FILED

JUN 23 2009

DEPARTMENT OF REAL ESTATE
BY: _____

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

In the Matter of the Accusation of MARION ANTHONY PERRY and REBECCA SUANNE BLAKE, doing business as Loss Mitigation Services Inc., Respondents.	)	No. H-35856 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 June 9, 2009, and the findings of fact set forth herein are based on one or more of the following: MARION ANTHONY PERRY and REBECCA SUANNE BLAKE's, express admissions; (2) affidavits; (3) Complaint/Declaration of Rachelle Adams and (4) other evidence.

FACTUAL FINDINGS

1.

On April 9, 2009, 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 MARION ANTHONY PERRY and REBECCA SUANNE BLAKE and Notice(s) of Defense were mailed by certified mail, to Respondents' last known mailing addresses on file with the Department on April 10, 2009.

2.

On June 9, 2009, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondent MARION ANTHONY PERRY and REBECCA SUANNE BLAKE 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 herein mentioned, MARION ANTHONY PERRY (PERRY) and REBECCA SUANNE BLAKE (BLAKE) are expired salespersons. Respondent's salesperson licenses expired on December 17, 2008 and July 24, 2008, respectively. Pursuant to Code Section 10103, Respondents retain license rights until December 16, 2010 and July 23, 2010, respectively.

B. At no time herein mentioned was Loss Mitigation Services Inc., a California corporation, licensed by the Department as a real estate broker.

LOAN MODIFICATION BROKERAGE

5.

At all times herein mentioned, in City of Santa Ana, County of Orange, Respondents PERRY and BLAKE, were employed by and/or dba Loss Mitigation Services Inc. aka Los Mitigation Services, and acted as real estate brokers and conducted licensed activities within the meaning of:

A. During a period of time from approximately February 2008 and continuing to date, PERRY and BLAKE engaged in the business of a loan modification brokerage and an advanced fee brokerage in the State of California, within the meaning of Code Sections 10131(d) and 10131.2.

B. Respondents PERRY and BLAKE solicited distressed homeowners and charged them substantial fees in advance for purporting to obtain favorable modification of the terms of their home loans from lenders.

C. Respondents PERRY and BLAKE collected advance fees within the meaning of Code Sections 10026 and 10131.2, pursuant to written contracts with homeowners which constituted advance fee agreements within the meaning of Code Section 10085.

Respondents failed to submit these advance fee agreements to the Real Estate Commissioner before using them as required.

D. Respondents PERRY and BLAKE solicited distressed homeowners by direct mailings as well as Internet advertising by and through Loss Mitigation Services Inc.'s website www.1mslossmit.com.

E. Respondents PERRY and BLAKE, as mitigation representatives and loan modifications specialists, advised distressed homeowners on their loan options, negotiated with lenders on behalf of homeowners seeking principal and interest reduction, loan restructuring, foreclosure abatement, forbearance plans, extenuations, loan refinance, deed in lieu of foreclosure, and/or short sale services.

(Loan Modification Services)

Rachelle Adams

6.

On or about March 8, 2008, homeowner Rachelle Adams responded to a solicitation letter in which Luis Meyer and PERRY, an unlicensed person representing Loss Mitigation Services offered to assist her in obtaining a loan modification on her home loan for her residence located at 2603 Via Romana, Lancaster, California, in exchange for a $4,995 fee payable in advance.

7.

Primarily seeking a reduction of her monthly mortgage payment, which Luis Meyer and PERRY agreed to obtain, Ms. Adams entered into a loan modification agreement with Loss Mitigation Services and paid the claimed $4,995 fee.

8.

On or about November 4, 2008, homeowners Fredrick/Ginny Giordano responded to a solicitation letter from Loss Mitigation Services which offered to assist them in obtaining a loan modification on their residence located at 6991 Birds Landing Rd, California. Following upon their response to the letter, BLAKE emailed the Giordanos and offered to renegotiate with their mortgage loan on their behalf to obtain a downward adjustment of their mortgage payment, in exchange for a fee to cover the expenses incurred in loss mitigation process, including negotiation with the Giordano's mortgage lender, payable in advance.

