

FILED

MAR 23 2010

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE

By K. Contreras

In the Matter of the Order to
Desist and Refrain Directed to:

FORECLOSURE PROFESSIONALS, INC.,
and EDWARD ANGUIANO.

NO. H-2422 FR

OAH NO. N-2009110086

DECISION

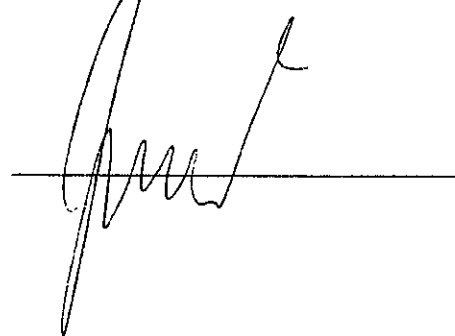
The Proposed Decision dated March 8, 2010, of the Administrative Law Judge of the Office of Administrative Hearings is hereby adopted as the Decision of the Real Estate Commissioner in the above-entitled matter.

This Decision shall become effective at 12 o'clock noon on

April 12, 2010.

IT IS SO ORDERED 3/23, 2010.

JEFF DAVI
Real Estate Commissioner



BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Order to Desist and
Refrain Directed to:

FORECLOSURE PROFESSIONALS, INC.,
and EDWARD ANGUIANO

Respondents.

Case No. H- 2422 FR

OAH No. 2009110086

PROPOSED DECISION

Robert Walker, Administrative Law Judge, State of California, Office of
Administrative Hearings, heard this matter in Fresno, California, on February 4, 2010.

Daniel E. Kehew, Counsel, Department of Real Estate, State of California,
represented the Real Estate Commissioner of the State of California.

Jeff Reich, Attorney at Law,¹ represented the respondents, Foreclosure Professionals,
Inc., and Edward Anguiano.

The record was closed on February 4, 2010.

SUMMARY and ISSUES

The respondents, who are unlicensed, represent homeowners who are seeking loan
modifications.

The Commissioner contends as follows:

Respondents solicited borrowers.

Respondents, for compensation or in expectation of receiving compensation,
negotiated real-estate-secured-loans for borrowers or lenders.

¹ Jeff Reich, Attorney at Law, 8441 North Millbrook Avenue, Number 104, Fresno, California 93720.

Respondents, for compensation or in expectation of receiving compensation, performed services such as negotiating real-estate-secured-loans for borrowers or lenders.

Respondents – in connection with providing such services – charged, demanded, or collected *advance fees* as that term is defined in Business and Professions Code section 10026.

After collecting advance fees, respondents failed to obtain any benefit for certain clients but, nevertheless, retained part or all of the fees.

Respondents' conduct constituted a violation of Business and Professions Code section 10131, subdivision (d). That subdivision, read with section 10130, requires that a person be licensed as a broker before he or she solicits borrowers or lenders for real-estate-secured-loans. Also, that subdivision, read with section 10130, requires that a person be licensed as a broker before he or she "performs services for borrowers or lenders . . . in connection with" real-estate-secured-loans.

Respondents' conduct constituted a violation of Business and Professions Code section 10131.2. That section, read with section 10130, requires that a person be licensed as a broker before charging an advance fee in connection with employment to obtain a real-estate-secured-loan.

Respondents' conduct constituted a violation of California Code of Regulations, title 10, section 2970, which was promulgated pursuant to Business and Professions Code sections 10080, 10026, and 10085. Section 2970 requires that, before one uses any materials regarding an advance fee agreement, one must submit the materials to the Commissioner.

Respondents' conduct constituted a violation of Business and Professions Code section 10146 and California Code of Regulations, title 10, section 2972. Section 10146 requires that, when a broker is permitted to collect an advance fee, he or she must place the funds in a trust account, and Section 2972 requires certain accounting practices regarding advance fees.

