

1 Department of Real Estate  
320 West Fourth Street, #350  
2 Los Angeles, California 90013

3 (213) 576-6982  
4  
5  
6  
7

**FILED**

DEC 13 2012

DEPARTMENT OF REAL ESTATE  
BY: CA

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of )  
12 )  
13 PARK PLACE SERVICES; , )  
14 NORTH PARK FINANCIAL SERVICES )  
15 GROUP, INC.; TINA M. LATHAM, )  
16 individually and as designated )  
17 officer of Park Place Services; )  
18 MEAGAN RAE BEETS, individually )  
19 and as designated officer of )  
20 Northpark Financial Services )  
21 Group, Inc.; and )  
22 ANDY ESPINEIRA, )  
23 Respondents. )  
24 )  
25 )

NO. H-37187 LA  
L-2012010906

STIPULATION  
AND  
AGREEMENT

26 It is hereby stipulated by and between ANDY ESPINEIRA  
27 ("Respondent") and his attorney of record, Frank M. Buda, and the  
Complainant, acting by and through Lissete Garcia, Counsel for  
the Department of Real Estate, as follows for the purpose of  
settling and disposing of the Accusation filed on April 5, 2011,  
in this matter:

1. All issues which were to be contested and all  
evidence which was to be presented by Complainant and Respondent

1 at a formal hearing on the Accusation, which hearing was to be  
2 held in accordance with the provisions of the Administrative  
3 Procedure Act ("APA"), shall instead and in place thereof be  
4 submitted solely on the basis of the provisions of this  
5 Stipulation and Agreement ("Stipulation").

6           2. Respondent has received, read and understands the  
7 Statement to Respondent, the Discovery Provisions of the APA and  
8 the Accusation, filed by the Department of Real Estate in this  
9 proceeding.

10           3. Respondent filed a Notice of Defense pursuant to  
11 Section 11506 of the Government Code for the purpose of  
12 requesting a hearing on the allegations in the Accusation.  
13 Respondent hereby freely and voluntarily withdraws said Notice of  
14 Defense. Respondent acknowledges that he understands that by  
15 withdrawing said Notice of Defense he will thereby waive his  
16 right to require the Commissioner to prove the allegations in the  
17 Accusation at a contested hearing held in accordance with the  
18 provisions of the APA and that his will waive other rights  
19 afforded to him in connection with the hearing such as the right  
20 to present evidence in defense of the allegations in the  
21 Accusation and the right to cross-examine witnesses.

22           4. This Stipulation is based on the factual  
23 allegations contained in the Accusation filed in this proceeding.  
24 In the interest of expedience and economy, Respondent chooses not  
25 to contest these factual allegations, but to remain silent and  
26 understands that, as a result thereof, these factual statements,  
27 will serve as a prima facie basis for the disciplinary action

1 stipulated to herein. The Real Estate Commissioner shall not be  
2 required to provide further evidence to prove such allegations.

3 5. This Stipulation and Respondent's decision not to  
4 contest the Accusation are made for the purpose of reaching an  
5 agreed disposition of this proceeding and are expressly limited  
6 to this proceeding and any other proceeding or case in which the  
7 Department of Real Estate ("Department"), or another licensing  
8 agency of this state, another state or if the federal government  
9 is involved and otherwise shall not be admissible in any other  
10 criminal or civil proceedings.

11 6. It is understood by the parties that the Real  
12 Estate Commissioner may adopt the Stipulation as his decision in  
13 this matter thereby imposing the penalty and sanctions on  
14 Respondent's real estate licenses and license rights as set forth  
15 in the below "Order". In the event that the Commissioner in his  
16 discretion does not adopt the Stipulation, the Stipulation shall  
17 be void and of no effect, and Respondent shall retain the right  
18 to a hearing on the Accusation under all the provisions of the  
19 APA and shall not be bound by any stipulation or waiver made  
20 herein.

21 7. The Order or any subsequent Order of the Real  
22 Estate Commissioner made pursuant to this Stipulation shall not  
23 constitute an estoppel, merger or bar to any further  
24 administrative or civil proceedings by the Department of Real  
25 Estate with respect to any conduct which was not specifically  
26 alleged to be causes for accusation in this proceeding.

27 ///



1           1. The restricted license issued to Respondent may  
2 be suspended prior to hearing by Order of the Real Estate  
3 Commissioner in the event of Respondent's conviction or plea of  
4 nolo contendere to a crime which is substantially related to  
5 Respondent's fitness or capacity as a real estate licensee.

6           2. The restricted license may be suspended prior to  
7 hearing by Order of the Real Estate Commissioner on evidence  
8 satisfactory to the Commissioner that Respondent has violated  
9 provisions of the California Real Estate Law, the Subdivided  
10 Lands Law, Regulations of the Real Estate Commissioner or  
11 conditions attaching to the restricted license.

12           3. Respondent shall not be eligible for the issuance  
13 of an unrestricted real estate license nor for the removal of  
14 any of the conditions, limitations or restrictions of a  
15 restricted license until at least two (2) years have elapsed  
16 from the effective date of this Decision.

