FILED
JAN 25 2012
DEPARTMENT OF REAL ESTATE

By C. Bo

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation of THE CREDIT RELIEF GROUP, INC. and LOUIS PAUL MEYER, individually and as designated officer of the Credit Relief Group Inc., Respondents.	NO. H-37369 LA

DECISION

This Decision is being issued in accordance with the provisions of Section 11520 of the Government Code, on evidence of compliance with Section 11505 of the Government Code and pursuant to the Order of Default filed on December 29, 2011, and the findings of fact set forth herein are based on one or more of the following: (1) Respondents' express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

1.

On June 22, 2011, Maria Suarez made the Accusation in her official capacity as a Deputy Real Estate Commissioner of the State of California. The Accusation, Statement to Respondent, and Notice of Defense were mailed by certified mail, return receipt requested, to Respondents on July 1, 2011, August 5, 2011, September 6, 2011, and October 5, 2011.

On December 29, 2011, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondent's default was entered herein.

2.

From January 29, 2009, through the present, Respondent THE CREDIT RELIEF GROUP, INC. ("TCRG") has been licensed by the Department of Real Estate ("Department") as a real estate corporation, Department License No. 01858644. TCRG is licensed to do business as Apex Law Group, Apex Real Estate Center, Strada Properties, and Stradaproperty.com.

3.

From May 5, 2003, through June 6, 2011, Respondent LOUIS PAUL MEYER ("MEYER") was licensed by the Department as a real estate broker, Department License No. 01383083. At all times herein mentioned, Respondent MEYER was licensed as a real estate broker and as the broker-officer of Respondent TCRG to be responsible for ensuring its compliance with the Real Estate Law pursuant to Code Section 10159.2.

4.

On December 18, 2008, Respondent MEYER formed TCRG, a California corporation. Respondent MEYER is the corporation's President, CEO, CFO and Secretary.

5.

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).

FIRST CAUSE OF ACCUSATION
(Advance Fee Violations)

6.

For an unknown period of time beginning no later than November 4, 2008, Respondents 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, those listed below:

7.

Daniel J. and Mevalene Hjertstedt

On or around November 4, 2008, MEYER solicited loan modification and negotiation services on behalf of TCRG to Mevalene and Daniel Hjertstedt. On November 7, 2008, the Hjertstedts paid an advance fee of $2,785 to Respondents pursuant to an advance fee agreement for loan modification and negotiation services in connection with a loan secured by real property. Respondents failed to perform the loan modification and negotiation services that had been promised to the Hjertstedts. Respondents refused the Hjertstedts' demand for a refund of their advance fee.

8.

On April 8, 2009, Respondent TCRG submitted an advance fee agreement and accounting format to the Department for review and issuance of a no-objection letter from the Department. On April 21, 2009, the Department notified TCRG that it had no objection to the advance fee agreement and accounting format that TCRG submitted on April 8, 2009.

9.

David and Gloria Ceballos

David and Gloria Ceballos received an advertisement for loan modification and negotiation services from TCRG. On August 10, 2009, the Ceballoses paid an advance fee of $2,500 to Respondents pursuant to an advance fee agreement for loan modification and negotiation services in connection with a loan secured by real property. The advance fee agreement that Respondents provided to the Ceballoses was not the same advance fee agreement that was submitted to the Department on April 8, 2009. Respondents failed to perform the loan modification and negotiation services that had been promised to the Ceballoses. Respondents refused the Ceballoses' demand for a refund of their advance fee.

10.

Michael Gary Roulette and Edilma Roulette

On or about August 20, 2009, on behalf of TCRG, Nick Ziari solicited loan modification and negotiation services to Michael Roulette and Edilma Roulette. The Roulettes paid an advance fee of $3,092 to Respondents pursuant to an advance fee agreement for loan modification and negotiation services in connection with a loan secured by real property. The advance fee agreement that Respondents provided to the Roulettes was not the same advance fee agreement that was submitted to the Department on April 8, 2009. Nick Ziari made misrepresentations

to the Roulettes as to how their advance fee paid would be used and disbursed. Nick Ziari claimed that part of the advance fee would be placed in an escrow account for the purpose of paying the Roulettes' first mortgage payment once Respondents obtained a loan modification for the Roulettes. Respondents failed to perform the loan modification and negotiation services that had been promised to the Roulettes. Respondents refused the Roulettes' demand for a refund of their advance fee.

