

MARY F. CLARKE, Counsel (SBN 186744)
Department of Real Estate
P. O. Box 187007
Sacramento, CA 95818-7007

Telephone: (916) 227-0780 (Direct)
-or- (916) 227-0789 (Main Office)
-or- (916) 227-9458 (Fax)

FILED

AUG 12 2011

DEPARTMENT OF REAL ESTATE

By K. Contreras

BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)	
)	
CONTINENTAL SOLUTIONS)	NO. H-2656 FR
CORPORATION, a Corporation, and)	
CESAR MARTINEZ,)	<u>ACCUSATION</u>
)	
Respondents.)	

The Complainant, LUKE MARTIN, a Deputy Real Estate Commissioner of the State of California, for Accusation against CONTINENTAL SOLUTIONS CORPORATION (herein "CSC") dba Blue Pacific Financial Services, Inc. (herein "BPFSI") and CESAR MARTINEZ (herein "MARTINEZ") (herein collectively "Respondents"), is informed and alleges as follows:

1

The Complainant makes this Accusation in his official capacity.

2

At all times herein mentioned, Respondents were and now are, licensed and/or have license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) (herein "the Code").

1 3

2 At all times herein mentioned, CSC was and now is licensed by the State of
3 California Department of Real Estate (herein the "Department") as a corporate real estate broker by
4 and through MARTINEZ as designated officer-broker of CSC to qualify said corporation and to
5 act for said corporation as a real estate broker. Said license will expire on about March 23, 2015.

6 4

7 On about May 24, 2011, CSC made application to the Department for a mortgage
8 loan originator license endorsement (herein "license endorsement").

9 5

10 At all times herein mentioned, MARTINEZ was licensed by the Department as a
11 real estate broker, individually and as designated officer-broker of CSC. As said designated
12 officer-broker, MARTINEZ was at all times mentioned herein responsible pursuant to Section
13 10159.2 of the Code for the supervision of the activities of the officers, agents, real estate
14 licensees, and employees of CSC for which a license is required. Said license will expire on
15 about February 22, 2015.

16 6

17 On about April 4, 2011, MARTINEZ made application to the Department for a
18 mortgage loan originator license endorsement.

19 7

20 Whenever reference is made in an allegation in this Accusation to an act or omission
21 of CSC, such allegation shall be deemed to mean that the officers, directors, employees, agents
22 and/or real estate licensees employed by or associated with CSC committed such act or omission
23 while engaged in the furtherance of the business or operations of such corporate respondent and
24 while acting within the course and scope of their authority and employment.

25 8

26 At all times herein mentioned, Respondents engaged in the business of, acted in
27 the capacity of, advertised, or assumed to act as real estate brokers within the State of California

1 on behalf of others, for compensation or in expectation of compensation within the meaning of
2 Section 10131(d) of the Code, including the operation and conduct of a mortgage loan brokerage
3 with the public wherein, on behalf of others, for compensation or in expectation of compensation.
4 Respondents solicited lenders or borrowers for or negotiated loans or loan modifications or
5 collected payments or performed services for borrowers or lenders or note owners in connection
6 with loans or loan modifications secured directly or collaterally by liens on real property or on a
7 business opportunity.

8 9

9 Between about January 1, 2009 and June 1, 2010, CSC claimed, demanded,
10 charged, received, collected or contracted for advance fees from the following borrowers prior to
11 submission to the Department of any or all materials used in advanced fee agreements or
12 performed services for the following borrowers in connection with loans secured with real
13 property before the borrowers became obligated to complete said loans, and failed to deposit said
14 advance fees into a trust account with a bank or other recognized depository, in violation of
15 Sections 10085 (advance fee materials), 10085.5 (advance fees), 10085.6 (advance fees), and
16 10146 (depositing advanced fees into a trust account) of the Code, and Sections 2970 (advance
17 fee materials) and 2972 (accounting content) of Title 10, Chapter 6, of the California Code of
18 Regulations (herein "the Regulations"):

