DEPARTMENT OF REAL ESTATE
320 West Fourth Street, Ste. 350
Los Angeles, California 90013

(213) 576-6982

FILED

FEB 17 2012

DEPARTMENT OF REAL ESTATE
BY: _____

STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE

To:	
FERNANDO J. ESPINOZA	NO. H- 37890 LA
	ORDER TO DESIST AND REFRAIN (B&P Code Section 10086)
Respondent.	

The Commissioner ("Commissioner") of the California Department of Real Estate ("Department") caused an investigation to be made of the activities of FERNANDO J. ESPINOZA. Based on that investigation, the Commissioner has determined that ESPINOZA, or any other fictitious business names used by ESPINOZA, has engaged in, is engaging in, or is attempting to engage in, acts or practices constituting violations of the California Business and Professions Code ("Code"), including the business of, acting in the capacity of, and/or advertising or assuming to act as, a real estate broker in the State of California within the meaning of Code Section 10131(d) (performing services for borrowers in connection with loans secured by real property) and 10131.2 (advance fee handling) of the Code. Based on the findings

of that investigation, set forth below, 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 ESPINOZA, those acts are alleged to have been done by himself, or by and/or through one or more agents, associates, affiliates, and/or co-conspirators, or other names or fictitious names unknown at this time.

FINDINGS OF FACT

1. ESPINOZA has been licensed under the Real Estate Law as a real estate salesperson since June 19, 2003.

2. On or about February 2, 2009, Ricardo S. paid to ESPINOZA an advance fee of $35.00 by check number 3555 for loan modification services. On or about February 3, 2009, Ricardo S. paid to ESPINOZA a second installment of advance fees for loan modification services in the amount $1,500.00 by check number 3560. ESPINOZA gave Ricardo S. a handwritten list of items he needed in order to initiate the loan modification process, signed it with "Fernando" and the telephone number (909)559-1922, and represented that the process would take approximately 45 days once begun. On or about February 18, 2009, Ricardo S. learned that his bank, Countrywide Home Loans, had received an authorization request from "Paramount Estate Realty" and that ESPINOZA was authorized to discuss Ricardo S.' loan information pertaining to the property located at XXX63 Sherwood Court in Fontana , California.. Subsequent to the February 18, 2009 notice from Countrywide Home Loans, Ricardo S.' loan has received no further attention or modification from Ricardo S. or "Paramount Estate(s) Realty."

3. On or about January 22, 2009, Jorge T. paid to ESPINOZA an advance fee of $1,000.00 by check number 1123 for loan modification services. Jorge T. signed an undated letter

addressed to Indymac Federal Bank authorizing ESPINOZA "from Paramount Estates Realty" to discuss refinance options pertaining to the property located at XXX64 Sherwood Court in Fontana, California . Subsequent to paying the $1,000.00 and signing the letter to Indymac Federal Bank, Jorge T.'s loan received no further attention or modification services from Ricardo S. or "Paramount Estates Realty." Upon making payment to ESPINOZA, Jorge T. received a business card from ESPINOZA that listed "Fernando Espinoza" with Times Realty, 1600 E. Holt Blvd., K-29, Pomona, California 91767.

4. In a letter dated May 16, 2009 and addressed to ESPINOZA, Ricardo S. and Jorge T. collectively requested a refund, within 72 hours of $3,000.00 in advance fees paid to ESPINOZA. The letter further indicated that legal action would be taken if no reimbursement was received before May 21, 2009.

5. Ricardo S. spoke with ESPINOZA on or about May 30, 2009 and asked for a refund of the money paid to him for loan modification services. ESPINOZA refused this request and refused to return Ricardo S.' documents.

6. Jorge T. travelled o the address listed in the Times Realty business card (1600 E. Holt Blvd, K-29, Pomona, California 91767) that ESPINOZA provided and located ESPINOZA at a swapmeet. ESPINOZA offered Jorge T. a refund of $500.00 instead of the $1,000.00 that Jorge T. originally paid. ESPINOZA also provided Jorge T. another business card that listed "Fernando Espinoza, Realtor" with Republic Realty, 458 W. Arrow Hwy, Suite C, San Dimas, California 91773.

7. On or about September 21, 2009, in the Superior Court of the State of California, in the County of San Bernardino, in Case No. SMCFS901764, Ricardo S. and Jorge T. filed a Small Claims Complaint against ESPINOZA and Paramount Estate(s) Realty Corp.

8. Respondent performed and/or participated in loan modification, solicitation, and negotiation activities which require a real estate broker license under the provisions of Code Section 10131(d) and 10131.2 when he was not licensed by the Department as a real estate broker nor employed by a real estate broker on whose behalf the activities were performed.

CONCLUSIONS OF LAW

9. Based on the findings of fact contained in paragraphs 1 through 8, ESPINOZA, acting by itself, or by and/or through agents, associates, representatives, and/or co-conspirators, , and using the names "Paramount Estates Realty Corp." "Paramount Estate Realty Corp," "Times Realty," "Republic Realty," or other names or fictitious names unknown at this time, solicited borrowers and performed services for those borrowers and/or those borrowers' lenders in connection with loans secured directly or collaterally by one or more liens on real property, and charged, demanded or collected advance fees for the services to be provided, which acts require a real estate broker license under Sections 10131(d) and 10131.2 of the Code, during a period of time when ESPINOZA was not licensed by the Department as a real estate broker, in violation of Section 10130 of the Code.

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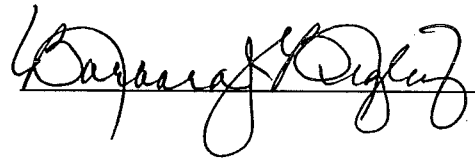
DESIST AND REFRAIN ORDER:

Based upon the Findings of Fact and Conclusions of Law stated herein, it is hereby ordered that FERNANDO J. ESPINOZA, whether doing business under your own name or any other name(s) or fictitious name(s), ARE HEREBY ORDERED to immediately desist and refrain from performing any acts within the State of California for which a real estate broker license is required, unless you are so licensed. In particular you are ORDERED TO DESIST AND REFRAIN from:

1. 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 modifications or any other form of mortgage loan forbearance service in connection with loans on residential property containing four or fewer dwelling units (Code Section 10085.6); and
2. 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 by them to others.

DATED: 2/10 2012

BARBARA J. BIGBY
Acting 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 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: FERNANDO J. ESPINOZA
8042 Archibald Ave.
Rancho Cucamonga, CA 91730

FERNANDO J. ESPINOZA
1600 E. Holt Blvd., K-29
Pomona, California 91767

FERNANDO J. ESPINOZA
458 W. Arrow Hwy, Suite C
San Dimas, California 91773.