperson, as set forth in Paragraphs 9 through 42.

(g) Code Section 10176(i) for all Respondents for conversion of trust funds, to wit, the advanced fees collected by DINORAH by and through FHC from the forenamed homeowners, in the amount of $20,960, in connection with loan modification services as set forth in the following table:

///

///

///

Homeowner	Property Address	Date of Agreement	Amount of Payment
Maria Alvarez	2401 W. Lincoln Ave., Long Beach,	12/29/07	$995
Iris Elba Chang	11330 Homestead St., Santa Fe Springs	08/22/08	$995
Arturo Moreno	44122 Raysack St., Lancaster	02/26/08	$1,990
Johnny De Jesus	2276 Easy St. Long Beach	April 2008	$1,990
Guillermo Sanchez Dias	14801 Pacific Ave. 27, Baldwin Park	During 2008	$995
Oscar Gump Livingston	12654 Faust Court, San Jose	During 2008	$995
Sammer Younis	13104 Glen Ct #21 Chino Hills	12/3/08	- 0 -
Alfred Haro	12319 Wicker Drive Whittier	12/10/08	$3,000
Raquel Diaz	303 Percheron Ct. San Jacinto, CA 92582	12/16/09	$2,500
Ruben Arellano	1822 Paradise St. Escondido, CA 92026	01/21/09	$3,000
Carmen Magana	819 S. Ross St. Santa Ana	01/22/09	$2,000
Jesus P. Garcia	919 E. Buffalo Santa Ana	01/22/09	$2,500

(h) Code Section 10177(d) for all Respondents for willful disregard of the Real Estate Law in connection with FHC's loan modification program.

(i) Code Section 10177(d) for all Respondents for violation of the Real Estate Law in connection with FHC's loan modification program.

(j) Code Section 10177(g) for all Respondents for negligence in connection with FHC's loan modification scheme.

(k) Code Section 10177(j) for all Respondents for fraud and dishonest dealing.

(l) Code Section 10176(i) for all Respondents for failing to act in a fiduciary capacity with respect to the forenamed homeowners.

(m) Code Section 10176(i) for all Respondents for entering loan modification agreements prior to the issue of the No Objection Letter provided by the Department on October 15, 2008 for homeowners Maria Alvarez, Iris Elba Chang, Arturo Moreno, Johnny De Jesus, Guillermo Sanchez Dias, Oscar Gump Livingston, and Fredrico Aguirre.

(n) Code Section 10176(i) for all Respondents for unilaterally modifying the No Objection Letter provided by the Department on October 15, 2008 for homeowners Sammer Younis, Alfred Haro, Raquel Diaz, Ruben Arellano, Carmen Magana, and Jesus P. Garcia.

Negligence

44.

The overall conduct of Respondents DINORAH INC., CARMENATE, MAYERS and MARDUENO constitutes negligence or incompetence and is cause for the suspension or revocation of the real estate license and license rights of said Respondents pursuant to the provisions of Code Section 10177(g).

///

///

Supervision and Compliance

45.

The overall conduct of Respondent CARMENATE constitutes a failure on Respondent's part, as officer designated by a corporate broker licensee, to exercise the reasonable supervision and control over the licensed activities of DINORAH INC. as required by Code Section 10159.2 and Regulation 2725, and to keep DINORAH INC. in compliance with the Real Estate Law, with specific regard to trust fund handling, advance fee handling, and acting through FHC, an unlicensed corporation conducting loan modification services for homeowners requiring a real estate license and is cause for the suspension or revocation of the real estate license and license rights of DINORAH pursuant to the provisions of Code Sections 10177(d), 10177(g) and 10177(h).

///

///

///

///

///

///

///

///

///

///

///

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 DINORAH INC. and DINORAH ANNETTE CARMENATE dba Financial Funding Network, Properties by Dinorah, and Foreclosure Help Center Inc. aka Foreclosure Help Center, under the Real Estate Law (Part 1 of vision 4 of the Business and Professions Code) and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Los Angeles, California
this 22nd day of June 2009.