17           4. Respondent shall submit with any application for  
18 license under an employing broker, or any application for  
19 transfer to a new employing broker, a statement signed by the  
20 prospective employing real estate broker on a form approved by  
21 the Department of Real Estate which shall certify:

22           (a) That the employing broker has read the Decision  
23 of the Commissioner which granted the right to a restricted  
24 license; and

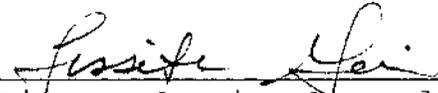
25           (b) That the employing broker will exercise close  
26 supervision over the performance by the restricted licensee  
27

1 relating to activities for which a real estate license is  
2 required.

3 5. Respondent shall, within nine (9) months from the  
4 effective date of this Decision, present evidence satisfactory  
5 to the Real Estate Commissioner that Respondent has, since the  
6 most recent issuance of an original or renewal real estate  
7 license, taken and successfully completed the continuing  
8 education requirements of Article 2.5 of Chapter 3 of the Real  
9 Estate Law for renewal of a real estate license. If Respondent  
10 fails to satisfy this condition, the Commissioner may order the  
11 suspension of the restricted license until the Respondent  
12 presents such evidence. The Commissioner shall afford  
13 Respondent the opportunity for a hearing pursuant to the  
14 Administrative Procedures Act to present such evidence.

15 6. Any restricted real estate license issued to  
16 Respondent pursuant to this Decision shall be suspended  
17 indefinitely from the date of issuance of said restricted  
18 license until Respondent provides a payment of restitution in  
19 the amount of \$3,000 to Wilma I. Younger. Said restitution  
20 payment shall be in the form of a cashier's check or certified  
21 check made payable Wilma I. Younger. Respondent shall mail the  
22 restitution payment directly to Department of Real Estate  
23 Counsel Lissete Garcia, Attention: Legal Section, Department of  
24 Real Estate 320 W. Fourth St., Suite 350, Los Angeles,  
25 California 90013-1105. The Department of Real Estate will  
26 forward the restitution payment to Wilma I. Younger through her  
27 daughter, Charlotte Younger.

1 DATED: 9-20-12

2   
3 Lissete Garcia, Counsel for  
4 the Department of Real Estate

5 \* \* \*

6 I have read the Stipulation and Agreement, have  
7 discussed it with my counsel, and its terms are understood by me  
8 and are agreeable and acceptable to me. I understand that I am  
9 waiving rights given to me by the California Administrative  
10 Procedure Act (including but not limited to Sections 11506,  
11 11508, 11509 and 11513 of the Government Code), and I willingly,  
12 intelligently and voluntarily waive those rights, including the  
13 right of requiring the Commissioner to prove the allegations in  
14 the Accusation at a hearing at which I would have the right to  
15 cross-examine witnesses against me and to present evidence in  
16 defense and mitigation of the charges.

17 Respondent can signify acceptance and approval of the  
18 terms and conditions of this Stipulation and Agreement by faxing  
19 a copy of the signature page, as actually signed by Respondent,  
20 to the Department at the following telephone/fax number:  
21 (213) 576-6914. Respondent agrees, acknowledges and understands  
22 that by electronically sending to the Department a fax copy of  
23 his actual signature as it appears on the Stipulation and  
24 Agreement, that receipt of the faxed copy by the Department shall  
25 be as binding on Respondent as if the Department had received the  
26 original signed Stipulation and Agreement.  
27

1

1 Further, if the Respondent is represented by counsel,  
 2 the Respondent's counsel can signify his agreement to the terms  
 3 and conditions of the Stipulation and Agreement by submitting  
 4 that signature via fax. The Commissioner has asked that within  
 5 24 hours of obtaining Respondent's signature to the agreement,  
 6 Respondent's counsel shall deposit in the mail the original  
 7 settlement/stipulation containing the original signatures of  
 8 both the Respondent and Respondent's counsel.

9 DATED: 9/14/12

  
 10 Andy Espineira  
 Respondent

11 DATED: 9-14-12

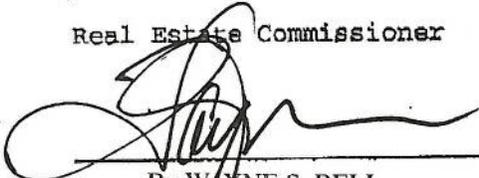
  
 12 Frank M. Buda, Esq.  
 13 Counsel for Respondent  
 14 Approved as to Form

15 \* \* \*

16 The foregoing Stipulation and Agreement is hereby  
 17 adopted as my Decision and Order in this matter, and shall become  
 18 effective at 12 o'clock noon on January 2, 2013.

19 IT IS SO ORDERED 11/13/2012  
 20

21 Real Estate Commissioner



22 By WAYNE S. BELL  
 23 Chief Counsel

27



file with the Department on April 5, 2011, May 12, 2011 and August 15, 2011.

On October 6, 2011, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondent PARK PLACE SERVICES, NORTH PARK FINANCIAL SERVICES GROUP, INC., TINA M. LATHAM, and MEAGAN RAE BEETS' default was entered herein.

2.

From June 6, 2008, through the present, Respondent PARK PLACE SERVICES ("PPS") has been licensed by the Department of Real Estate ("Department") as a real estate corporation, Department License No. 01845421. PPS was formerly licensed as "FamilyHomeLoans.Net" and "FamilyHomeLoans.Net, Inc."

3.