<u>Borrower</u>	<u>Property Address</u>	<u>Advance Fee</u>	<u>Date</u>
Arturo Cervantes	317 E. 10 th St, Hanford, CA 93230	\$1,500	1/26/09
Trinidad Delgadillo	4107 E. Ave 510 Palmdale, CA 93552	\$1,995	1/24/09
Maria Garcia	13126 Cannon Ave. Cutler, CA 93615	\$2,500	2/3/09
Veronica Garcia	40222 Dianna Rd. Cutler, CA 93516	\$2,500	2/9/09

<u>Borrower</u>	<u>Property Address</u>	<u>Advance Fee</u>	<u>Date</u>
J. Santos Galvan	4466 E. Pine Ave. Fresno, CA 93703	\$1,500	2/12/09
Olivia Gonzalez	11302 Hallwood Dr. El Monte, CA 91732	\$1,995	2/13/09
Maria T. Guzman	2248 E. Gettysburg Ave. Fresno, CA 93726	\$2,500	2/27/09
Oscar Mendoza	605 S. Laspina St. Tulare, CA 93274	\$2,500	3/18/09
Juana Zavala	1240 Hawaii Pl. Salinas, CA 93905	\$1,000	9/26/09
Simona G. Jimenez	447 Charolais Dr. Gonzales, CA 93926	\$ 500	6/2010

10

J. SANTOS GALVAN

On about February 12, 2009, CSC dba BPFSL acting through Julio Andrade (herein "Andrade"), an unlicensed individual, solicited J. Santos Galvan (herein "Galvan") in order to provide loan modification services to save Galvan's home located on E. Pine Ave., Fresno, CA 93703, from being lost in foreclosure, in violation of Section 10130 (unlicensed activity) of the Code.

11

In furtherance of CSC's plan and scheme to provide loan modification services to Galvan, Andrade represented to Galvan that he, Andrade, would obtain an affordable loan modification and demanded and collected an advance fee in the amount of \$1,500.00 from Galvan, but failed to provide a successful and/or sustainable loan modification to Galvan, in violation of Sections 10085.5, 10176(a)(misrepresentation), (b) (false promise), (c) (continued and flagrant course of misrepresentation and/or making false promises), and (i) (fraud and

1 dishonest dealing by licensee), and/or 10177(g) (negligence) and/or 10177(j) (fraud and
2 dishonest dealing) and Section 2970 (advance fees) of the Regulations.

3 12

4 JUANA ZAVALA

5 On about September 26, 2009, CSC dba BPFSI acting through Osvaldo Martinez
6 (herein "O. Martinez"), an unlicensed individual, solicited Juana Zavala (herein "Zavala") in
7 order to provide loan modification services to save Zavala's home located on 1240 Hawaii Pl.,
8 Salinas, CA 93905 from being lost in foreclosure, in violation of Section 10130 of the Code.

9 13

10 In furtherance of CSC's plan and scheme to provide loan modification services to
11 Zavala, O. Martinez represented to Zavala that he, O. Martinez, would obtain an affordable loan
12 modification and demanded and collected an advance fee of \$1,000.00 from Zavala, but failed
13 to provide a successful and/or sustainable loan modification to Zavala, in violation of Sections
14 10085.5, 10176(a), (b), (c), and (i), and/or 10177(g) and/or 10177(j), and Section 2970 of the
15 Regulations.

16 14

17 SOLICITATION TO DEPARTMENT EMPLOYEE

18 On about October 21, 2009, CSC dba BPFSI acting through Andrade, solicited
19 Department employee, Rene E. (herein "R. E.") to engage CSC and its agents to represent R. E.
20 in negotiating with his lender in order to modify one or more loans secured by real property,
21 representing to R. E. that an advance fee of \$2,500.00 would be charged for services that
22 MARTINEZ was to perform in obtaining the loan modification, in violation of Section 10130 of
23 the Code.