Deputy Real Estate Commissioner

cc: Dinorah Inc.
c/o Dinorah Annette Carmenate D.O.
Lisa T. Mayers
Miguel Mardueno
Robin Trujillo
Sacto
Audits - Lisa Kwong

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

JAN 22 2009

DEPARTMENT OF REAL ESTATE
BY: [signature]

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of DINORAH INC. doing business as the Financial Funding Network, Properties by Dinorah, and Foreclosure Help Center Inc.; and DINORAH ANNETTE CARMENATE, individually and as designated officer of Dinorah Inc., Respondents.	No. H-35643 LA A C C U S A T I O N

The Complainant, Robin Trujillo, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against DINORAH INC. dba Financial Funding Network, Properties by Dinorah, and Foreclosure Help Center Inc. aka Foreclosure Help Center; and CARMENATE ANNETTE DINORAH, individually and as designated officer of Dinorah Inc., alleges as follows:

1.

The Complainant, Robin Trujillo, acting in her official capacity as a Deputy Real Estate Commissioner of the State of

California, makes this Accusation against DINORAH INC. and CARMENATE ANNETTE DINORAH.

2.

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.

3.

LICENSE HISTORY

A. DINORAH INC. At all times mentioned, DINORAH INC. was licensed or had license rights issued by the Department of Real Estate ("Department") as a real estate broker. On March 20, 2000, DINORAH INC. was originally licensed as a corporate real estate broker by and through DINORAH ANNETTE CARMENATE.

B. DINORAH ANNETTE CARMENATE. At all times mentioned, DINORAH ANNETTE CARMENATE ("CARMENATE") was licensed or had license rights issued by the Department as a real estate broker. On December 12, 1991, CARMENATE was originally licensed as a real estate broker; and

C. Foreclosure Help Center Inc. aka Foreclosure Help Center. Foreclosure Help Center Inc. is an unlicensed corporation owned by CARMENATE. Foreclosure Help Center is a fictitious business name of DINORAH INC., as of August 4, 2008. These two are unlicensed entities are included herein as convenience of reference only. At all times mentioned, DINORAH INC. and CARMENATE are the sole Respondents herein. At no time

mentioned, was Foreclosure Help Center Inc. aka Foreclosure Help Center licensed or in possession of license rights issued by the Department as a real estate broker.

Loan modification services were conducted by DINORAH INC. from the beginning of the audit period on July 1, 2007 to May 18, 2008. Thereafter, from May 19, 2008 through June 30, 2008, the end of the audit period loan modification services were conducted by Foreclosure Help Center Inc.

BROKERAGE

4.

At all times mentioned, in the City of Costa Mesa, County of Orange, DINORAH INC. and CARMENATE acted as real estate brokers conducting licensed activities within the meaning of:

A. Code Section 10131(a). DINORAH INC. and CARMENATE operated a residential resale brokerage dba Properties by Dinorah.

B. Code Section 10131(d). DINORAH INC. and CARMENATE operated a mortgage and loan brokerage dba Financial funding Network; and

C. Code Section 10131(d). DINORAH INC. and CARMENATE operated loan modification service dba Foreclosure Help Center. For compensation or in expectation of compensation and for fees often collected in advance, Respondents contacted lenders on behalf of distressed homeowners seeking modification of the terms of their home loans.

AUDIT EXAMINATION

5.

On September 17, 2008, the Department completed an audit examination of the books and records of DINORAH INC. pertaining to the loan modification service activities described in Paragraph 4, which require a real estate license. The audit examination covered a period of time beginning on July 1, 2007 to June 30, 2008. The audit examination revealed violations of the Code and the Regulations as set forth in the following paragraphs, and more fully discussed in Audit Report LA 070410 and the exhibits and work papers attached to said audit report.

BANK AND TRUST ACCOUNTS

6.