From May 11, 2006, through the present, Respondent TINA M. LATHAM ("LATHAM") has been licensed by the Department as a real estate broker, Department License No. 01719774. At all times herein mentioned, Respondent LATHAM was licensed as a real estate broker and as the broker-officer of Respondent PPS.

4.

From December 11, 2007, through the present, Respondent NORTH PARK FINANCIAL SERVICES GROUP, INC. ("NFSGI") has been licensed by the Department as a real estate corporation, Department License No. 01837330.

5.

From May 19, 2001, through the present, Respondent MEAGAN RAE BEETS ("BEETS") has been licensed by the Department as a real estate broker, Department License No. 01230545. At all times herein mentioned, Respondent BEETS was licensed as a real estate broker and as the broker-officer of Respondent NFSGI.

6.

At all times herein mentioned, Respondents engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers in the State of California, by doing or negotiating to do the following acts for another or others, for compensation or in expectation of compensation: (1) sell or offer to sell, solicit prospective sellers or purchasers of, solicit or obtain listings of, or negotiate the purchase, sale or exchange of real property within the meaning of Code Section 10131(a); and (2) solicit borrowers, negotiate loans, collect payments or perform services for borrowers in connection with loans secured directly or collaterally by liens on real property within the meaning of Code Section 10131(d).

7.

At no time mentioned herein have Loan Modification Service, ESP Lending, Inc., Michael Jay Knieberg, Denise Espineira, or Alan Kavetsky ever been licensed by the Department in any capacity.

8.

On July 11, 2007, Respondent LATHAM formed Family HomeLoans.net, Inc., a California corporation. Respondent LATHAM is the President, CEO, Secretary and owns or controls 10 percent or more of the corporation's stock.

9.

On October 17, 2007, Michael Jay Knieberg and Jeanne Harris formed NFSGI, a California corporation. Michael Jay Knieberg is the President and CEO of NFSGI. Jeanne Harris is the Secretary and CFO of NFSGI. Michael Jay Knieberg and Jeanne Harris own or control 10 percent or more of the NFSGI's stock.

10.

On or about May 2, 2008, Respondent NFSGI filed a fictitious business name statement in Orange County, California to do business as "Loan Modification Service" at 5440 Trabuco Road, Suite 100, Irvine, California 92620.

For an unknown period of time beginning no later than May 27, 2008, while using the unlicensed fictitious business names Loan Modification Service and ESP Lending, Inc., Respondents, severally or jointly, engaged in the business of soliciting to modify or negotiate loans secured by real property, and claimed, demanded, charged, received, collected or contracted for the collection of advance fees, within the meaning of Code Section 10026, for borrowers, including, but not limited to, the those listed below:

Fernnelia and Edward Payne

a. In or around May 27, 2008, Fernnelia Payne contacted PPS (formerly FamilyHomeLoans.Net) after hearing a radio advertisement for loan modification services. Jared Personius visited the home of Fernnelia and Edward Payne and solicited loan modification and negotiation services on behalf of FamilyHomeLoans.net. On May 28, 2008, Fernnelia and Edward Payne paid an advance fee of \$4,000 to Respondent PPS (formerly doing business as FamilyHomeLoans.Net) pursuant to an advance fee agreement for loan modification and negotiation services in connection with a loan secured by real property. Respondent PPS failed to perform the loan modification and negotiation services that had been promised to the Paynes.

b. On or about May 28, 2008, Respondent PPS referred the Paynes' loan modification file to Respondent NFSGI (doing business as Loan Modification Service) to perform services for borrowers Fernnelia and Edward Payne including, but not limited to, negotiating with the Paynes' lender. Respondent PPS told the Paynes that their loan modification would be handled by an attorney. The Paynes later discovered that Helen Yi, the person assigned to handle their file on behalf of Loan Modification Service, was not a licensed California attorney. Respondent NFSGI failed to perform the loan modification and negotiation services that had been promised to the Paynes.

Wilma I. Younger

c. On or about October 18, 2008, Younger entered into a loan modification agreement with ESP Lending, Inc. for the performance of the same. ESP Lending, Inc. demanded and collected an advance fee of \$3,000 from Wilma I. Younger and her daughter, Charlotte Younger.

d. In connection with Wilma I. Younger's loan modification file, Respondent ESP Lending, Inc. referred Younger's file to NFSGI (doing business as Loan Modification Service) for performance of loan modification services for borrower Wilma I. Younger including, but not limited to, negotiating with the Younger's lender. Alan Kavetsky was the individual assigned to handle Ms. Younger's loan modification file on behalf of ESP Lending, Inc. and/or Loan Modification Service.

12.

The materials and advance fee agreements used by Respondent PPS (while doing business as FamilyHomeLoans.net) and ESP Lending, Inc. had not been approved by the Department prior to use as is required under Code Section 10085 and Section 2970, Title 10, Chapter 6, California Code of Regulations ("Regulations").

13.

The advance fees collected by Respondent PPS (while doing business as FamilyHomeLoans.Net) were not deposited in a trust account as required under Code Section 10146 and Regulation 2972.

14.