The Commissioner issued an order to desist and refrain on September 22, 2009. It was served on the respondents on September 30, 2009. The Commissioner ordered respondents to desist and refrain from violating California Code of Regulations, title 10, sections 2970 and 2972, and Business and Professions Code sections 10026 and 10085. On October 11, 2009, which was shortly after the order to desist and refrain was served, Senate Bill 94 took effect. That bill is codified at Business and Professions Code section 10085.6 and Civil Code section 2944.7. It concerns negotiations for loan modifications of loans secured by residential real estate. It makes it unlawful for persons who do such negotiations to charge an advance fee. At the hearing in this matter, counsel for the Commissioner

advised the respondents that the new law supersedes the prior law in certain respects and that, therefore, even licensed brokers who submit materials to the Commissioner for approval may not charge an advance fee regarding such transactions. The Commissioner, however, did not seek to amend the order to desist and refrain.

Respondents contend as follows:

Statutes and regulations requiring licensure before one may solicit borrowers or lenders or negotiate *loans* do not apply to people who solicit or negotiate *loan modifications*.

The Commissioner's construction of Business and Professions Code section 10131 causes it to be, in effect, a penal statute. Therefore, if it is construed as the Commissioner contends it should be, it must be construed strictly.

The deposits the respondents collected did not constitute advance fees.

As a matter in mitigation, respondents contend that a licensed attorney advised them that no license was required to represent clients in loan modification matters.

As a further matter in mitigation, respondents contend that they have helped a great number of clients keep their homes.

As a matter in mitigation – and to demonstrate rehabilitation – respondents offered evidence that they have arranged to work through a broker in the future.

Did the respondents engage in the conduct the Commissioner alleges?

If the respondents did engage in the conduct alleged, did that conduct constitute violations of the real estate laws?

The Commissioner has the burden of proof.

FACTUAL FINDINGS

BACKGROUND

1. Respondent Edward Anguiano is the president of respondent Foreclosure Professionals, Inc. Mr. Anguiano owns 51 percent of the corporation. His wife owns the remaining 49 percent.

2. The term *respondent* will be used to refer to Mr. Anguiano and to the respondents collectively.

3. Respondent offers his services to homeowners facing foreclosure. He negotiates with lenders on behalf of distressed homeowners to try to obtain loan modifications. He negotiates with lenders concerning interest rates and terms of loans. He also arranges short sales on behalf of distressed homeowners.

4. Neither Foreclosure Professionals, Inc., nor Mr. Anguiano is licensed by the Department of Real Estate.

5. Respondent asks clients to pay \$5000 in advance. He contends that the payment is a deposit and not an advance fee.

6. Respondent has not submitted materials to the Commissioner regarding an advance fee agreement.

GALVAN

7. In 2005 Pedro and Victoria Galvan bought a house in Reedley. Their daughter and son-in-law lived in the house. Mr. and Mrs. Galvan had a loan from Washington Mutual that was secured by a deed of trust against the property. In April of 2008, they were six months behind in their loan payments. Mr. Galvan talked with respondent, who said he could help Mr. Galvan for a fee of \$4000. Respondent said that Mr. Galvan could stop making payments for 12 months and that, during that time, respondent would be negotiating. Mr. Galvan understood respondent to mean that he would be negotiating with Washington Mutual. On April 30, 2008, Mr. Galvan gave respondent \$2000.

8. Mr. Galvan talked with an attorney who told him that respondent was not supposed to be collecting advance fees. By a letter dated May 5, 2008, Mr. and Mrs. Galvan requested that respondent return their \$2000.

9. Respondent refused to return the \$2000. Mr. and Mrs. Galvan's son-in-law had borrowed \$2500 from respondent, and respondent contended that he had a right to Mr. Mrs. Galvan's \$2000 as an offset against the \$2500 their son-in-law owed him. Ultimately, respondent returned the \$2000 the Galvans had paid.

VASQUEZ

10. Respondent stipulated to the truth of the facts in the following allegations:

On or about May 3, 2008, ANGUIANO solicited Andres and Luisa Vasquez (Vasquez) in order to provide loan modification services to Vasquez.

In furtherance of RESPONDENTS' plan and scheme to provide loan modification services to Vasquez, ANGUIANO requested an advance fee of \$5000 from Vasquez. In reliance on

ANGUIANO's representations, Vasquez paid ANGUIANO that amount by personal check, payable to FPI.