11.

Jamie H. Earnhart and Jack. L. Earnhart

On or about September 9, 2009, Jamie H. Earnhart and Jack L. Earnhart received an advertisement for loan modification and negotiation services from TCRG. The Earnharts paid an advance fee of $2,995 to Respondents pursuant to an advance fee agreement for loan modification and negotiation services in connection with a loan secured by real property. The advance fee agreement that Respondents provided to the Earnharts was not the same advance fee agreement that was submitted to the Department on April 8, 2009. Respondents failed to perform the loan modification and negotiation services that had been promised to the Earnharts. Respondents refused the Earnarts' demand for a refund of their advance fee.

12.

Gabriela and Juan Renteria

In or around September, 2009, Gabriela and Juan Renteria received an advertisement for loan modification and negotiation services from TCRG. The Renterias paid an advance fee of $2,785 to Respondents pursuant to an advance fee agreement for loan modification and negotiation services in connection with a loan secured by real property. Respondents failed to perform the loan modification and negotiation services that had been promised to the Renterias. Respondents reneged on their agreement to refund the $2,785 advance fee to the Renterias. Respondents only returned $557 to the Renterias.

13.

Kelley Sha Embree

On or about October 7, 2009, Kelley Sha Embree ("Embree") received an advertisement for loan modification and negotiation services from TCRG. On October 9, 2009, Embree paid an advance fee of $2,995 to Respondents pursuant to an advance fee agreement for loan modification and negotiation services in connection with a loan secured by real property. The advance fee agreement that Respondents provided to Embree was not the same advance fee agreement that was submitted to the Department on April 8, 2009. Respondents failed to perform the loan modification and negotiation services that had been promised to

Embree. Respondents refused Embree's demand for a refund of her advance fee.

14.

The materials and advance fee agreements used by Respondents 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").

15.

The advance fees collected by Respondents were not deposited in a trust account as required under Code Section 10146. Respondents did not provide an accounting to principals, in violation of Code Section 10146 and Section 2972 of the Regulations.

SECOND CAUSE OF ACCUSATION
(Unlawful Employment or Compensation of Unlicensed Person)

16.

At no time mentioned herein has Nick Ziari ever been licensed by the Department in any capacity.

17.

The activities described in Paragraph 10, above, require a real estate license under Code Sections 10131(d) and 10131.2. Respondents TCRG and MEYER 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. Respondents TCRG and MEYER employed or compensated Nick Ziari, to solicit borrowers and perform some or all of the services alleged in Paragraph 10 above, though he was not licensed as a real estate salesperson or broker.

THIRD CAUSE OF ACCUSATION
(Office Abandonment)

18.

From January 29, 2009, and continuing to the present time, the main office and mailing address maintained on file by Respondent TCRG with the Department has been 620 Newport Center Drive, Suite 1100, Newport Beach, California 92660.

19.

On March 16, 2011, a representative of the Department visited 620 Newport Center Drive, Suite 1100, Newport Beach, California 92660, and found that Respondent TCRG no longer occupies the premises.

20.

On or before March 16, 2011, Respondent TCRG left and/or abandoned its principal place of business and the location of its mailing address on file with the Department. Thereafter, Respondent TCRG failed to maintain on file with the Department a new address for the principal place of business for its real estate brokerage activities.

FOURTH CAUSE OF ACCUSATION
(Failure to Supervise)

21.

Respondent MEYER's failure to supervise the activities of Respondent TCRG 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 MEYER's license and license rights pursuant to Code Sections 10177(h), 10177(d) and 10177(g).

DETERMINATION OF ISSUES

1.

The conduct, acts and/or omissions of Respondents TCRG and MEYER, as set forth in Paragraphs 5 through 15 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 TCRG and MEYER, pursuant to Code Sections 10177(d) and 10177(g).

2.

