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

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FILED

JUL - 6 2010

DEPARTMENT OF REAL ESTATE
BY: _____

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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To:

No. H-36715 LA

MORRIS FINANCIAL SERVICES INC., doing business as Priam Financial Services; and GREGORY SCOTT MORRIS, individually, and as designated officer for Morris Financial Services Inc.,

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 MORRIS FINANCIAL SERVICES INC. ("MORRIS FINANCIAL"), and doing business as Priam Financial Services, and GREGORY SCOTT MORRIS ("MORRIS"). Based on that investigation the Commissioner has determined that MORRIS FINANCIAL and MORRIS have engaged in or are engaging in activities, including 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, and including the performance of loan negotiation and loan modification services with respect to loans which are secured by liens on real property, all within the meaning of California Business and Professions Code ("Code") Section 10131.2. In connection with said activities, the Commissioner has determined that MORRIS FINANCIAL and MORRIS have engaged in activities which constitute violations of the Code and Title 10, California Code of Regulations ("Regulations"). 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.

FINDINGS OF FACT

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

2. MORRIS is presently licensed and/or has license rights under the Real Estate Law as a real estate broker, and is the designated broker officer for MORRIS FINANCIAL.

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

including but not limited to MORRIS, and using the name Priam Financial Services or any fictitious name unknown at this time.

4. MORRIS FINANCIAL and MORRIS engaged in the business of claiming, demanding, charging, receiving, collecting or contracting for the collection of an advance fee, as defined by Code Section 10026, including but not limited to the activities described, below.

a. On or about November 8, 2008, Respondents MORRIS FINANCIAL and MORRIS, using the fictitious business name "Priam Financial Services," collected an advance fee of $1,995 from Dr. Maha Hetata pursuant to the provisions of a written agreement pertaining to loan modification services to be provided by Respondent with respect to a loan secured by the real property located at 10220 Overhill Drive, Santa Ana, California 92705.

b. On or about December 22, 2008, Respondents MORRIS FINANCIAL and MORRIS, using the fictitious business name "Priam Financial Services," collected an advance fee of $1,500 from Raul San Jose pursuant to the provisions of a written agreement pertaining to loan modification services to be provided by Respondent with respect to a loan secured by the real property located at 8300 Topeka Drive, Northridge, California 91324.

c. On or about January 5, 2009, Respondents MORRIS FINANCIAL and MORRIS, using the fictitious business name "Priam Financial Services," collected an advance fee of $1,500 from Glenn and Deanna Luttrell pursuant to the provisions of a written agreement pertaining to loan modification services to be provided

by Respondent with respect to a loan secured by the real property located at 34333 Via Buena Drive, Yucaipa, California 92399.

5. MORRIS FINANCIAL and MORRIS failed to submit the advance fee agreements referred to in Paragraph 4, above, to the Commissioner ten days before using it.

CONCLUSIONS OF LAW

6. Based on the information contained in Paragraph 4, above, the written agreement constitutes an advance fee agreement within the meaning of Code Section 10085.

7. Based on the information contained in Paragraphs 4 and 5, above, the failure by MORRIS FINANCIAL and MORRIS 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.

DESIST AND REFRAIN ORDER

Based upon the FINDINGS OF FACT and CONCLUSIONS OF LAW stated herein, it is hereby ordered that MORRIS FINANCIAL SERVICES INC., doing business as Priam Financial Services, and GREGORY SCOTT MORRIS, whether doing business under their own names, or any other names, or any fictitious name, ARE HEREBY ORDERED to:

1. Immediately desist and refrain from charging, demanding, claiming, collecting and/or receiving advance fees, as that term is defined in Section 10026 of the Code, in any form, and under any conditions, with respect to the performance of loan modification or any other form of mortgage loan

forbearance services in connection with loans on residential property containing four or fewer dwelling units (Code Section 10085.6).

2. Immediately desist and refrain from charging, demanding, claiming, collecting and/or receiving advance fees, as that term is defined in Section 10026 of the Code, for any other real estate related services offered to others, unless and until MORRIS FINANCIAL SERVICES INC. and GREGORY SCOTT MORRIS, and each of them, demonstrate and provide evidence satisfactory to the Commissioner that each:

(a) has an advance fee agreement which has been submitted to the Department and which is in compliance with Section 10085 of the Code and Section 2970 of the Regulations;

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

(c) has provided an accounting to trust fund owner-beneficiaries from whom advance fees have previously been collected in compliance with Code Section 10146 and Section 2972 of the Regulations.

DATED: 6/28, 2010.

JEFF DAVI
Real Estate Commissioner

cc: Morris Financial Services Inc.
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