(Loan Modification Trust Accounting)

9.

Respondents PERRY and BLAKE, conducted licensed acts including loan modification services claiming advance fees. The Real Estate Law requires PERRY and BLAKE be licensed as real estate brokers in order to claim or collect advance fees. PERRY and BLAKE actions, as described in Findings 5 through 8, were acts of a real estate broker as set forth below:

A. Code Section 10146 by claiming and collecting advance fees from homeowners Rachelle Adams and the Giordanos by failing to establish and deposit the fees into a real estate broker trust account.

B. Code Section 10085 and Regulation 2970 by failing to submit to the Commissioner not less than ten calendar days before publication or other use, all materials to be used in advertising, promoting, soliciting and negotiating an agreement calling for the payment of an advance fee including the form of advance fee agreement proposed for use.

C. Code Section 10085 and Regulation 2972 by failing to provide a complete description of the loan modification services to be rendered provided to the aforesaid homeowners in 10 point type font including an allocation and disbursement of the amount collected as advance fees.

D. Code Section 10145 and Regulation 2831 for failing to maintain a control record in the form of a columnar record in chronological order of all trust funds received, not placed in a broker's trust account, including advance fees.

E. Code Section 10145 and Regulation 2831.1 for failing to maintain a separate record for each homeowner-beneficiary of loan modification services, thereby failing to account for all trust funds in the form of advance fees collected; and

F. Code Section 10145 and Regulation 2831.2 for failing to perform a monthly reconciliation of the balance of all separate beneficiaries of loan modification services loan modification transaction records maintained pursuant to Regulation 2831.1 with the record of all trust funds collected.

DETERMINATION OF ISSUES

1.

The conduct, acts and/or omissions of Respondents PERRY and BLAKE are cause of disciplinary action as follows:

A. Code Section 10176(a) for substantial misrepresentations to the aforesaid homeowners to induce them to enter into Los Mitigation Services Inc.'s loan modification agreement.

B. Code Section 10176(b) for making false promises of a character likely to influence, persuade or induce the aforesaid homeowners, to enter into Los Mitigation Services Inc.'s loan modification agreement.

C. Code Section 10177(j) for conversion of trust funds in the form of advance fees collected from the aforesaid homeowners in connection with loan modification services, and for fraud or dishonest dealing.

D. Code Section 10177(g) for negligence in connection with loan modification services and solicitation.

E. Code Section Code Section 10130 for performing acts for which a real estate license broker license is required pursuant to Code Sections 10131(d) and 10132.1, including soliciting for prospective distressed homeowners for loan modification services in exchange for an advance fee; and

F. Code Section 10177(d) for willful disregard of or violations of the Real Estate Law, in connection with Los Mitigation Services Inc.'s loan modification scheme.

2.

Respondents PERRY and BLAKE intentionally engaged in the conduct above set forth in Findings 5 through 9. Alternatively, Respondents engaged in negligent misrepresentation to homeowners Rachelle Adams and Fredrick/Ginny Giordano, for misrepresenting Loss Mitigation Inc.s capacity and loan modification services for which real estate broker licenses are required, in violation of Code Sections 10176(a) and/or 10177(g).

3.

The overall conduct of Respondents PERRY and BLAKE, constitutes negligence or incompetence. This conduct and violation are cause for the revocation of their expired real estate licenses and license rights pursuant to Code Section 10177(g).

4.

The conduct of Respondents PERRY and BLAKE, as described hereinabove, are in violation of Code Sections 10130, 10085, 10145, 10146 and cause for discipline exits pursuant to Code Sections 10176(a), 10176(b), 10177(d), 10177(g) and 10177(j).

5.

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

ORDER

The real estate salesperson license and license rights of Respondents MARION ANTHONY PERRY and REBECCA SUANNE BLAKE, under the provisions of Part I of Division 4 of the Business and Professions Code are revoked.