The conduct, acts and/or omissions of Respondents TCRG and MEYER as set forth in Paragraphs 5 through 15 above, in collecting advance fees from prospective borrowers and failing to deposit the advance fees into a trust account and provide an accounting to principals, 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 TCRG and MEYER pursuant to Code Sections 10177(d) and 10177(g).

3.

The conduct, acts and/or omissions of Respondents TCRG and MEYER as set forth in Paragraphs 16 and 17, above, violate Code Section 10137, and are cause for the suspension or revocation of the licenses and license rights of Respondents

TCRG and MEYER pursuant to Code Sections 10137, 10177(d) and 10177(g).

4.

The conduct, acts and/or omissions of Respondent TCRG, in abandoning its office and failing to notify the Department of a new address, as described in Paragraphs 18 through 20 above, is in violation of Regulation 2715 and Code Section 10162, and constitutes cause for the suspension or revocation of Respondent TCRG's license and license rights under the provisions of Code Sections 10165, 10177(d), and 10177(g).

5.

Respondent MEYER's failure to supervise the activities of Respondent TCRG 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 MEYER's license and license rights pursuant to Code Sections 10177(h), 10177(d) and 10177(g).

6.

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

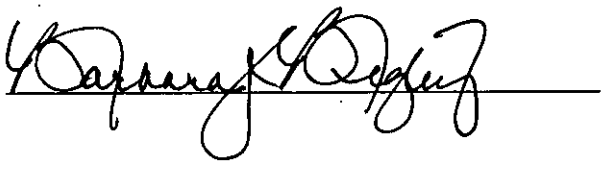
ORDER

The license and license rights of Respondent, THE CREDIT RELIEF GROUP, INC. and LOUIS PAUL MEYER, individually and as designated officer of The Credit Relief Group, Inc., 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 on February 14, 2012.

DATED: 1/10/12

BARBARA J. BIGBY
Acting Real Estate Commissioner



Department of Real Estate
320 West Fourth Street, Suite 350
Los Angeles, California 90013-1105

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DEPARTMENT OF REAL ESTATE
By

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation of THE CREDIT RELIEF GROUP, INC. and LOUIS PAUL MEYER, individually and as designated officer of the Credit Relief Group, Inc. Respondents.	NO. H-37369 LA DEFAULT ORDER

Respondents, THE CREDIT RELIEF GROUP, INC. and LOUIS PAUL MEYER, having failed to file a Notice of Defense within the time required by Section 11506 of the Government Code, are now in default. It is, therefore, ordered that a default be entered on the record in this matter.

IT IS SO ORDERED December 29, 2011.

BARBARA J. BIGBY
Acting Real Estate Commissioner

By: DOLORES WEEKS
Regional Manager

LISSETE GARCIA, Counsel (SBN 211552)
Department of Real Estate
320 West 4th Street, Suite 350
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DEPARTMENT OF REAL ESTATE
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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of THE CREDIT RELIEF GROUP, INC. and LOUIS PAUL MEYER, individually and as designated officer of The Credit Relief Group, Inc., Respondents.	NO. H-37369 LA A C C U S A T I O N

The Complainant, Maria Suarez, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against THE CREDIT RELIEF GROUP, INC. and LOUIS PAUL MEYER, individually and as designated officer of The Credit Relief Group, Inc. (collectively "Respondents"), is informed and alleges as follows:

1.

The Complainant, Maria Suarez, a Deputy Real Estate Commissioner of the State of California, makes this Accusation in her official capacity.

2.

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

3.

From January 29, 2009, through the present, Respondent THE CREDIT RELIEF GROUP, INC. ("TCRG") has been licensed by the Department of Real Estate ("Department") as a real estate corporation, Department License No. 01858644. TCRG is licensed to do business as Apex Law Group, Apex Real Estate Center, Strada Properties, and Stradaproperty.com.

4.

From May 5, 2003, through the present, Respondent LOUIS PAUL MEYER ("MEYER") has been licensed by the Department as a real estate broker, Department License No. 01383083. At all times herein mentioned, Respondent MEYER was licensed as a real estate broker and as the broker-officer of Respondent TCRG to be responsible for ensuring its compliance with the Real Estate Law pursuant to Code Section 10159.2.

