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

(213) 576-6982

FILED
OCT - 1 2008
DEPARTMENT OF REAL ESTATE
By

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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| To:<br><br>A L E ASSOCIATES, INC.,<br>dba Castle Realty Homes<br>and Castle Mortgage;<br>and ANA MICHELLE ESPINOZA<br>individually and as<br>designated officer of<br>said corporation | No. H-36289 LA<br><br>ORDER TO DESIST<br><br>AND REFRAIN |

The Commissioner (Commissioner) of the California Department of Real Estate (Department) caused an investigation to be made of the activities of A L E ASSOCIATES, INC., dba Castle Realty Homes and Castle Mortgage, and ANA MICHELLE ESPINOZA individually and as designated officer of said corporation. Based on that investigation, the Commissioner has determined that you 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), including violating Code Sections 10146 and 10085 and Regulation 2970, Title 10,

California Code of Regulations ("Regulations"). 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 Section 10086 of the Code.

Whenever acts referred to below are attributed to "you" those acts are alleged to have been done by acting by yourself, or by and/or through one or more agents, associates, affiliates, and/or co-conspirators.

FINDINGS OF FACT

1. At all times herein mentioned, you, A L E ASSOCIATES, INC. (ALE), were and now are licensed by the Department of Real as a corporate real estate broker with ANA MICHELLE ESPINOZA (ESPINOZA) as the designated officer and broker responsible, pursuant to the provisions of Code Section 10159.2, for supervising the activities requiring a real estate license conducted on behalf of A L E ASSOCIATES, INC. by its officers, agents and employees.

2. During 2008, ALE and ESPINOZA engaged in a business, for or in expectation of compensation or collection of an advance fee, ALE solicited borrowers and negotiated to do one or more of the following acts for another or others: offered to provide loan modifications, re-finance of a loan, or short-sale negotiations or other services for borrowers or owners of real property to modify the terms of the loans on the real property within the meaning of Sections 10131(d), 10131(e) and 10131.2 of the Code.

3. ESPINOZA demanded, and thereafter received, an

advance fee in the amount of $2,000 from Alejandra Payes "Payes" for loan modification services and promised lower mortgage payments on the subject property located at 10712 Lou Dillon Ave., Los Angeles, California.

4. ESPINOZA demanded, and thereafter received, an advance fee in the amount of $1,500 from Ramiro Beranl "Bernal" for loan modification services and promised lower mortgage payments on the subject property located at 6719 Caro St., Paramount, California.

5. ESPINOZA failed to place said advance fees into a broker trust account.

CONCLUSIONS OF LAW

6. Based on the findings of fact contained in paragraphs 1 through 5, you violated Section 10146 of the Code by collecting advance fees from the public and failing to deposit the fees into a real estate broker trust account.

7. You violated Code Section 10085 and Regulation 2970 by failing to submit to the Commissioner not less than ten calendar days before publication or other use the form of advance fee agreement proposed for use.

DESIST AND REFRAN ORDER

Based on the Findings of Fact and Conclusions of Law stated herein, you, A L E ASSOCIATES, INC. and ANA MICHELLE ESPINOZA, whether doing business under your own names, or any other names or fictitious names, ARE ORDERED to

(i) immediately desist and refrain from collecting advance fees, as that term is defined in Section 10026 of the

Code, in any form and particularly with respect to loan modifications, loan refinances, principal 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 Section 2970 and 2972 of the Regulations;

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

(iii) provided an accounting to trust fund owner-beneficiaries pursuant to Section 2972 of the Regulations.

DATED: 9-29-09.

JEFF DAVI
Real Estate Commissioner

**Notice:** Business and Professions Code Section 10139 provides that "Any person acting as a real estate broker or real estate salesperson without a license or who advertises using the words indicating that he or she is a real estate broker without being so licensed shall be guilty of a public offense punishable by a fine not exceeding twenty thousand dollars ($20,000), or by imprisonment in the county jail for a term not to exceed six months, or by both fine and imprisonment; or if a corporation, be punished by a fine not exceeding sixty thousand dollars ($60,000)."

cc: A L E Associates, Inc.
Ana Michelle Espinoza
10907 Downey Ave., Suite 201
Downey, CA 90241

JRP:ED