After Vasquez made the payment mentioned above to ANGUIANO, Vasquez did not obtain a successful and suitable loan modification

11. Mr. and Mrs. Vasquez asked respondent to return their \$5000. Respondent originally refused but, ultimately, refunded \$2500. Respondent, however, paid the refund in installments.

CABRERA-TORRES

12. Approximately ten years ago, Jose A. Cabrera-Torres bought a home in Fresno. He partially financed the purchase with a loan secured by title to the house. As of May of 2008, Mr. Cabrera-Torres had fallen substantially behind on the loan payments, and his lender had begun foreclosure proceedings. A trustee sale had been scheduled. Respondent learned of Mr. Cabrera-Torres's default and left a business card on his front door.

13. Mr. Cabrera-Torres called respondent and met with him. Respondent said he "could fix it" so that Mr. Cabrera-Torres could live in his house "rent free" for one year. Respondent said that, after one year, Mr. Cabrera-Torres might be able to find someone to cosign his loan so that he could keep his house.

14. Mr. Cabrera-Torres gave respondent \$2000, and they entered into the following agreement:

I understand and agree that the deposit I am making with FORECLOSURE PROFESSIONALS, INC. is the sum of \$5000 is a deposit and not a charge, payment, fee, or compensation for services already performed. My deposit of \$2000 will be deposited in an escrow account maintained by FORECLOSURE PROFESSIONALS, INC. and will not be deposited or commingled with general operating funds maintained by FORECLOSURE PROFESSIONALS, INC. until the individual service contracted for has been completed or performed.

Date: 5/9/08 (Initials) J. C

I understand and agree that if an individual service contracted for is not performed or completed, that portion of my/our deposit will be returned to me/us.

The foregoing is agreed to this ----- day of -----, 200 -----.

15. Mr. Cabrera-Torres and Mr. Anguiano signed the agreement.

16. Mr. Cabrera-Torres received an eviction notice from his lender and asked respondent to return his money, but respondent said he could return only \$1200. On August 8, 2008, respondent refunded \$1200 of the payment Mr. Cabrera-Torres had made.

MARES

17. Respondent stipulated to the truth of the facts in the following allegations:

On or about June 4, 2008, ANGUIANO solicited Maria Mares (Mares) in order to provide loan modification services and/or short sale services to Mares.

In furtherance of RESPONDENTS' plan and scheme to provide loan modification services and/or short sale services to Mares, ANGUIANO requested an advance fee of \$4000 from Mares. In reliance on ANGUIANO's representations, Mares paid RESPONDENTS that amount.

After Mares made the payment mentioned above to RESPONDENTS, Mares did not obtain a successful and suitable loan modification

18. Respondent refunded \$1350 of the payment Ms. Mares had made.

TRUJILLO

19. Respondent stipulated to the truth of the facts in the following allegations:

On or about June 5, 2008, ANGUIANO solicited Hermalinda Trujillo (Trujillo) in order to initiate a short sale on Trujillo's property.

In furtherance of RESPONDENTS' plan and scheme to initiate a short sale on Trujillo's property, ANGUIANO requested an advance fee of \$5000 from Trujillo. In reliance on ANGUIANO's representations, Trujillo paid RESPONDENTS that amount.

After Trujillo made the payment mentioned above to RESPONDENTS, ANGUIANO canceled the short sale on Trujillo's property and informed Trujillo that a loan modification was underway for her benefit. Trujillo informed ANGUIANO that she was not interested in a loan modification.

[¶] . . . [¶]

On or about October 29, 2008, ANGUIANO refunded the \$5000 advance fee to Trujillo upon the condition that she signs a release of liability form.

SPECIFIC DENIAL REGARDING THE COLLECTION OF ADVANCE FEES

20. While respondent stipulated to the truth of certain facts alleged concerning Vasquez, Mares, and Trujillo, it is clear that he did not intend to stipulate that he collected advance fees. He specifically denies that the funds he collected were advance fees.

