Department of Real Estate
320 West Fourth Street, Ste. 350
Los Angeles, California 90013

Telephone: (213) 576-6982

FILED

SEP 24 2009

DEPARTMENT OF REAL ESTATE

BY: _____

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * * *

To: JC LENDING INC., and JULIO CESAR HERNANDEZ, individually, and as designated broker officer for JC Lending Inc.	No. H-36264 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 JC LENDING INC. ("JC LENDING") and JULIO CESAR HERNANDEZ ("HERNANDEZ"), individually, and as designated broker officer for JC LENDING. Based on that investigation the Commissioner has determined that JC LENDING and HERNANDEZ have acted in the capacity of, or are acting in the capacity of, advertising or assuming to act as a real estate broker in the State of California within the meaning of California Business and Professions Code ("Code") Section

10131(d) (performing services for borrowers in connection with loans secured by real property), and, further, that JC LENDING and HERNANDEZ have employed and/or compensated individuals who were not licensed by the Department to perform activities requiring a real estate license in violation of Code Section 10137, and have engaged in or are engaging in the business of claiming, demanding, charging, receiving, collecting or contracting for the collection of an advance fee in connection with employment undertaken to promote the sale or lease of real property or to obtain a loan or loans on real property, including the performance of loan negotiation and loan modification services with respect to loans which are secured by liens on real property, within the meaning of Code Section 10131.2. In addition, the Commissioner has determined that JC LENDING and HERNANDEZ have engaged in or are engaging in activities which constitute violations of the Code and Title 10, California Code of Regulations ("Regulations"). Based on this investigation, the Commissioner hereby issues the following Findings of Fact, Conclusions of Law, and Desist and Refrain Order under the authority of Section 10086 of the Code.

FINDINGS OF FACT

1. JC LENDING is presently licensed and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Code) as a real estate corporation.

2. HERNANDEZ is presently licensed and/or has license rights under the Real Estate Law as a real estate broker.

HERNANDEZ is the designated broker officer of JC LENDING.

3. At no time has William Ward ("Ward") been licensed by the Department.

4. Whenever acts referred to below are attributed to JC LENDING, those acts are alleged to have been done by JC LENDING, acting by itself, or by and/or through one or more agents, associates, affiliates, and/or co-conspirators, including but not limited to Ward, and using the name "All State Foreclosure Solutions" or any fictitious name unknown at this time.

5. JC LENDING and HERNANDEZ engaged in the business of claiming, demanding, charging, receiving, collecting or contracting for the collection of an advance fee, including but not limited to the activities described in Paragraph 6, below.

6. On or about December 5, 2008, Ward, acting on behalf of JC LENDING and HERNANDEZ, entered into an agreement with James Juarez for the negotiation of a modification of a loan secured by a lien(s) on the real property located at 8264 Gardenia Vista Drive, Riverside, California 92508 in exchange for an advance fee payment of $4,500.

7. JC LENDING and HERNANDEZ collected the advance fee described in Paragraph 6, above, pursuant to the provisions of a document entitled "Homeownership Counseling Acknowledgement."

8. JC LENDING and HERNANDEZ failed to submit the advance fee agreement referred to in Paragraph 7, above, to the Commissioner ten days before using it.

CONCLUSIONS OF LAW

9. Based on the information contained in Paragraph 7, above, the document entitled "Homeownership Counseling Acknowledgement" constitutes an advance fee agreement within the meaning of Code Section 10026.

10. Based on the information contained in Paragraphs 6, 7, and 8, above, the failure by JC LENDING and HERNANDEZ to submit the advance fee agreement to the Commissioner ten days before using it constitutes a violation of Code Section 10085 and Section 2970 of the Regulations.

11. The activities of Ward described in Paragraph 6, above, require a real estate license under the provisions of Code Sections 10130, 10131(d) and 10131.2.

12. Based on the information contained in Paragraphs 3 and 6, above, JC LENDING and HERNANDEZ violated Section 10137 of the Code by employing and/or compensating an individual who was not licensed as a real estate salesperson or as a broker to perform activities requiring a real estate license.

DESIST AND REFRAIN ORDER

Based upon the FINDINGS OF FACT and CONCLUSIONS OF LAW stated herein, it is hereby ordered that JC LENDING INC. and JULIO CESAR HERNANDEZ, individually, and as designated officer for JC Lending Inc. immediately desist and refrain from:

1. employing or compensating any person for performing any act for which a real estate license is required unless that person is licensed as a real estate broker, or as a real estate

salesman licensed under the broker employing or compensating him. In particular, JC LENDING INC. and JULIO CESAR HERNANDEZ are ordered to desist and refrain from:

(i) employing or compensating any person who does not hold a real estate license from soliciting borrowers and/or performing services for borrowers or lenders in connection with loans secured directly or collaterally by one or more liens on real property.

2. collecting advance fees, as that term in defined in Section 10026 of the Code, in any form and particularly with respect to loan modification, loan negotiation, loan refinance, principal reduction, foreclosure abatement or short sale services, unless and until JC LENDING INC. and JULIO CESAR HERNANDEZ demonstrate and provide evidence satisfactory that JC LENDING and JULIO CESAR HERNANDEZ have done the following:

(i) submitted an advance fee agreement to the Commissioner in compliance with Code Section 10085 and Section 2970 of the Regulations; and

///

///

///

///

///

///

///

///

(ii) are in full compliance with all the requirements of the Code and Regulations relating to charging, collecting and accounting for advance fees.

DATED: 9/22, 2009.

JEFF DAVI
Real Estate Commissioner

BY: Barbara J. Bigby
Chief Deputy Commissioner

cc: Julio Cesar Hernandez
12701 Palm View Way
Riverside, California 92503

JC Lending Inc.
12701 Palm View Way
Riverside, California 92503