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FILED

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DEPARTMENT OF REAL ESTATE

By *R. First*

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of) NO. H-4151 SD
12)
13 ECHO LOANS, INC., a California corporation,) ACCUSATION
14 KELLY DAVID CHRISTENSEN, and)
15 RICARDO PERDOMO,)
16 Respondents.)

17 The Complainant, JOSEPH AIU, a Deputy Real Estate Commissioner of the
18 State of California, for Accusation against Respondent ECHO LOANS, INC., a California
19 corporation, doing business under the fictitious name of Quantum Escrow, KELLY DAVID
20 CHRISTENSEN doing business under the fictitious business name of Financial Solutions Law
21 Group, and RICARDO PERDOMO, is informed and alleges as follows:

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23 The Complainant, JOSEPH AIU, a Deputy Real Estate, Commissioner of the
24 State of California, makes this Accusation against Respondents in his official capacity.

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1 2

2 Respondent ECHO LOANS, INC., a California corporation (hereinafter
3 "Respondent ELI"), was licensed and/or presently has license rights under the Real Estate Law,
4 Part 1 of Division 4 of the California Business and Professions Code (hereafter "the Code").

5 3

6 Respondent KELLY DAVID CHRISTENSEN (hereinafter "Respondent
7 CHRISTENSEN") and Respondent RICARDO PERDOMO (hereinafter "Respondent
8 PERDOMO") are licensed and/or presently have license rights under the Real Estate Law, Part 1
9 of Division 4 of the California Business and Professions Code (hereafter "the Code").

10 4

11 At all times herein mentioned, Respondent ELI was licensed by the Department
12 of Real Estate (hereinafter "Department") as a corporate real estate broker.

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14 At all times herein mentioned, Respondent CHRISTENSEN was and is licensed
15 by the Department as an individual real estate broker.

16 6

17 At all times herein mentioned, Respondent CHRISTENSEN was licensed by the
18 Department as the designated broker/officer of Respondent ELI. As said designated
19 broker/officer, Respondent CHRISTENSEN was, at all times herein mentioned, responsible
20 pursuant to Sections 10159.2 and 10177(h) of the Code and Section 2725 of Chapter 6, Title 10,
21 California Code of Regulations (hereinafter "Regulations") for the supervision of the activities
22 of the officers, agents, and employees of, and of the real estate licensees employed by,
23 Respondent ELI and of the activities of said corporation for which a real estate license is
24 required.

25 7

26 Whenever reference is made in an allegation in this Accusation to an act or
27 omission of Respondent ELI, such allegation shall be deemed to mean that the officers,

1 directors, employees, agents and real estate licensees employed by or associated with
2 Respondent ELI committed such act or omission while engaged in the furtherance of the
3 business or operations of Respondent ELI and while acting within the course and scope of their
4 corporate authority and employment.

5 8

6 At all times herein mentioned, Respondent CHRISTENSEN is and was an
7 officer, principal director, and principal stockholder of Respondent ELI and, therefore,
8 Respondent ELI was and is the alter ego of Respondent CHRISTENSEN and whenever a
9 reference is made to an act, omission or representation of Respondent ELI such allegation shall
10 be deemed to mean that Respondent CHRISTENSEN was so acting, failing to act, and/or
11 speaking, or that such act, failure to act, and/or representation was done at the direction of or
12 ratified by Respondent CHRISTENSEN.

13 9

14 At all times herein mentioned, Respondent PERDOMO was and is licensed by
15 the Department as a real estate salesperson. At no time herein mentioned was Respondent
16 PERDOMO licensed in the employ of Respondent ELI or in the employ of Respondent
17 CHRISTENSEN or in the employ of any other licensed real estate broker.

18 10

19 At all times herein mentioned, Financial Services Law Group, A Professional
20 Corporation (hereinafter "FSLG"), was a California corporation. At no time did the Department
21 issue a real estate broker license to FSLG.

22 11

23 At all times herein mentioned, Respondent CHRISTENSEN is and was the chief
24 executive officer, agent for service of process, sole director, and principal stockholder of FSLG,
25 and, therefore, FSLG was and is the alter ego of Respondent CHRISTENSEN, and whenever a
26 reference is made to an act, omission or representation of FSLG, such allegation shall be
27 deemed to mean that Respondent CHRISTENSEN was so acting, failing to act, and/or speaking,

1 or that such act, failure to act, and/or representation was done at the direction of or ratified by
2 Respondent CHRISTENSEN.