RESPONDENT HAS CONTINUED TO NEGOTIATE LOAN MODIFICATIONS

21. Rene Esquivel is a Deputy Real Estate Commissioner. Mr. Esquivel investigated consumer complaints that resulted in the order to desist and refrain. Since the Commissioner issued the order, respondent has continued to communicate with Mr. Esquivel concerning respondent's representation of approximately 200 clients and his attempts to obtain loan modifications for them.

EVIDENCE REGARDING MATTERS IN MITIGATION

22. Respondent testified that Wayne Green, a licensed attorney, advised him that he was in compliance with the applicable laws of the Business and Professions Code and the department's regulations. There was no non-hearsay evidence that this statement could supplement or explain.

23. Respondent testified that he has helped a great number of clients keep their homes.

EVIDENCE REGARDING MITIGATION AND REHABILITATION

24. Respondent testified that he has arranged to work through a broker. Respondent submitted a letter dated February 2, 2010, from Gary Livingston. Mr. Livingstone identifies himself as a broker and refers to his agreement, subject to further negotiations, to become the broker of record for Foreclosure Professionals, Inc. At the hearing, respondent testified that, as of a couple of days ago, Foreclosure Professionals, Inc., has a broker of record. Respondent also testified, however, that the corporation does not hold a license. He did not explain how the corporation can have a broker of record without, itself, being licensed.

LEGAL CONCLUSIONS

CONTENTION THAT REGULATIONS DO NOT APPLY

1. Respondent contends that statutes and regulations requiring licensure to solicit borrowers or lenders or negotiate *loans* do not apply to people who solicit or negotiate loan *modifications*. Respondent contends that a new industry has arisen as the result of the current depression. It is, he contends, an industry that did not exist five years ago; it started only two years ago. It is an industry devoted to representing homeowners who are trying to save their homes. He contends that loan modifications are new since the recent depression. From this, respondent concludes that existing licensing requirements concerning the real estate industry do not apply to people who work in this new industry.

2. Respondent offered no evidence in support of this preposterous contention. Brokers have represented homeowners in negotiating loan modifications for a very long time. The statutes and regulations requiring licensure are not limited to people who negotiate *loan originations*; rather, they speak broadly of people who negotiate *loans*. Business and Professions Code section 10131, subdivision (d), speaks not only of people who *solicit* borrowers or lenders or negotiate loans, it also speaks of performing "services for borrowers or lenders or note owners." That language clearly includes services for clients who *already are* borrowers, lenders, or note owners. Moreover, as a policy matter, all of the reasons for requiring regulation of people who charge a fee to negotiate loan originations apply to people who charge a fee to negotiate loan modifications. It is appropriate for the state to require people who do that to have a certain level of knowledge and to keep abreast of changes in laws and regulations. It is appropriate for the state to require people in such positions be trustworthy and reliable. It simply is not true that there is less need to regulate people who negotiate only loan modifications.

CONTENTION REGARDING CONSTRUCTION AS A PENAL STATUTE

3. Respondent contends as follows: The Commissioner's construction of Business and Professions Code section 10131 causes it to be, in effect, a penal statute. If it is to be applied as a penal statute, it should be construed strictly. If it is construed strictly, one must conclude that it does not apply to people who provide services in connection with loan modifications.

4. Section 10131 is not a penal statute, but the real estate laws contemplate that violations of licensing requirements and other matters be prosecuted as criminal matters. For example, section 10130 provides that it is unlawful for any person to act as a real estate broker or salesperson without obtaining a license. That section also provides, "It is the duty of the district attorney of each county in this state to prosecute all violations of this section . . ." Moreover, as pointed out above, section 10131 expressly applies to people who provide services to clients who already are borrowers, that is, clients who already have loans. Thus, construing it strictly, it applies to respondent.

CONTENTION REGARDING ADVANCE FEES

5. Generally, under the real estate law in California, one who performs services in the real estate industry must complete the work before collecting fees. There are minor exceptions.

6. As noted above, respondent contends that the funds he collected were deposits and not advance fees, but the statutory definition of "advance fee" includes precisely what respondent did. Business and Professions Code section 10026 provides, in part, as follows:

The term "advance fee" . . . is a fee claimed, demanded, charged, received, collected, or contracted from a principal . . . to negotiate loans on . . . real estate.