5.

On December 18, 2008, Respondent MEYER formed TCRG, a California corporation. Respondent MEYER is the corporation's President, CEO, CFO and Secretary.

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).

FIRST CAUSE OF ACCUSATION
(Advance Fee Violations)

7.

For an unknown period of time beginning no later than November 4, 2008, Respondents 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, those listed below:

8.

Daniel J. and Mevalene Hjertstedt

On or around November 4, 2008, MEYER solicited loan modification and negotiation services on behalf of TCRG to Mevalene and Daniel Hjertstedt. On November 7, 2008, the Hjertstedts paid an advance fee of $2,785 to Respondents

pursuant to an advance fee agreement for loan modification and negotiation services in connection with a loan secured by real property. Respondents failed to perform the loan modification and negotiation services that had been promised to the Hjertstedts. Respondents refused the Hjertstedts' demand for a refund of their advance fee.

9.

On April 8, 2009, Respondent TCRG submitted an advance fee agreement and accounting format to the Department for review and issuance of a no-objection letter from the Department. On April 21, 2009, the Department notified TCRG that it had no objection to the advance fee agreement and accounting format that TCRG submitted on April 8, 2009.

10.

David and Gloria Ceballos

David and Gloria Ceballos received an advertisement for loan modification and negotiation services from TCRG. On August 10, 2009, the Ceballoses paid an advance fee of $2,500 to Respondents pursuant to an advance fee agreement for loan modification and negotiation services in connection with a loan secured by real property. The advance fee agreement that Respondents provided to the Ceballoses was not the same advance fee agreement that was submitted to the Department on April 8, 2009. Respondents failed to perform the loan modification and negotiation services that had been promised to the Ceballoses.

Respondents refused the Ceballoses' demand for a refund of their advance fee.

11.

Michael Gary Roulette and Edilma Roulette

On or about August 20, 2009, on behalf of TCRG, Nick Ziari solicited loan modification and negotiation services to Michael Roulette and Edilma Roulette. The Roulettes paid an advance fee of $3,092 to Respondents pursuant to an advance fee agreement for loan modification and negotiation services in connection with a loan secured by real property. The advance fee agreement that Respondents provided to the Roulettes was not the same advance fee agreement that was submitted to the Department on April 8, 2009. Nick Ziari made misrepresentations to the Roulettes as to how their advance fee paid would be used and disbursed. Nick Ziari claimed that part of the advance fee would be placed in an escrow account for the purpose of paying the Roulettes' first mortgage payment once Respondents obtained a loan modification for the Roulettes. Respondents failed to perform the loan modification and negotiation services that had been promised to the Roulettes. Respondents refused the Roulettes' demand for a refund of their advance fee.

12.

Jamie H. Earnhart and Jack. L. Earnhart

On or about September 9, 2009, Jamie H. Earnhart and Jack L. Earnhart received an advertisement for loan modification and negotiation services from TCRG. The Earnharts paid an

advance fee of $2,995 to Respondents pursuant to an advance fee agreement for loan modification and negotiation services in connection with a loan secured by real property. The advance fee agreement that Respondents provided to the Earnharts was not the same advance fee agreement that was submitted to the Department on April 8, 2009. Respondents failed to perform the loan modification and negotiation services that had been promised to the Earnharts. Respondents refused the Earnarts' demand for a refund of their advance fee.

13.

Gabriela and Juan Renteria

In or around September, 2009, Gabriela and Juan Renteria received an advertisement for loan modification and negotiation services from TCRG. The Renterias paid an advance fee of $2,785 to Respondents pursuant to an advance fee agreement for loan modification and negotiation services in connection with a loan secured by real property. Respondents failed to perform the loan modification and negotiation services that had been promised to the Renterias. Respondents reneged on their agreement to refund the $2,785 advance fee to the Renterias. Respondents only returned $557 to the Renterias.

14.