The activities described in Paragraph 11, above, require a real estate license under Code Sections 10131(d) and 10131.2. Respondents PPS, LATHAM, NFSGI and BEETS violated Code Section 10137 by employing and/or compensating individuals who were not licensed as real estate salespersons or as brokers to perform activities requiring a license as follows:

a. Respondent PPS and/or Respondent LATHAM employed or compensated Jared Personius to solicit borrowers and perform some or all of the services alleged in Paragraph 11, subsection (a), above though he was not licensed as a real estate salesperson or broker.

b. Respondent NFSGI and/or Respondent BEETS employed or compensated Helen Yi to perform some or all of the services alleged in Paragraph 11, subsection (b), above, though she was not licensed as a real estate salesperson or broker.

c. Respondents NFSGI and/or BEETS employed or compensated Alan Kavetsky to perform some or all of the services

alleged in Paragraph 11, above, though he was not licensed as a real estate salesperson or broker.

15.

Use of a fictitious business name for activities requiring the issuance of a real estate license requires the filing of an application for the use of such name with the Department in accordance with the provisions of Code Section 10159.5.

16.

Respondent NFSGI acted without Department authorization in using the fictitious business name Loan Modification Service to engage in activities requiring the issuance of a real estate license.

17.

Respondent PPS

From June 6, 2008, and continuing to the present time, the business and mailing address maintained on file by Respondent PPS with the Department is and was 25241 Paseo De Alicia, Suite 150, Laguna Hills, California.

18.

On October 26, 2010, a representative of the Department visited 25241 Paseo De Alicia, Suite 150, Laguna Hills, California, and found that Respondent PPS no longer occupied the premises.

19.

On or before October 26, 2010, Respondent PPS left and/or abandoned its principal place of business and the location of its mailing address on file with the Department. Thereafter, Respondent PPS failed to maintain on file with the Department a new address for the principal place of business for its real estate brokerage activities.

Respondent NFSGI

20.

From February 23, 2009, and continuing to the present time, the main office address maintained on file by Respondent NFSGI with the Department is and was 8941 Research Drive, Suite 100, Irvine, California.

21.

On October 14, 2010, a representative of the Department visited 8941 Research Drive, Suite 100, Irvine California, and found that Respondent NFSGI no longer occupied the premises.

22.

On or before October 14, 2010, Respondent NFSGI left and/or abandoned its principal place of business address on file with the Department. Thereafter, Respondent NFSGI failed to maintain on file with the Department a new address for the principal place of business for its real estate brokerage activities.

23.

Respondents LATHAM and BEETS failed to supervise the activities of Respondents PPS and SFSGI and their employees, to ensure full compliance with the Real Estate Law.

DETERMINATION OF ISSUES

1.

The conduct, acts and/or omissions of Respondents PPS and LATHAM, as set forth in Paragraphs 11 and 12 above, in collecting advance fees from prospective borrowers pursuant to a written fee agreement, which agreement was not submitted to the Department for review prior to use was in violation of Code Sections 10085 and 10085.5 and Regulation Section 2970, and constitutes grounds for the suspension or revocation of the licenses and license rights of Respondents PPS and LATHAM, pursuant to Code Sections 10177(d) and 10177(g).

2.

The conduct, acts and/or omissions of Respondents PPS and LATHAM as set forth in Paragraphs 11 and 13 above, in collecting advance fees from prospective borrowers and failing to deposit the advance fees into a trust account was in violation of Code Section 10146 and Regulation Section 2972, and constitutes grounds for the suspension or revocation of the licenses and license rights of Respondents PPS and LATHAM pursuant to Code Sections 10177(d) and 10177(g).

3.

The conduct, acts and/or omissions of Respondents PPS, LATHAM, NFSGI and BEETS as set forth in Paragraphs 11 and 14, above, violate Code Section 10137, and are cause for the suspension or revocation of the licenses and license rights of Respondents PPS, LATHAM, NFSGI, and BEETS pursuant to Code Sections 10137, 10177(d) and 10177(g).

4.

The conduct, acts and/or omissions of Respondent NFSGI, as set forth in Paragraphs 11, 15, and 16, above, violate Code Section 10159.5 and Section 2731 of the Regulations, and are cause for the suspension or revocation of the license and license rights of Respondent NFSGI pursuant to Code Sections 10177(d) and 10177(g).

5.

The conduct, acts and/or omissions of Respondents PPS and NFSGI, in abandoning their offices and failing to notify the Department of a new address, as described in Paragraphs 17 through 22 above, was in violation of Regulation 2715 and Code Section 10162, and constitutes cause for the suspension or revocation of Respondents PPS and NFSGI's licenses and license rights under the provisions of Code Sections 10165, 10177(d), and 10177(g).

6.

Respondent LATHAM's failure to supervise the activities of Respondent PPS and its employees to ensure compliance with the Real Estate Law, is in violation of Code Section 10159.2 and Regulation 2725 which constitutes grounds to

suspend or revoke Respondent LATHAM's license and license rights pursuant to Code Sections 10177(h), 10177(d) and 10177(g).

7.

Respondent BEETS' failure to supervise the activities of Respondent NFSGI and its employees to ensure compliance with the Real Estate Law, is in violation of Code Section 10159.2 and Regulation 2725 which constitutes grounds to suspend or revoke Respondent BEETS' license and license rights pursuant to Code Sections 10177(h), 10177(d) and 10177(g).

8.

Cause for disciplinary action against Respondent PARK PLACE SERVICES exists pursuant to Business and Professions Code Sections 10137, 10165, 10177(d) and 10177(g).

9.

Cause for disciplinary action against Respondent NORTH PARK FINANCIAL SERVICES GROUP, INC. exists pursuant to Business and Professions Code Sections 10137, 10165, 10177(d) and 10177(g).