At all times mentioned, in connection with the activities described in Paragraph 4, above, DINORAH INC. accepted or received funds including funds in trust (hereinafter "trust funds") from or on behalf of actual or prospective parties, including lenders, borrowers, homeowners and escrow holders, to mortgage loan modification transactions handled by DINORAH INC. by and through Foreclosure Help Center Inc. aka Foreclosure Help Center, and thereafter made deposits and or disbursements of such funds. From time to time herein mentioned during the audit period, said trust funds were deposited and/or maintained by DINORAH INC. in the bank and trust accounts as follows:

///

"Dinorah Inc.
Account No. 374-340038-9"
Washington Mutual Bank
Tustin, California (B/A #1)

"Foreclosure Help Center Inc. Trust Account
Account No. 492-413327-8"
Washington Mutual Bank
Tustin, California (T/A #1)

"Foreclosure Help Center Inc.
Account No. 492-413326-0"
Washington Mutual Bank
Tustin, California (B/A #2)

VIOLATIONS OF THE REAL ESTATE LAW

7.

In the course of activities described in Paragraphs 4 and 6, above, and during the examination period described in Paragraph 5, Respondents DINORAH INC. acting through Foreclosure Help Center Inc. aka Foreclosure Help Center, and CARMENATE, acted in violation of the Code and the Regulations in that they:

(a)(1) DINORAH INC. Permitted, allowed or caused the disbursement of trust funds from the DINORAH INC.'s general bank account, B/A #1, where the disbursement of funds reduced the total of aggregate funds in B/A #1, to an amount which, on June 30, 2008, was $8,271.02, less than the existing aggregate trust fund liability of DINORAH INC. to every principal who was an owner of said funds, without first obtaining the prior written

consent of the owners of said funds, as required by Code Section 10145 and Regulation 2832.1.

(a)(2) Foreclosure Help Center Inc. Permitted, allowed or caused the disbursement of trust funds from Foreclosure Help Center Inc.'s trust account, T/A #1, where the disbursement of funds reduced the total of aggregate funds in T/A #1, to an amount which, on June 30, 2008, was $4,043.30, less than the existing aggregate trust fund liability of Foreclosure Help Center Inc. to every principal who was an owner of said funds, without first obtaining the prior written consent of the owners of said funds, as required by Code Section 10145 and Regulation 2832.1.

(b) Mixed and commingled trust funds and personal funds by depositing advance fees for loan modification services to be rendered for borrowers, including but not limited to Juan Galvan, Ignacio/Fernando Ruiz, Raul Davila, Mario/Laura Lopes, Yolanda Garcia and Antonio Lopez, received via credit card payments, cash and check from said borrowers and deposited into DINORAH INC.'s general operating account, B/A #1, instead of depositing said trust funds into a trust account in the name of the broker, in violation of Code Sections 10145 and 10176(e) and Regulation 2832(a).

(c)(1) DINORAH INC. failed to maintain a separate record for each beneficiary or transaction, thereby failing to account for all advance fees collected from the borrowers June

Galvan, Ignacio/Fernando Ruiz, Raul Davila, Mario/Laura Lopes, Yolanda Garcia ad Antonio Lopez for loan modification services, as required by Code Section 10145 and Regulation 2831.1.

(c)(2) Foreclosure Help Center Inc. failed to maintain a separate record for each beneficiary or transaction, thereby failing to account for all advance fees collected from the borrowers Cesar Ponce, Victor Lopez, Feliciano Mena, Jorge Partida, Jeronimo Merida and Carol Russell for loan modification services, as required by Code Section 10145 and Regulation 2831.1.

(d)(1) DINORAH INC. failed to perform a monthly reconciliation of the balance of all separate beneficiary or transaction records maintained pursuant to Regulation 2831.1 with the record of all trust funds received and disbursed by B/#1 for loan modification services, as required by Code Section 10145 and Regulation 2831.2.

