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FILED

JUL 28 2009

DEPARTMENT OF REAL ESTATE
BY: [signature]

STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE

To: HOME FUNDING SOLUTIONS INC.; and CRAIG ROLAND DAHL, individually and as designated officer of Home Funding Solutions Inc. and/or any other names or fictitious names used by Home Funding Solutions Inc.	No. H- 36135 LA ORDER TO DESIST AND REFRAIN (B&P Code Section 10086)

The Commissioner (Commissioner) of the California Department of Real Estate (Department) caused an investigation to be made of the activities of HOME FUNDING SOLUTIONS INC. (HFSI) and CRAIG ROLAND DAHL (DAHL). Based on that investigation, the Commissioner has determined that HFSI and DAHL have engaged in, are engaging in, or are attempting to engage in, acts or practices constituting violations of the California Business and Professions Code (Code) and/or Title 10, Chapter 6, California Code of Regulations (Regulations), including the business of, acting in the capacity of, and/or advertising or assuming to act as real estate brokers in the State of California within the meaning of Code Section

10131(d) (performing loan modification services for borrowers) and 10131.2 (collecting advance fees). Furthermore, based on the investigation, the Commissioner hereby issues the following Findings of Fact, Conclusions of Law, and Desist and Refrain Order under the authority of Code Section 10086. HFSI and DAHL handled the following tabled loan modifications during the audit period below:

Mortgage Loans	Loan Modifications	Advance Fees Collected
126	282	$243,888.67

Whenever acts referred to below are attributed to HFSI, those acts are alleged to have been done by HFSI, acting by itself, or by and/or through one or more agents, associates, affiliates, and/or co-conspirators, including, but not limited to DAHL or other names or fictitious names unknown at this time.

FINDINGS OF FACT

1. HFSI has been licensed by the Department as a corporate real estate broker since September 30, 2009, by and though DAHL as designated officer.

2. DAHL has been licensed by the Department as a real estate broker since September 3, 2009.

3. During the period of time covered by the audit of HFSI, below, HFSI and DAHL engaged in the business of real estate brokers conducting licensed activities within the meaning of Code Sections 10131(d) and 10131.2 engaging in an advanced fee and loan modification service brokerage. On behalf of others, for compensation or in expectation of compensation and for fees often collected in advance, Respondents HFSI and DAHL contacted lenders on behalf of distressed homeowners seeking to modify or forebear the terms of their home loans secured directly or collaterally by one or more liens on real property.

4. On April 8, 2009, the Department completed an audit examination of the books and records of HFSI pertaining to the loan modification service activities which require a real estate license. The audit examination covered a period of time beginning on December 1, 2007 to February 28, 2009. The audit examination found that HFSI and DAHL, violated the Code and the Regulations which are more fully discussed in Audit Report LA 080187 and the exhibits and work papers attached to the audit report, as follows:

(a) Commingled trust funds and personal funds by depositing trust funds in the form of advance fees collected for loan modifications into HFSI's general operating account, in violation of Code Sections 10145 and 10176(e) and Regulation 2832, for homeowner/borrowers E. Gavia, L. McColluch, H. Mitchell, E. Espinoza, C. Flippen, F. Mendoza, W. Campbell, H. Alamo, A. Robinette, K. Webb, R. Schultz and W. Arens.

(b) Failed to maintain a control record in the form of a columnar record in chronological order of all trust funds including advance fees collected in connection with loan modifications, deposited and disbursed, in violation of Code Section 10145 and Regulation 2831, for the aforesaid homeowner/borrowers.

(c) Failed to maintain a separate record for each beneficiary or transaction, thereby failing to account for all advance fees collected, in violation of Code Section 10145 and Regulation 2831.1, for the aforesaid homeowner/borrowers.

(d) 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 from the general account for loan modification services, in

violation of Code Section 10145 and Regulation 2831.2, for the aforesaid homeowner/borrowers.

(e) Permitted Craig Roland Dahl Jr. and Brett Dahl, unlicensed and unbonded persons, to be authorized signatories on the trust account, in violation of Code Section 10145 and Regulation 2834.

(f) Collected advance fees within the meaning of Code Section 10026 from homeowners seeking loan modification services wherein HFSI failed to provide homeowner Ruben Ramirez a pre-approved advance fee agreement from the Department in the form of a no objection letter, in violation of Code Section 10085 and Regulation 2970, for the aforesaid homeowner/borrowers.