10.

Cause for disciplinary action against Respondent TINA M. LATHAM exists pursuant to Business and Professions Code Sections 10137, 10177(d), 10177(g), and 10177(h).

11.

Cause for disciplinary action against Respondent MEAGAN RAE BEETS exists pursuant to Business and Professions Code Sections 10137, 10177(d), 10177(g), and 10177(h).

12.

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

ORDER

The licenses and license rights of Respondent PARK PLACE SERVICES, NORTHPARK FINANCIAL SERVICES GROUP, INC., TINA M. LATHAM, and MEAGAN RAE BEETS' 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 January 17, 2012,

DATED: 11/17/11

BARBARA J. BIGBY  
Acting Real Estate Commissioner



1 Department of Real Estate  
320 West Fourth Street, Suite 350  
2 Los Angeles, CA 90013  
3 (213) 576-6982

**FILED**  
OCT. - 6 2011  
DEPARTMENT OF REAL ESTATE

By CA

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \* \*

11 In the Matter of the Accusation of ) NO. H-37187 LA  
12 )  
12 PARK PLACE SERVICES; ) DEFAULT ORDER  
13 NORTHPARK FINANCIAL SERVICES )  
13 GROUP, INC.; )  
14 TINA M. LATHAM, individually )  
14 and as designated officer of )  
15 Park Place Services; )  
15 MEAGAN RAE BEETS, individually )  
16 and as designated officer of )  
16 Northpark Financial Services )  
17 Group, Inc.; and )  
17 ANDY ESPINEIRA, )  
18 )  
18 Respondents. )  
19 )

20  
21 Respondents PARK PLACE SERVICES; NORTHPARK  
22 FINANCIAL SERVICES GROUP, INC.; TINA M. LATHAM; and MEAGAN  
23 RAE BEETS, having failed to file a Notice of Defense within  
24 the time required by Section 11506 of the Government Code,  
25 is now in default. It is, therefore, ordered that a default  
26 be entered on the record in this matter.  
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IT IS SO ORDERED

October 6, 2011

BARBARA J. BIGBY  
Acting Real Estate Commissioner

By:

Dolores Weeks  
DOLORES WEEKS  
Regional Manager

1 LISSETE GARCIA, Counsel (SBN 211552)  
2 Department of Real Estate  
3 320 West 4th Street, Suite 350  
4 Los Angeles, California 90013-1105

5 Telephone: (213) 576-6982  
6 (Direct) (213) 576-6914

**FILED**  
APR - 5 2011  
DEPARTMENT OF REAL ESTATE

By CA

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of )  
12 )  
13 PARK PLACE SERVICES; )  
14 NORTH PARK FINANCIAL SERVICES )  
15 GROUP, INC.; )  
16 TINA M. LATHAM, individually )  
17 and as designated officer of )  
18 Park Place Services; )  
19 MEAGAN RAE BEETS, individually )  
20 and as designated officer of )  
21 Northpark Financial Services )  
22 Group, Inc.; and )  
23 ANDY ESPINEIRA, )  
24 Respondents. )

NO. H-37187 LA

A C C U S A T I O N

20 The Complainant, Robin Trujillo, a Deputy Real  
21 Estate Commissioner of the State of California, for cause of  
22 Accusation against PARK PLACE SERVICES; NORTH PARK FINANCIAL  
23 SERVICES GROUP, INC.; TINA M. LATHAM, individually and as  
24 designated officer of Park Place Services; MEAGAN RAE BEETS,  
25 individually and as designated officer of Northpark Financial  
26

1 Services Group, Inc.; and ANDY ESPINEIRA (collectively  
2 "Respondents"), is informed and alleges as follows:

3 1.

4 The Complainant, Robin Trujillo, a Deputy Real Estate  
5 Commissioner of the State of California, makes this Accusation  
6 in her official capacity.

7 2.

8 Respondents are presently licensed and/or have license  
9 rights under the Real Estate Law (Part 1 of Division 4 of the  
10 California Business and Professions Code, "Code").

11 3.

12 From June 6, 2008, through the present, Respondent  
13 PARK PLACE SERVICES ("PPS") has been licensed by the Department  
14 of Real Estate ("Department") as a real estate corporation,  
15 Department License No. 01845421. PPS was formerly licensed as  
16 "FamilyHomeLoans.Net" and "FamilyHomeLoans.Net, Inc."

17 4.

18 From May 11, 2006, through the present, Respondent  
19 TINA M. LATHAM ("LATHAM") has been licensed by the Department as  
20 a real estate broker, Department License No. 01719774.

21 At all times herein mentioned, Respondent LATHAM was licensed as  
22 a real estate broker and as the broker-officer of Respondent  
23 PPS.

24 5.

25 From December 11, 2007, through the present,  
26 Respondent NORTH PARK FINANCIAL SERVICES GROUP, INC. ("NFSGI")  
has been licensed by the Department as a real estate

1 corporation, Department License No. 01837330.

2 6.

3 From May 19, 2001, through the present, Respondent  
4 MEAGAN RAE BEETS ("BEETS") has been licensed by the Department  
5 as a real estate broker, Department License No. 01230545.  
6 At all times herein mentioned, Respondent BEETS was licensed as  
7 a real estate broker and as the broker-officer of Respondent  
8 NFSGI.