CONTENTIONS REGARDING MATTERS IN MITIGATION

7. As a matter in mitigation, respondent contends that Wayne Green, a licensed attorney, advised him that he was in compliance with the applicable laws of the Business and Professions Code and the department's regulations. Respondent offered no non-hearsay evidence that his hearsay statement could supplement or explain. It is determined that respondent failed to prove this contention. Even if he had a proven it, however, that would not give him a right to continue to violate the real estate laws.

8. As a further matter in mitigation, respondent contends that he has helped a great number of clients keep their homes. If respondent wishes to help people by engaging in activities that require a real estate license, he should first obtain a license.

9. As a matter in mitigation – and to demonstrate rehabilitation – respondent offered evidence that Mr. Livingston has become a broker of record for Foreclosure Professionals, Inc. Respondent also testified, however, that the corporation does not hold a license. He did not explain how the corporation can have a broker of record without, itself, being licensed. Moreover, even if Foreclosure Professionals, Inc., were licensed and had a broker of record, unlicensed persons such as Mr. Anguiano would have no right to engage in activities that require a license.

RESPONDENT VIOLATED THE REAL ESTATE LAWS

10. Respondent's conduct constituted a violation of Business and Professions Code section 10131, subdivision (d). That subdivision, read with section 10130, requires that a person be licensed as a broker before he or she solicits borrowers or lenders for real-estate-secured-loans. Also, that subdivision, read with section 10130, requires that a person be licensed as a broker before he or she "performs services for borrowers or lenders . . . in connection with" real-estate-secured-loans. Respondent solicited borrowers. Respondent, for compensation, negotiated real-estate-secured-loans for borrowers. Respondent, for

compensation, performed services for borrowers in connection with real-estate-secured-loans.

11. Respondent's conduct constituted a violation of Business and Professions Code section 10131.2. That section, read with section 10130, requires that a person be licensed as a broker before charging an advance fee in connection with employment to obtain a real-estate-secured-loan. Respondent – in providing services for borrowers in connection with real-estate-secured-loans – charged, demanded, or collected advance fees as that term is defined in Business and Professions Code section 10026.


12. Respondent's conduct constituted a violation of California Code of Regulations, title 10, section 2970, which was promulgated pursuant to Business and Professions Code sections 10080, 10026, and 10085. Section 2970 requires that, before one uses any materials regarding an advance fee agreement, one must submit the materials to the Commissioner. Respondent entered into advance fee agreements with clients but has not submitted materials to the Commissioner regarding advance fee agreements.

13. Respondent's conduct constituted a violation of Business and Professions Code section 10146 and California Code of Regulations, title 10, section 2972. Section 10146 requires that, when a broker is permitted to collect an advance fee, he or she must place the funds in a trust account, and Section 2972 requires certain accounting practices regarding advance fees. After collecting advance fees, respondents failed to obtain any benefit for certain clients but, nevertheless, retained part or all of the fees. Respondent, contending that he had a right to be compensated for services he performed, retained advance fees.

ORDER

1. Respondents' appeal is denied.
2. The commissioner's order to desist and refrain is upheld and remains in effect.

DATED: March 8, 2010


ROBERT WALKER
Administrative Law Judge
Office of Administrative Hearings

1 DEPARTMENT OF REAL ESTATE
2 P. O. Box 187007
3 Sacramento, CA 95818-7007
4 Telephone: (916) 227-0791

FILED

SEP 23 2009

DEPARTMENT OF REAL ESTATE

By K. Contreras

8 STATE OF CALIFORNIA
9 DEPARTMENT OF REAL ESTATE

10 * * *

11 To:)
12) NO. H- 2422 FR
13 FORECLOSURE PROFESSIONALS, INC.,)
14 and, EDWARD ANGUIANO.) ORDER TO DESIST AND REFRAIN
) (B&P Code Section 10086)