(g) 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 HFSI, in violation of Code Section 10146, for the aforesaid homeowner/borrowers.

(h) With reference to the lack of an advance fee agreement, HFSI failed to provide a complete description of services to be rendered provided to each prospective tenant in 10 point type font and failed to provide an allocation and disbursement of the amount collected as the advance fee, in violation of Code Section 10146 and Regulation 2972, for the aforesaid homeowner/borrowers.

(i) Failed to provide or retain a true and correct copy of a Good Faith Estimate that satisfies the requirements of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C.A 2601 et seq.), that (1) sets forth the broker's real estate license number; and (2) whether or not a balloon payment was due, for borrower Marcia Daley in violation of Code Section 10240(c).

(j) Failed to maintain a signed broker salesperson agreement with salespersons David

Elliott Connelly and Eloisa Fabio Estanislao, in violation of Regulation 2726.

(k) Used the fictitious name of "Home Funding Solutions", on the Residential Loan Mitigation/Modification Agreements, business cards and other business correspondence, to conduct licensed activities including a loan modification and advanced fee brokerage, without first obtaining from the Department a license bearing said fictitious business name, in violation of Code Section 10159.5 and Regulation 2731.

(l) On or about August 29, 2003, HFSI's corporate status was suspended by the California Franchise Tax Board, yet HFSI continued to conduct operations to date, in violations of Code Section 10177(f) and Regulation 2742(c).

CONCLUSIONS OF LAW

5. Based on the findings of fact contained in findings 1 through 4, HFSI, acting by itself, or by and/or through one or more agents, associates, affiliates, and/or co-conspirators, including, but not limited to DAHL, or other names or fictitious names unknown at this time, performed loan modification services for distressed homeowners and/or those homeowners' lenders in connection with loans secured directly or collaterally by one or more liens on real property, and charged, demanded or collected advance fees for the loan modification services to be provided, which acts require inter alia an advance fee agreement in the form of a no objection letter from the Department and a trust account for deposit of advance fees pursuant to Code Section 10146.

6. Based on the findings of fact contained in findings 3 and 4, as determined by the Department audit, HFSI and DAHL, violated Code Sections 10085, 10176(e), 10145, 10146, 10159.5, 10177(f) and 10240(c) and Regulations 2726, 2731, 2742(c), 2831,, 2831.1, 2831.2, 2832, 2834, 2970 and 2972.

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DESIST AND REFRAIN ORDER

Based on the Findings of Fact and Conclusions of Law stated herein, you, HOME FUNDING SOLUTIONS INC. and CRAIG ROLAND DAHL, whether doing business under your own names, or any other names or fictitious names, ARE HEREBY ORDERED to

1. Immediately desist and refrain from performing any acts requiring a real estate license in California unless and until you are in compliance with Code Sections 10085, 10176(e), 10145, 10146, 10159.5, 10177(f) and 10240(c) and Regulations 2726, 2731, 2742(c), 2831,, 2831.1, 2831.2, 2832, 2834, 2970 and 2972. In particular, you are ordered to desist and refrain from:

(i) Soliciting borrowers and/or performing loan modification services for borrowers or lenders in connection with loans secured directly or collaterally by one or more liens on real property, and (ii) from charging, demanding, or collecting an advance fee for any of the services you offer to others, unless and until you demonstrate and provide evidence satisfactory to the Commissioner that you are in full compliance with all of the requirements of the Code and Regulations relating to charging, collecting, and accounting for advance fees.

2. Charging or collecting advance fees, as that term in defined in Code 10026, in any form and particularly with respect to loan modification , forbearance agreements loan refinance, principal/interest reduction, foreclosure abatement or short sale services, unless and until you demonstrate and provide evidence satisfactory to the Commissioner that you have:

(i) an advance fee agreement which has been submitted to the Department and which is in compliance with Code Section 10085 and Regulations 2970 and 2972.

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

(iii) provided an accounting to trust fund owner-beneficiaries pursuant to Regulation 2972.

DATED: 7/20, 2009

JEFF DAVI
Real Estate Commissioner

By

BY: Barbara J. Bigby
Chief Deputy Commissioner

cc: Home Funding Solutions
c/o Craig Roland Dahl D.O.
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Orange, CA 92867

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