9 7.

10 From August 3, 2007, through the present, Respondent  
11 ANDY ESPINEIRA ("ESPINEIRA") has been licensed by the Department  
12 as a real estate salesperson, Department License No. 01258936.  
13 From August 14, 2007, through May 8, 2010, Respondent ESPINEIRA  
14 was licensed under the employment of real estate broker,  
15 Mortgage Sense, Inc. Respondent ESPINEIRA has been licensed  
16 under the employment of real estate broker, VIP Independent  
17 Mortgage, Inc., from July 19, 2010, through the present.

18 8.

19 On February 8, 2001, in Department Case No.  
20 H-28358 LA, Respondent ESPINEIRA's application for a real estate  
21 salesperson license was denied based on a prior conviction for a  
22 violation of Business and Professions Code Sections 480(a)(1)  
23 and 10177(b).

24 9.

25 At all times herein mentioned, Respondents engaged in  
26 the business of, acted in the capacity of, advertised or assumed

1 to act as real estate brokers in the State of California, by  
2 doing or negotiating to do the following acts for another or  
3 others, for compensation or in expectation of compensation: (1)  
4 sell or offer to sell, solicit prospective sellers or purchasers  
5 of, solicit or obtain listings of, or negotiate the purchase,  
6 sale or exchange of real property within the meaning of Code  
7 Section 10131(a); and (2) solicit borrowers, negotiate loans,  
8 collect payments or perform services for borrowers in connection  
9 with loans secured directly or collaterally by liens on real  
10 property within the meaning of Code Section 10131(d).

11 FIRST CAUSE OF ACCUSATION  
12 (Advance Fee Violations)

13 10.

14 At no time mentioned herein have Loan Modification  
15 Service, ESP Lending, Inc., Michael Jay Knieberg, Denise  
16 Espineira, Jared Personius, or Alan Kavetsky ever been licensed  
17 by the Department in any capacity.

18 11.

19 On July 11, 2007, Respondent LATHAM formed Family  
20 HomeLoans.net, Inc., a California corporation. Respondent  
21 LATHAM is the President, CEO, Secretary and owns or controls 10  
22 percent or more of the corporation's stock.

23 12.

24 On October 17, 2007, Michael Jay Knieberg and Jeanne  
25 Harris formed NFSGI, a California corporation. Michael Jay  
26 Knieberg is the President and CEO of NFSGI. Jeanne Harris is

1 the Secretary and CFO of NSFSGI. Michael Jay Knieberg and Jeanne  
2 Harris own or control 10 percent or more of the NFSGI's stock.

3 13.

4 On or about May 2, 2008, Respondent NFSGI filed a  
5 fictitious business name statement in Orange County, California  
6 to do business as "Loan Modification Service" at 5440 Trabuco  
7 Road, Suite 100, Irvine, California 92620.

8 14.

9 On June 18, 2007, Respondent ESPINEIRA and Denise  
10 Espineira formed ESP Lending, Inc., a California corporation.  
11 Respondent ESPINEIRA is the President and CFO of ESP Lending,  
12 Inc. Denise Espineira is the Secretary of ESP Lending, Inc.  
13 Respondent ESPINEIRA and Denise Espineira own or control 10  
14 percent or more of the corporation's stock.

15 15.

16 For an unknown period of time beginning no later than  
17 May 27, 2008, while using the unlicensed fictitious business  
18 names Loan Modification Service and ESP Lending, Inc.,  
19 Respondents, severally or jointly, engaged in the business of  
20 soliciting to modify or negotiate loans secured by real  
21 property, and claimed, demanded, charged, received, collected or  
22 contracted for the collection of advance fees, within the  
23 meaning of Code Section 10026, for borrowers, including, but not  
24 limited to, the those listed below:

25 ///

26 ///

Fernnelia and Edward Payne

1  
2  
3 a. In or around May 27, 2008, Fernnelia Payne  
4 contacted PPS (formerly FamilyHomeLoans.Net) after hearing a  
5 radio advertisement for loan modification services. Jared  
6 Personius visited the home of Fernnelia and Edward Payne and  
7 solicited loan modification and negotiation services on behalf  
8 of FamilyHomeLoans.net. On May 28, 2008, Fernnelia and Edward  
9 Payne paid an advance fee of \$4,000 to Respondent PPS (formerly  
10 doing business as FamilyHomeLoans.Net) pursuant to an advance  
11 fee agreement for loan modification and negotiation services in  
12 connection with a loan secured by real property. Respondent PPS  
13 failed to perform the loan modification and negotiation services  
14 that had been promised to the Paynes.

15 b. On or about May 28, 2008, Respondent PPS referred  
16 the Paynes' loan modification file to Respondent NFSGI (doing  
17 business as Loan Modification Service) to perform services for  
18 borrowers Fernnelia and Edward Payne including, but not limited  
19 to, negotiating with the Paynes' lender. Respondent PPS told  
20 the Paynes that their loan modification would be handled by an  
21 attorney. The Paynes later discovered that Helen Yi, the person  
22 assigned to handle their file on behalf of Loan Modification  
23 Service, was not a licensed California attorney. Respondent  
24 NFSGI failed to perform the loan modification and negotiation  
25 services that had been promised to the Paynes.  
26

17.