3 12

4 Whenever reference is made in an allegation in this Accusation to an act or
5 omission of FSLG, such allegation shall be deemed to mean that the officers, directors,
6 employees, agents and real estate licensees employed by or associated with FSLG committed
7 such act or omission while engaged in the furtherance of the business or operations of FSLG and
8 while acting within the course and scope of their corporate authority and employment.

9 13

10 At all times herein mentioned, Respondent CHRISTENSEN, Respondent
11 PERDOMO, Respondent ELI , and FSLG, collectively and individually and each of them,
12 engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate
13 broker within the State of California within the meaning of Section 10131(d) of the Code,
14 including on behalf of others, for compensation or in expectation of compensation, solicited
15 borrowers or lenders for or negotiated loans or collected payments or performed services for
16 borrowers or lenders or note owners in connection with loans secured directly or collaterally by
17 liens on real property or on a business opportunity.

18 FIRST CAUSE OF ACTION

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20 There is hereby incorporated in this First, separate and distinct, Cause of Action,
21 all of the allegations contained in Paragraphs 1 through 13, inclusive, of the Accusation with the
22 same force and effect as if herein fully set forth.

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24 Within the three-year period prior to the filing of this Accusation, in connection
25 with the real estate activities described in Paragraph 13, above, Respondent CHRISTENSEN
26 individually and doing business under the fictitious business name of Financial Solutions Law
27 Group, Respondent ELI individually and doing business under the fictitious name of Quantum

1 Escrow and at the direction and under the control of Respondent CHRISTENSEN, and FSLG at
 2 the direction and under the control of Respondent CHRISTENSEN, claimed, demanded,
 3 charged, received, collected, and provided a written contract for advance fees from borrowers
 4 for services Respondent CHRISTENSEN individually and doing business under the fictitious
 5 business name of Financial Solutions Law Group, Respondent ELI individually and at the
 6 direction and under the control of Respondent CHRISTENSEN, and FSLG at the direction and
 7 under the control of Respondent CHRISTENSEN, was to perform thereafter in obtaining
 8 modifications of loans secured or to be secured directly or collaterally by liens on the borrowers'
 9 real property including, but not limited to, the following transactions:

Borrower	Property	Lender	Advance Fee Received	Date Paid
Randy Hunwardson	798 Holsteiner Ct. Galt, CA	Provident Funding	\$2,000.00 \$2,000.00	3/23/09 5/7/09
Randy Hunwardson	129 Wagon Way Galt, CA	Chase Home Finance	<u>\$2,000.00</u>	6/2/09
		<u>Total</u>	<u>\$6,000.00</u>	

Harlan & Norma Hulst	1011 Darwin Place San Diego, CA	Wells Fargo Greentree	\$1,000.00 \$1,000.00 <u>\$1,500.00</u>	3/25/09 4/24/09 5/5/09
		<u>Total</u>	<u>\$3,500.00</u>	

Carla Smith	5314 S. Victoria Ave. Los Angeles, CA	IndyMac	\$2,500.00	11/6/08
Carla Smith	5153 - 7th Ave. Los Angeles, CA	Countrywide/ Bank of America	\$2,500.00 <u>\$5,000.00</u>	11/6/08
		<u>Total</u>	<u>\$5,000.00</u>	

Norice Davis-Lee & Otis Lee	789 Quince Ave. Upland, CA	Countrywide/ Bank of America	\$1,750.00	1/19/09

1	Randy & Marivel	5700 - 19th Ave.	Countrywide/	\$1,500.00	2/6/09
2	Camasura	Sacramento, CA	Bank of America	<u>\$1,500.00</u>	2/11/09
3			<u>Total</u>	<u>\$3,000.00</u>	
4			----		
5	Keith Kalna	205 - 2nd Street	Unknown	\$1,850.00	1/30/09
6		West Palm Beach, FL			
7			----		
8	Marilyn Mapile	8035 S.E. Boise St.	Citimortgage	\$2,500.00	3/20/09
9		Portland, OR			
10			----		
11	Emma Smith	3011 Kirtland Ave	UBS SSG	\$ 595.00	4/3/08
12		District Heights, MD		<u>\$ 625.00</u>	5/5/09
13			<u>Total</u>	<u>\$1,220.00</u>	
14			----		
15	Randall & Barbara	617 Saddlehorn Dr.	IndyMac	\$1,750.00	11/19/08
16	Hodge	Chesapeake, VA		<u>\$1,750.00</u>	12/5/08
17			<u>Total</u>	<u>\$3,500.00</u>	
18			----		
19	Wilson Afoa	94-495 Palai Street	Unknown	\$ 500.00	10/23/08
20		Waipahu, HI		\$1,300.00	11/3/08
21				<u>\$1,700.00</u>	12/1/08
22			<u>Total</u>	<u>\$3,500.00</u>	