24 15

25 SIMONA G. JIMENEZ

26 In about June 2010, CSC dba BPFSI acting through Carlos A. Bulla aka Oscar
27 Bulla (herein "Bulla"), solicited Simona G. Jimenez (herein "Jimenez") in order to provide loan

1 modification services to save Jimenez' home located on 447 Charolais Dr., Gonzales, CA 93926,
2 from being lost in foreclosure, in violation of Section 10130 of the Code.

3 16

4 In furtherance of CSC's plan and scheme to provide loan modification services to
5 Jimenez, Bulla represented to Jimenez that he, Bulla, would obtain an affordable loan modification
6 and demanded and collected an advance fee of \$500.00 from Jimenez, but failed to provide a
7 successful and/or sustainable loan modification to Jimenez, in violation of Sections 10085.6,
8 10176(a), (b), (c), and (i), and/or 10177 (g) and/or 10177(j), and Section 2970 of the Regulations.

9 17

10 At all times mentioned herein, MARTINEZ failed to exercise reasonable
11 supervision over the acts of CSC, and its agents and employees in such a manner as to allow the
12 acts and omissions on the part of CSC, described above, to occur in violation of Sections 10159.2
13 and 10177(h) and (g) of the Code, and Section 2725 of the Regulations.

14 18

15 The facts alleged above are grounds for the suspension or revocation of the
16 licenses and license rights of Respondents under the following provisions of the Code and/or
17 the Regulations:

18 (a) as to Paragraph 8, and Respondent CSC, under Sections of 10085,
19 10085.5, 10085.6, 10146 of the Code, and Sections 2970 and 2972 of the Regulations in
20 conjunction with Section 10177(d) of the Code;

21 (b) as to Paragraph 10, and Respondent CSC, under Section 10130 of the
22 Code in conjunction with Section 10177(d) of the Code;

23 (c) as to Paragraph 11, and Respondent CSC, under Sections 10085.5,
24 10176(a), (b), (c), and (i), and/or 10177(g) and/or 10177(j) and Section 2970 of the
25 Regulations, in conjunction with Section 10177(d) of the Code;

26 (d) as to Paragraph 12, and Respondent CSC, under Section 10130 of the
27 Code in conjunction with Section 10177(d) of the Code;

1 (e) as to Paragraph 13, and Respondent CSC, under Sections 10085.5,
2 10176(a), (b), (c), and (i), and/or 10177(g), and/or 10177(j), and Section 2970 of the
3 Regulations, in conjunction with Section 10177(d) of the Code;

4 (f) as to Paragraph 14, and Respondent CSC, under Section 10130 of the
5 Code in conjunction with Section 10177(d) of the Code;

6 (g) as to Paragraph 15, and Respondent CSC, under Section 10130 of the
7 Code in conjunction with Section 10177(d) of the Code;

8 (h) as to Paragraph 16, and Respondent CSC, under Sections 10085.6,
9 10176(a), (b), (c), and (i), and/or 10177(g), and/or 10177(j), and Section 2970 of the
10 Regulations, in conjunction with Section 10177(d) of the Code; and,

11 (i) as to Paragraph 17, and Respondent MARTINEZ, under Sections
12 10159.2, and 10177(g) and (h) of the Code, and Section 2725 of the Regulations, in
13 conjunction with Section 10177(d) of the Code.

14 WHEREFORE, Complainant prays that a hearing be conducted on the allegations
15 of this Accusation and that upon proof thereof a decision be rendered imposing disciplinary
16 action against all licenses and license rights of Respondents under the Real Estate Law (Part 1
17 of Division 4 of the Business and Professions Code) and for such other and further relief as may
18 be proper under other applicable provisions of law.

19
20
21
22 
23 LUKE MARTIN
24 Deputy Real Estate Commissioner
25

26 Dated at Fresno, California,
27 this 22nd day of July, 2011.