15 The Commissioner (Commissioner) of the California Department of Real Estate
16 (Department) caused an investigation to be made of the activities of EDWARD ANGUIANO
17 (“ANGUIANO”) and FORECLOSURE PROFESSIONALS, INC., (“FPI”) (collectively,
18 “RESPONDENTS”). Based on that investigation, the Commissioner has determined that
19 RESPONDENTS have engaged in, are engaging in, or are attempting to engage in, acts or
20 practices constituting violations of the California Business and Professions Code (the Code)
21 and/or Title 10, Chapter 6, California Code of Regulations (the Regulations), including the
22 business of, acting in the capacity of, and/or advertising or assuming to act as, a real estate
23 broker in the State of California within the meaning of Section 10131(d) (performing services for
24 borrowers and/or lenders in connection with loans secured by real property) of the Code and
25 Section 10085 (collecting unauthorized advanced fees) of the Code. Furthermore, based on the
26 investigation, the Commissioner hereby issues the following Findings of Fact, Conclusions of
27 Law, and Desist and Refrain Order under the authority of Section 10086 of the Code.

1 reliance on ANGUIANO's representations, Galvan paid ANGUIANO that amount by personal
2 check, payable to FPI.

3 7.

4 After Galvan made the payment mentioned above to ANGUIANO, Galvan did
5 not obtain a successful and sustainable loan modification, obtain any other benefit from
6 RESPONDENTS, or from anyone connected in any way with RESPONDENTS, or receive a
7 refund of the amount Galvan paid to FPI.

8 8.

9 On or about May 3, 2008, ANGUIANO solicited Andres and Luisa Vasquez
10 (Vasquez) in order to provide loan modification services to Vasquez.

11 9.

12 In furtherance of RESPONDENTS' plan and scheme to provide loan
13 modification services to Vasquez, ANGUIANO requested an advance fee of \$5,000.00 from
14 Vasquez. In reliance on ANGUIANO's representations, Vasquez paid ANGUIANO that amount
15 by personal check, payable to FPI.

16 10.

17 After Vasquez made the payment mentioned above to ANGUIANO, Vasquez
18 did not obtain a successful and sustainable loan modification, obtain any other benefit from
19 RESPONDENTS, or from anyone connected in any way with RESPONDENTS, or receive a
20 refund of the amount Vasquez paid to FPI.

21 11.

22 On or about May 9, 2008, ANGUIANO solicited Jose A. Cabrera (Cabrera) in
23 order to provide loan modification services to Cabrera.

24 12.

25 In furtherance of RESPONDENTS' plan and scheme to provide loan modification
26 services to Cabrera, ANGUIANO requested an advance fee of \$5,000.00 from Cabrera. In
27 reliance on ANGUIANO's representations, Cabrera paid RESPONDENTS that amount.

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After Cabrera made the payment mentioned above to RESPONDENTS, Cabrera did not obtain a successful and sustainable loan modification, obtain any other benefit from RESPONDENTS, or from anyone connected in any way with RESPONDENTS. Cabrera only received a partial refund from FPI in the amount of \$1,200.00, and was compelled by RESPONDENTS to sign a release of liability for the remaining \$3,800.00 deposited with RESPONDENTS in order to collect the partial refund from FPI.

14.

On or about June 4, 2008, ANGUIANO solicited Maria Mares (Mares) in order to provide loan modification services and/or short sale services to Mares.

15.

In furtherance of RESPONDENTS' plan and scheme to provide loan modification services and/or short sale services to Mares, ANGUIANO requested an advance fee of \$4,000.00 from Mares. In reliance on ANGUIANO's representations, Mares paid RESPONDENTS that amount.

16.

After Mares made the payment mentioned above to RESPONDENTS, Mares did not obtain a successful and sustainable loan modification, obtain any other benefit from RESPONDENTS, or from anyone connected in any way with RESPONDENTS. Mares only received a partial refund of \$1,000.00 from RESPONDENTS.

17.

On or about June 5, 2008, ANGUIANO solicited Hermelinda Trujillo (Trujillo) in order to initiate a short sale on Trujillo's property.

18.

In furtherance of RESPONDENTS' plan and scheme to initiate a short sale on Trujillo's property, ANGUIANO requested an advance fee of \$5,000.00 from Trujillo. In reliance on ANGUIANO's representations, Trujillo paid RESPONDENTS that amount.