Wilma I. Younger

a. On or about October 18, 2008, Respondent ESPINEIRA solicited or offered to provide loan modification and negotiation services to borrower, Wilma I. Younger in connection with her mortgage loan secured by real property. Younger entered into a loan modification agreement with ESP Lending, Inc. for the performance of the same. Respondent ESPINEIRA, while doing business as ESP Lending, Inc., demanded and collected an advance fee of \$3,000 from Wilma I. Younger and her daughter, Charlotte Younger.

b. In connection with Wilma I. Younger's loan modification file, Respondent ESPINEIRA referred Younger's file to NFSGI (doing business as Loan Modification Service) for performance of loan modification services for borrower Wilma I. Younger including, but not limited to, negotiating with the Younger's lender. Alan Kavetsky was the individual assigned to handle Ms. Younger's loan modification file on behalf of ESP Lending, Inc. and/or Loan Modification Service.

18.

The materials and advance fee agreements used by Respondent PPS (while doing business as FamilyHomeLoans.net) and ESP Lending, Inc. had not been approved by the Department prior to use as is required under Code Section 10085 and Section 2970, Title 10, Chapter 6, California Code of Regulations ("Regulations").

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19.

The advance fees collected by Respondent PPS (while doing business as FamilyHomeLoans.Net) were not deposited in a trust account as required under Code Section 10146.

20.

The conduct, acts and/or omissions of Respondents PPS and LATHAM, as set forth above, in collecting advance fees from prospective borrowers pursuant to a written fee agreement, which agreement was not submitted to the Department for review prior to use was in violation of Code Sections 10085 and 10085.5 and Regulation Section 2970, and constitutes grounds for the suspension or revocation of the licenses and license rights of Respondents PPS and LATHAM, pursuant to Code Sections 10177(d) or 10177(g).

21.

The conduct, acts and/or omissions of Respondents PPS and LATHAM as set forth above, in collecting advance fees from prospective borrowers and failing to deposit the advance fees into a trust account was in violation of Code Section 10146 and Regulation Section 2972, and constitutes grounds for the suspension or revocation of the licenses and license rights of Respondents PPS and LATHAM pursuant to Code Sections 10177(d) or 10177(g).

22.

The conduct, acts and/or omissions of Respondent ESPINEIRA, as set forth above, in collecting advance fees from

1 prospective borrowers pursuant to a written fee agreement, was  
2 in violation of Code Section 10085.5 and constitutes grounds for  
3 the suspension or revocation of the license and license rights  
4 of Respondent ESPINEIRA, pursuant to Code Sections 10177(d) or  
5 10177(g).

6 SECOND CAUSE OF ACCUSATION  
7 (Unlawful Employment Or Payment Of Compensation)  
8 (Unlicensed Activity)

9 23.

10 There is hereby incorporated in this Second, separate,  
11 Cause of Accusation, all of the allegations contained in  
12 Paragraphs 1 through 22 above, with the same force and effect as  
13 if herein fully set forth.

14 24.

15 The activities described in Paragraphs 16 and 17,  
16 above, require a real estate license under Code Sections  
17 10131(d) and 10131.2. Respondents PPS, LATHAM, NFSGI and BEETS  
18 violated Code Section 10137 by employing and/or compensating  
19 individuals who were not licensed as real estate salespersons or  
20 as brokers to perform activities requiring a license as follows:

21 a. Respondent PPS and/or Respondent LATHAM employed  
22 or compensated Jared Personius, to solicit borrowers and perform  
23 some or all of the services alleged in Paragraph 16, subsection  
24 (a), above though he was not licensed as a real estate  
25 salesperson or broker.

26 b. Respondent NFSGI and/or Respondent BEETS employed  
or compensated Helen Yi to perform some or all of the services

1 alleged in Paragraph 16, subsection (b), above though she was  
2 not licensed as a real estate salesperson or broker.

3 c. Respondents NFSGI and/or BEETS employed or  
4 compensated Alan Kavetsky to perform some or all of the services  
5 alleged in Paragraph 17, above, though he was not licensed as a  
6 real estate salesperson or broker.

7 25.

8 The conduct, acts and/or omissions of Respondents PPS,  
9 LATHAM, NFSGI and BEETS as set forth in Paragraph 23, above,  
10 violate Code Section 10137, and are cause for the suspension or  
11 revocation of the licenses and license rights of Respondents  
12 PPS, LATHAM, NFSGI, and BEETS pursuant to Code Sections 10137,  
13 10177(d) or 10177(g).

14 26.

15 The conduct, acts and/or omissions of Respondent  
16 ESPINEIRA, in engaging in activities that require a real estate  
17 broker license or require that he work under the supervision  
18 under the broker whom he is licensed, is in violation of Code  
19 Section 10130, and is cause for the suspension or revocation of  
20 the licenses and license rights of Respondent ESPINEIRA pursuant  
21 to Code Sections 10130, 10177(d) or 10177(g).

22 THIRD CAUSE OF ACCUSATION

23 (Use of Unauthorized Fictitious Business Name)

24 27.

25 There is hereby incorporated in this Third, separate,  
26 Cause of Accusation, all of the allegations contained in

1 Paragraphs 1 through 26 above, with the same force and effect as  
2 if herein fully set forth.

3 28.

4 Use of a fictitious business name for activities  
5 requiring the issuance of a real estate license requires the  
6 filing of an application for the use of such name with the  
7 Department in accordance with the provisions of Code Section  
8 10159.5.