(d)(2) Foreclosure Help Center Inc. failed to perform a monthly reconciliation of the balance of all separate beneficiary or transaction records maintained pursuant to Regulation 2831.1 with the record of all trust funds received and disbursed by T/#1 and B/#2, as required by Code Section 10145 and Regulation 2831.2

(e) DINORAH INC. and Foreclosure Help Center Inc. collected advance fees within the meaning of Code Section 10026 from homeowners seeking loan modification services wherein DINORAH INC. and Foreclosure Help Center Inc. failed to provide

homeowners Juan Galvan, Ignacio/Fernando Ruiz, Raul Davila, Mario/Laura Lopes, Yolanda Garcia and Antonio Lopez a pre-approved advance fee agreement by the Department. The failure of DINORAH INC. acting through Foreclosure Help Center Inc. to submit an advance fee agreement to the Department five days prior to its use as required by Code Section 10085 and Regulation 2970, as required by and in violation of Code Section 10177(d).

(f) DINORAH INC. and Foreclosure Help Center Inc. failed to establish and maintain a trust account at a bank or other recognized financial institution in the name of the broker for deposit of advance fees collected by DINORAH INC. and Foreclosure Help Center Inc., as required by and in violation of Code Section 10146.

(g) With reference to the lack of an advance fee agreement, DINORAH INC. acting through Foreclosure Help Center Inc., failed to provide a complete description of services to be rendered provided to each prospective tenant; 10 point type font; and, an allocation and disbursement of the amount collected as the advance fee, as required by Code Section 10085 and Regulation 2972, and in violation of Code Section 10177(d); and

(h) Used the fictitious name of "Foreclosure Help Center", to conduct licensed activities including loan modification services without holding a license bearing said fictitious business name until August 4, 2008, after the close of

the audit examination, in violation of Code Section 10159.5 and Regulation 2731.

DISCIPLINE STATUTES AND REGULATIONS

8.

The conduct of Respondents DINORAH INC. and CARMENATE, including DINORAH INC. acting through Foreclosure Help Center Inc. dba Foreclosure Help Center, described in Paragraph 7, above, violated the Code and the Regulations as set forth below:

PARAGRAPH	PROVISIONS VIOLATED
7(a)	Code Section 10145 and Regulation 2832.1
7(b)	Code Sections 10145 and 10176(e) and Regulation 2832(a)
7(c)	Code Section 10145 and Regulation 2831.1
7(d)	Code Section 10145 and Regulation 2831.2
7(e)	Code Sections 10085 and 10177(d) and Regulation 2970
7(f)	Code Section 10146

7(g)	Code Sections 10085 and 10177(d) and Regulation 2972
7(h)	Code Section 10159.5 and Regulation 2731

The foregoing violations constitutes cause for the suspension or revocation of the real estate license and license rights of DINORAH INC. and CARMENATE, including DINORAH INC. acting through unlicensed Foreclosure Help Center Inc. as aforesaid, under the provisions of Code Sections 10177(d) for willful disregard or for violation of the Real Estate Law and/or 10177(g) for negligence or incompetence.

NEGLIGENCE

9.

The overall conduct of Respondents DINORAH INC. and CARMENATE constitutes negligence or incompetence. This conduct and violation are cause for the suspension or revocation of the real estate license and license rights of said Respondents pursuant to the provisions of Code Section 10177(g).

SUPERVISION AND COMPLIANCE

10.

The overall conduct of Respondent CARMENATE constitutes a failure on Respondent's part, as officer designated by a corporate broker licensee, to exercise the reasonable supervision

and control over the licensed activities of DINORAH INC. as required by Code Section 10159.2 and Regulation 2725, and to keep DINORAH INC. in compliance with the Real Estate Law, with specific regard to trust fund handling, advance fee handling, and acting through Foreclosure Help Center Inc., an unlicensed corporation conducting loan modification services for homeowners requiring a real estate license and is cause for the suspension or revocation of the real estate license and license rights of DINORAH pursuant to the provisions of Code Sections 10177(d), 10177(g) and 10177(h).

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 DINORAH INC. and DINORAH ANNETTE CARMENATE, under the Real Estate Law (Part 1 of vision 4 of the Business and Professions Code) and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Los Angeles, California

this 22 day of January 2009

Deputy Real Estate Commissioner

cc: Dinorah Inc.
c/o Dinorah Annette Carmenate D.O.
Robin Trujillo
Sacto
Audits - Lisa Kwong