This Decision shall become effective at 12 o'clock noon on July 13, 2009

DATED: 6/22, 2009

JEFF DAVI
Real Estate Commissioner

BY: Barbara J. Bigby
Chief Deputy Commissioner

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

(213) 576-6982

FILED

JUN - 9 2009

DEPARTMENT OF REAL ESTATE
BY: [signature]

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of MARION ANTHONY PERRY and REBECCA SUANNE BLAKE, doing business as Loss Mitigation Services Inc., Respondents,	No. H-35856 LA

DEFAULT ORDER

Respondents MARION ANTHONY PERRY and REBECCA SUANNE BLAKE, having failed to file a Notice of Defense within the time required by Section 11506 of the Government Code, are now in default. It is, therefore, ordered that a default be entered on the record in this matter.

IT IS SO ORDERED June 9, 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)

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DEPARTMENT OF REAL ESTATE
BY: _____

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of MARION ANTHONY PERRY and REBECCA SUANNE BLAKE, doing business as Loss Mitigation Services Inc., Respondents,	No. H-35856 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 MARION ANTHONY PERRY and REBECCA SUANNE BLAKE, doing business as or employed by Loss Mitigation Services Inc. aka Loss Mitigation Services, 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 MARION ANTHONY PERRY aka Tony Perry and REBECCA SUANNE BLAKE.

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.

LICENSE HISTORY

3.

A. At all times herein mentioned, MARION ANTHONY PERRY (PERRY) and REBECCA SUANNE BLAKE (BLAKE) are expired licensees. Respondents salesperson licenses expired on December 17, 2008 and July 24, 2008, respectively. Pursuant to Code Section 10103, Respondents retain license rights until December 16, 2010 and July 23, 2010, respectively.

B. At no time herein mentioned was Loss Mitigation Services Inc., a California corporation, licensed by the Department as a real estate broker.

LOAN MODIFICATION BROKERAGE

4.

At all times herein mentioned, in City of Santa Ana, County of Orange, Respondents PERRY and BLAKE, were employed by and/or dba Loss Mitigation Services Inc. aka Los Mitigation Services, and acted as real estate brokers and conducted licensed activities within the meaning of:

A. During a period of time from approximately February 2008 and continuing to date, PERRY and BLAKE engaged in the business of a loan modification brokerage and an advanced fee

brokerage in the State of California, within the meaning of Code Sections 10131(d) and 10131.2.

B. Respondents PERRY and BLAKE solicited distressed homeowners and charged them substantial fees in advance for purporting to obtain favorable modification of the terms of their home loans from lenders.

C. Respondents PERRY and BLAKE collected advance fees within the meaning of Code Sections 10026 and 10131.2, pursuant to written contracts with homeowners which constituted advance fee agreements within the meaning of Code Section 10085. Respondents failed to submit these advance fee agreements to the Real Estate Commissioner before using them as required.

D. Respondents PERRY and BLAKE solicited distressed homeowners by direct mailings as well as Internet advertising by and through Loss Mitigation Services Inc.'s website www.1mslossmit.com.

E. Respondents PERRY and BLAKE, as mitigation representatives and loan modifications specialists, advised distressed homeowners on their loan options, negotiated with lenders on behalf of homeowners seeking principal and interest reduction, loan restructuring, foreclosure abatement, forbearance plans, extenuations, loan refinance, deed in lieu of foreclosure, and/or short sale services.

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FIRST CAUSE OF ACTION
(Loan Modification Services)

Rachelle Adams

5.

On or about March 8, 2008, homeowner Rachelle Adams responded to a solicitation letter in which Luis Meyer and PERRY, an unlicensed person representing Loss Mitigation Services offered to assist her in obtaining a loan modification on her home loan for her residence located at 2603 Via Romana, Lancaster, California, in exchange for a $4,995 fee payable in advance.

6.

Primarily seeking a reduction of her monthly mortgage payment, which Luis Meyer and PERRY agreed to obtain, Ms. Adams entered into a loan modification agreement with Loss Mitigation Services and paid the claimed $4,995 fee.

Fredrick/Ginny Giordano

7.

On or about November 4, 2008, homeowners Fredrick/Ginny Giordano responded to a solicitation letter from Loss Mitigation Services which offered to assist them in obtaining a loan modification on their residence located at 6991 Birds Landing Rd, California. Following upon their response to the letter, BLAKE emailed the Giordanos and offered to renegotiate with their mortgage loan on their behalf to obtain a downward adjustment of their mortgage payment, in exchange for a fee to cover the

expenses incurred in loss mitigation process, including negotiation with the Giordano's mortgage lender, payable in advance.