Kelley Sha Embree

On or about October 7, 2009, Kelley Sha Embree ("Embree") received an advertisement for loan modification and negotiation services from TCRG. On October 9, 2009, Embree paid

an advance fee of $2,995 to Respondents pursuant to an advance fee agreement for loan modification and negotiation services in connection with a loan secured by real property. The advance fee agreement that Respondents provided to Embree was not the same advance fee agreement that was submitted to the Department on April 8, 2009. Respondents failed to perform the loan modification and negotiation services that had been promised to Embree. Respondents refused Embree's demand for a refund of her advance fee.

15.

The materials and advance fee agreements used by Respondents 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").

16.

The advance fees collected by Respondents were not deposited in a trust account as required under Code Section 10146. Respondents did not provide an accounting to principals, in violation of Code Section 10146 and Section 2972 of the Regulations.

17.

The conduct, acts and/or omissions of Respondents TCRG and MEYER, 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 TCRG and MEYER, pursuant to Code Sections 10177(d) or 10177(g).

18.

The conduct, acts and/or omissions of Respondents TCRG and MEYER as set forth above, in collecting advance fees from prospective borrowers and failing to deposit the advance fees into a trust account and provide an accounting to principals, 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 TCRG and MEYER pursuant to Code Sections 10177(d) or 10177(g).

SECOND CAUSE OF ACCUSATION

(Unlawful Employment or Compensation of Unlicensed Person)

19.

There is hereby incorporated in this Second, separate, Cause of Accusation, all of the allegations contained in Paragraphs 1 through 18 above, with the same force and effect as if herein fully set forth.

20.

At no time mentioned herein has Nick Ziari ever been licensed by the Department in any capacity.

21.

The activities described in Paragraph 11, above, require a real estate license under Code Sections 10131(d) and

10131.2. Respondents TCRG and MEYER 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. Respondents TCRG and MEYER employed or compensated Nick Ziari, to solicit borrowers and perform some or all of the services alleged in Paragraph 12 above, though he was not licensed as a real estate salesperson or broker.

22.

The conduct, acts and/or omissions of Respondents TCRG and MEYER as set forth in Paragraph 21, above, violate Code Section 10137, and are cause for the suspension or revocation of the licenses and license rights of Respondents TCRG and MEYER pursuant to Code Sections 10137, 10177(d) or 10177(g).

THIRD CAUSE OF ACCUSATION
(Office Abandonment)

23.

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

24.

From January 29, 2009, and continuing to the present time, the main office and mailing address maintained on file by Respondent TCRG with the Department has been 620 Newport Center Drive, Suite 1100, Newport Beach, California 92660.

25.

On March 16, 2011, a representative of the Department visited 620 Newport Center Drive, Suite 1100, Newport Beach, California 92660, and found that Respondent TCRG no longer occupies the premises.

26.

On or before March 16, 2011, Respondent TCRG left and/or abandoned its principal place of business and the location of its mailing address on file with the Department. Thereafter, Respondent TCRG failed to maintain on file with the Department a new address for the principal place of business for its real estate brokerage activities.

27.

The conduct, acts and/or omissions of Respondent TCRG, in abandoning its office and failing to notify the Department of a new address, as described above, is in violation of Regulation 2715 and Code Section 10162, and constitutes cause for the suspension or revocation of Respondent TCRG's license and license rights under the provisions of Code Sections 10165, 10177(d), and/or 10177(g).

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FOURTH CAUSE OF ACCUSATION
(Failure to Supervise)

28.

There is hereby incorporated in this Fourth, separate Cause of Accusation, all of the allegations contained in Paragraphs 1 through 27, above, with the same force and effect as if herein fully set forth.

29.

Respondent MEYER's failure to supervise the activities of Respondent TCRG 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 MEYER's license and license rights pursuant to Code Sections 10177(h), 10177(d) or 10177(g).

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WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action against all licenses and/or license rights of Respondents THE CREDIT RELIEF GROUP, INC. and LOUIS PAUL MEYER, individually and as designated officer of The Credit Relief Group, Inc., under the Real Estate Law (Part 1 of Division 4 of the California Business and Professions Code) and for such other and further relief as may be proper under other applicable provisions of law.

this 22nd day of June, 2011.

MARIA SUAREZ
Deputy Real Estate Commissioner

cc: The Credit Relief Group, Inc.
Louis Paul Meyer
Maria Suarez
Sacto.