22 The fees described in Paragraph 15, above, constituted "advance fees" within the
 23 meaning of Section 10026 of the Code (advance fee is a fee, regardless of form, demanded,
 24 charged, received or collected from principal before completing each and every service
 25 contracted or represented to be performed) and Section 10131.2 of the Code (broker defined as
 26 person in the business of demanding, charging, receiving or collecting advance fee in connection
 27 with licensed acts including obtaining loans secured by real property). Said fees constituted

1 trust funds within the meaning of Section 10145 of the Code (broker who accepts funds
2 belonging to others in connection with a transaction subject to acts requiring a real estate license
3 shall deposit funds not placed into principal's hands or neutral escrow into a trust fund account
4 maintained by broker) and Section 10146 of the Code (any broker who contracts for or collects
5 an advance fee, such fee is a trust fund, shall deposit such amount into a trust account).

6 17

7 In connection with the collection, receipt, and handling of the advance fees as
8 described in Paragraph 15, above, Respondent CHRISTENSEN individually and doing business
9 under the fictitious business name of Financial Solutions Law Group, Respondent ELI
10 individually and doing business under the fictitious name of Quantum Escrow and at the
11 direction and under the control of Respondent CHRISTENSEN, and FSLG at the direction and
12 under the control of Respondent CHRISTENSEN, provided to the aforesaid borrowers an
13 advance fee contract that had not been approved by the Department of Real Estate prior to use as
14 required by Section 10085 of the Code (authorizing commissioner to require submission and
15 approval of advance fee contract, materials and advertising prior to use), Section 10085.5 of the
16 Code (unlawful to demand, charge, receive, collect or contract for advance fee for performing
17 services for borrowers or lenders in connection with loans secured directly or collaterally by lien
18 on real property unless licensed as a real estate broker) and Section 2970 of the Regulations
19 (person proposing to collect advance fee shall submit all advance fee materials to commissioner
20 not less than 10 days prior to use or publication).

21 18

22 Within the three-year period prior to the filing of this Accusation, in connection
23 with the collection, receipt and handling of advance fees described in Paragraphs 15 and 16,
24 above, Respondent CHRISTENSEN and Respondent ELI were required to provide to the
25 borrowers a verified accounting of the advance fee trust funds collected and disbursed as
26 required by Section 10146 of the Code (each principal shall be furnished a verified accounting
27 at end of each quarter and at completion of contract) and containing the information required by

1 Section 2972 of the Regulations (verified accounting shall include agent's name, principal's
2 name, description of services rendered or to be rendered, identity of trust fund account, amount
3 of advance fee collected, amounts allocated or disbursed describing services performed,
4 commissions paid, overhead and profit, etc.).

5 19

6 Within the three-year period prior to the filing of this Accusation, in connection
7 with the collection, receipt and handling of advance fees described in Paragraphs 15 and 16,
8 above, Respondent CHRISTENSEN and Respondent ELI failed to provide to the borrowers the
9 required verified accounting of the advance fee trust funds and failed to provide any accounting
10 expressly representing the amounts of trust funds disbursed, the date of trust fund disbursement,
11 the commission paid, and overhead and profit.

12 20

13 Within the three-year period prior to the filing of this Accusation, Respondent
14 CHRISTENSEN and Respondent ELI compensated and/or employed FSLG to perform services
15 for borrowers or lenders or note owners in connection with loans secured directly or collaterally
16 by liens on real property and to solicit borrowers and negotiate on behalf of borrowers or lenders
17 as set forth in Paragraphs 13 and 15, above.

18 21

19 The acts of Respondent CHRISTENSEN and Respondent ELI as set forth in
20 Paragraph 20, above, violated Section 10137 of the Code (unlawful for real estate broker to
21 employ or compensate any person for performing any acts requiring a real estate license who is
22 not a salesperson licensee licensed under said broker or who is not a licensed broker).