VIOLATIONS OF THE REAL ESTATE LAW
(Loan Modification Trust Accounting)

8.

Respondents PERRY and BLAKE, conducted licensed acts including loan modification services claiming advance fees. The Real Estate Law requires PERRY and BLAKE be licensed as real estate brokers in order to claim or collect advance fees. PERRY and BLAKE actions, as described in Paragraphs 5 through 7, were acts of a real estate broker as set forth below:

A. Code Section 10146 by claiming and collecting advance fees from homeowners Rachelle Adams and the Giordanos by failing to establish and deposit the fees into a real estate broker trust account.

B. Code Section 10085 and Regulation 2970 by failing to submit to the Commissioner not less than ten calendar days before publication or other use, all materials to be used in advertising, promoting, soliciting and negotiating an agreement calling for the payment of an advance fee including the form of advance fee agreement proposed for use.

C. Code Section 10085 and Regulation 2972 by failing to provide a complete description of the loan modification services to be rendered provided to the aforesaid homeowners in 10 point type font including an allocation and disbursement of

the amount collected as advance fees.

D. Code Section 10145 and Regulation 2831 for failing to maintain a control record in the form of a columnar record in chronological order of all trust funds received, not placed in a broker's trust account, including advance fees.

E. Code Section 10145 and Regulation 2831.1 for failing to maintain a separate record for each homeowner-beneficiary of loan modification services, thereby failing to account for all trust funds in the form of advance fees collected; and

F. Code Section 10145 and Regulation 2831.2 for failing to perform a monthly reconciliation of the balance of all separate beneficiaries of loan modification services loan modification transaction records maintained pursuant to Regulation 2831.1 with the record of all trust funds collected.

VIOLATIONS OF THE REAL ESTATE LAW
(Loan Modification Services)

9.

The conduct, acts and/or omissions of Respondents PERRY and BLACK are cause of disciplinary action as follows:

A. Code Section 10176(a) for substantial misrepresentations to the aforesaid homeowners to induce them to enter into Los Mitigation Services Inc.'s loan modification agreement.

B. Code Section 10176(b) for making false promises of a character likely to influence, persuade or induce the aforesaid

homeowners, to enter into Los Mitigation Services Inc.'s loan modification agreement.

C. Code Section 10177(j) for conversion of trust funds in the form of advance fees collected from the aforesaid homeowners in connection with loan modification services, and for fraud or dishonest dealing.

D. Code Section 10177(g) for negligence in connection with loan modification services and solicitation.

E. Code Section Code Section 10130 for performing acts for which a real estate license broker license is required pursuant to Code Sections 10131(d) and 10132.1, including soliciting for prospective distressed homeowners for loan modification services in exchange for an advance fee; and

F. Code Section 10177(d) for willful disregard of or violations of the Real Estate Law, in connection with Los Mitigation Services Inc.'s loan modification scheme.

SECOND CAUSE OF ACTION
(Deceit by Misrepresentation)

9.

Respondents PERRY and BLAKE intentionally engaged in the conduct above set forth in Paragraphs 5 through 7. Alternatively, Respondents engaged in negligent misrepresentation to homeowners Rachelle Adams and Fredrick/Ginny Giordano, for misrepresenting Loss Mitigation Inc.s capacity and loan modification services for which real estate broker licenses are required, in violation of Code Sections 10176(a) and/or 10177(g).

The overall conduct of Respondents PERRY and BLAKE, constitutes negligence or incompetence. This conduct and violation are cause for the revocation of their expired real estate licenses and license rights pursuant to Code Section 10177(g).

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 MARION ANTHONY PERRY and REBECCA SUANNE BLAKE, 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 but not limited to disgorgement of commissions and compensations paid and including restitution to distressed homeowners.

Dated at Los Angeles, California
this 9 day of April 2009.

Deputy Real Estate Commissioner

cc: Marion Anthony Perry
Rebecca Suanne Blake
Robin Trujillo
Sacto
Tom Poole