9 29.

10 Respondent NFSGI acted without Department  
11 authorization in using the fictitious business name Loan  
12 Modification Service to engage in activities requiring the  
13 issuance of a real estate license.

14 30.

15 The conduct, acts and/or omissions of Respondent  
16 NFSGI, as set forth in Paragraphs 28 and 29, above, violate Code  
17 Section 10159.5 and Section 2731 of the Regulations, and are  
18 cause for the suspension or revocation of the license and  
19 license rights of Respondent NFSGI pursuant to Code Sections  
20 10177(d) and/or 10177(g).

21 FOURTH CAUSE OF ACCUSATION  
22 (Office Abandonment)

23 31.

24 There is hereby incorporated in this Fourth, separate  
25 Cause of Accusation, all of the allegations contained in  
26 Paragraphs 1 through 30, above, with the same force and effect

1 as if herein fully set forth.

2 Respondent PPS

3 32.

4 From June 6, 2008, and continuing to the present time,  
5 the business and mailing address maintained on file by  
6 Respondent PPS with the Department is and was 25241 Paseo De  
7 Alicia, Suite 150, Laguna Hills, California.

8 33.

9 On October 26, 2010, a representative of the  
10 Department visited 25241 Paseo De Alicia, Suite 150, Laguna  
11 Hills, California, and found that Respondent PPS no longer  
12 occupied the premises.

13 34.

14 On or before October 26, 2010, Respondent PPS left  
15 and/or abandoned its principal place of business and the  
16 location of its mailing address on file with the Department.  
17 Thereafter, Respondent PPS failed to maintain on file with the  
18 Department a new address for the principal place of business for  
19 its real estate brokerage activities.

20 Respondent NFSGI

21 35.

22 From February 23, 2009, and continuing to the present  
23 time, the main office address maintained on file by Respondent  
24 NFSGI with the Department is and was 8941 Research Drive, Suite  
25 100, Irvine, California.

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36.

On October 14, 2010, a representative of the Department visited 8941 Research Drive, Suite 100, Irvine California, and found that Respondent NFSGI no longer occupied the premises.

37.

On or before October 14, 2010, Respondent NFSGI left and/or abandoned its principal place of business address on file with the Department. Thereafter, Respondent NFSGI failed to maintain on file with the Department a new address for the principal place of business for its real estate brokerage activities.

38.

The conduct, acts and/or omissions of Respondents PPS and NFSGI, in abandoning their offices and failing to notify the Department of a new address, as described above, was in violation of Regulation 2715 and Code Section 10162, and constitutes cause for the suspension or revocation of Respondents PPS and NFSGI's licenses and license rights under the provisions of Code Sections 10165, 10177(d), and/or 10177(g).

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1 FIFTH CAUSE OF ACCUSATION

2 (Failure to Supervise)  
3 (LATHAM and BEETS)

4 39.

5 There is hereby incorporated in this Fifth, separate  
6 Cause of Accusation, all of the allegations contained in  
7 Paragraphs 1 though 38 above, with the same force and effect as  
8 if herein fully set forth.

9 40.

10 Respondent LATHAM's failure to supervise the  
11 activities of Respondent PPS and its employees to ensure  
12 compliance with the Real Estate Law, is in violation of Code  
13 Section 10159.2 and Regulation 2725 which constitutes grounds to  
14 suspend or revoke Respondent LATHAM's license and license rights  
15 pursuant to Code Sections 10177(h), 10177(d) or 10177(g).

16 41.

17 Respondent BEETS' failure to supervise the activities  
18 of Respondent NFSGI and its employees to ensure compliance with  
19 the Real Estate Law, is in violation of Code Section 10159.2 and  
20 Regulation 2725 which constitutes grounds to suspend or revoke  
21 Respondent BEETS' license and license rights pursuant to Code  
22 Sections 10177(h), 10177(d) or 10177(g).

23 ///

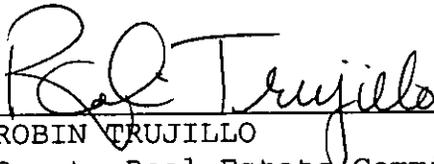
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1           WHEREFORE, Complainant prays that a hearing be  
2 conducted on the allegations of this Accusation and that upon  
3 proof thereof, a decision be rendered imposing disciplinary  
4 action against all licenses and/or license rights of Respondents  
5 PARK PLACE SERVICES; NORTHPARK FINANCIAL SERVICES GROUP, INC.;  
6 TINA M. LATHAM, individually and as designated officer of Park  
7 Place Services; MEAGAN RAE BEETS, individually and as designated  
8 officer of Northpark Financial Services Group, Inc.; and ANDY  
9 ESPINEIRA under the Real Estate Law (Part 1 of Division 4 of the  
10 California Business and Professions Code) and for such other and  
11 further relief as may be proper under other applicable  
12 provisions of law.

13 this 29 day of March, 2011.

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15   
16 ROBIN TRUJILLO  
17 Deputy Real Estate Commissioner  
18  
19  
20  
21

22 cc: Park Place Services  
23 Northpark Financial Services Group, Inc.  
24 Tina M. Latham  
25 Meagan Rae Beets  
26 Andy Espineira  
Robin Trujillo  
Sacto.