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After Trujillo made the payment mentioned above to RESPONDENTS, ANGUIANO cancelled the short sale on Trujillo's property and informed Trujillo that a loan modification was underway for her benefit. Trujillo informed ANGUIANO that she was not interested in a loan modification. Trujillo did not obtain any benefit from RESPONDENTS, or from anyone connected in any way with RESPONDENTS.

20.

On or about October 29, 2008, ANGUIANO refunded the \$5,000.00 advance fee to Trujillo upon the condition that she signs a release of liability form.

CONCLUSIONS OF LAW

21.

Based on the Findings of Fact contained in Paragraphs 1 through 20, ANGUIANO, acting by himself, or by and/or through FPI, or other names or fictitious names unknown at this time, solicited borrowers and represented that they would perform services for those borrowers and/or the borrowers' lender in connection with one or more loans secured directly or collaterally by one or more liens on real property; and charged, demanded or collected an advance fee for the services to be provided, which acts require a real estate broker license under Sections 10131(d) and 10131.2 of the Code, and prior submission by the broker of an advance fee agreement to the Department for its review.

DESIST AND REFRAIN ORDER

Based on the Findings of Fact and Conclusions of Law stated herein, you, EDWARD ANGUIANO and FORECLOSURE PROFESSIONALS, INC., whether doing business under your own name, or any other name or fictitious name, ARE HEREBY ORDERED to immediately desist and refrain from:

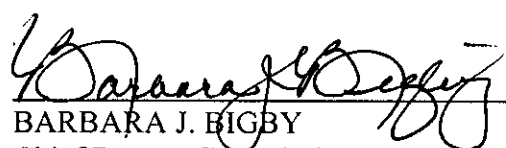
- 1. Performing acts that require a real estate license unless and until you are properly licensed by the Department as a real estate broker, and,

1 2. Charging, demanding, or collecting advance fees, as that term is defined in
2 Section 10026 of the Code, for any of the services you offer to others, in any
3 form, and particularly with respect to loan modification, loan refinance,
4 principal reduction, foreclosure abatement or short sale services, unless and
5 until you demonstrate and provide evidence satisfactory to the Commissioner
6 that you are properly licensed by the Department as a real estate broker, and
7 that you have:

- 8 (i) an advance fee agreement which has been submitted to the
9 Department and which is in compliance with Sections 2970 and
10 2972 of the Regulations;
- 11 (ii) placed all previously collected advance fees into a trust account
12 for that purpose and are in compliance with Section 10146 of
13 the Code; and
- 14 (iii) provided an accounting to trust fund owner-beneficiaries
15 pursuant to Section 2972 of the Regulations.

16 DATED: 9/22 _____, 2009

18 JEFF DAVI
19 Real Estate Commissioner

20
21 By: 
22 BARBARA J. BIGBY
23 Chief Deputy Commissioner

24 - NOTICE -

25 Business and Professions Code Section 10139 provides that "Any person acting
26 as a real estate broker or real estate salesperson without a license or who advertises using words
27 indicating that he or she is a real estate broker without being so licensed shall be guilty of a

1 public offense punishable by a fine not exceeding twenty thousand dollars (\$20,000), or by
2 imprisonment in the county jail for a term not to exceed six months, or by both fine and
3 imprisonment; or if a corporation, be punished by a fine not exceeding sixty thousand dollars
4 (\$60,000).”
5
6

7 cc: FORECLOSURE PROFESSIONALS, INC.
8 Attn: Edward Anguiano
9 135 W. Shaw Avenue, Suite 100
10 Fresno, CA 93704

11 EDWARD ANGUIANO
12 Foreclosure Professionals, Inc.
13 135 W. Shaw Avenue, Suite 100
14 Fresno, CA 93704

15 FORECLOSURE PROFESSIONALS, INC.
16 Spiegel & Utrera, P.C.
17 Agent for Service of Process
18 4727 Wilshire Boulevard, Suite 601
19 Los Angeles, CA 90010
20
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ITY DEK/kc 27