23 22

24 The acts and/or omissions of Respondent CHRISTENSEN and Respondent ELI
25 described in Paragraphs 15, 16, 17, 18, 19, 20 and 21, above, are grounds for the suspension or
26 revocation of the license and license rights of Respondent CHRISTENSEN and Respondent ELI
27 as follows:

- 1 a.) As alleged in Paragraphs 15, 16 and 17, under Sections 10085 and
2 10085.5 of the Code and Section 2970 of the Regulations all in
3 conjunction with Section 10177(d) of the Code (suspension or revocation
4 of license for willful disregard or violation of the Real Estate Law, §§
5 10000 et seq. and §§ 11000 et seq. of the Code, or of the Regulations);
6 b.) As alleged in Paragraphs 15, 16, 18 and 19, under Section 10146 of the
7 Code and Section 2972 of the Regulations in conjunction with Section
8 10177(d) of the Code; and,
9 c.) As alleged in Paragraphs 13, 15, 20 and 21, under Section 10137 of the
10 Code in conjunction with Section 10177(d) of the Code.

11 SECOND CAUSE OF ACTION

12 23

13 There is hereby incorporated in this Second, separate and distinct, Cause of
14 Action, all of the allegations contained in Paragraphs 1 through 22, inclusive, of the Accusation
15 with the same force and effect as if herein fully set forth.

16 24

17 Within the three-year period prior to the filing of this Accusation, in the course
18 and scope of the activities set forth in Paragraphs 13 and 15, above, Respondent
19 CHRISTENSEN individually and doing business under the fictitious business name of Financial
20 Solutions Law Group, Respondent ELI individually and doing business under the fictitious
21 name of Quantum Escrow and at the direction and under the control of Respondent
22 CHRISTENSEN, and FSLG at the direction and under the control of Respondent
23 CHRISTENSEN, represented to each of the borrowers set forth in Paragraph 15, contrary to
24 fact, as said Respondents knew or should have known at the time through the exercise of
25 reasonable diligence, that Respondents: 1.) could modify the borrowers' existing loans secured
26 by liens on their real properties as identified in Paragraph 15; 2.) would negotiate with each of
27 the borrowers' lenders; 3.) would reduce the borrowers' monthly loan payments, interest rates,

1 and/or loan balances; 4.) would refund the fees said borrowers paid, as set forth in Paragraph 15,
2 for the loan modification service if a loan modification was not achieved; and, 5.) represented to
3 the borrowers that a loan modification would not result or would be unlikely unless said
4 borrowers stopped making their monthly mortgage payments to their respective lenders.

5 25

6 The representations described in Paragraph 24, above, were false and misleading
7 and were known by Respondent CHRISTENSEN and Respondent ELI to be false and
8 misleading when made or made at their direction and under their control and/or ratified by said
9 Respondents, and were made with no reasonable grounds for believing said representations to
10 be true, and/or said Respondents should have known at the time through the exercise of
11 reasonable diligence that such representations were false and misleading. In truth and in fact:
12 1.) there was no certainty that a loan modification could be achieved on behalf of the borrowers
13 set forth in Paragraph 15; 2.) there was no certainty that any loan terms could be changed or the
14 monthly loan payments or principal could be lowered; 3.) a loan modification would not be
15 accomplished; 4) Respondents would not and did not negotiate with the borrowers' lenders as
16 set forth in Paragraph 15; 5.) Respondents would not and did not submit anything to the
17 borrowers' lenders; 6.) Respondents would not and did not, and/or Respondents would not and
18 did not direct anyone to, refund the advance fees received from the borrowers set forth in
19 Paragraph 15; 7.) directing the borrowers to cease making their monthly loan payments would
20 not and did not enhance the likelihood of obtaining a loan modification; and, 8.) directing the
21 borrowers to cease making their monthly loan payments would cause the borrowers to lose their
22 real properties through foreclosure and/or caused said borrowers financial or credit worthiness
23 consequences.

24 26

25 The acts and omissions of Respondent CHRISTENSEN individually and doing
26 business under the fictitious business name of Financial Solutions Law Group, Respondent ELI
27 individually and doing business under the fictitious name of Quantum Escrow and at the

1 direction and under the control of Respondent CHRISTENSEN, and FSLG at the direction and
2 under the control of Respondent CHRISTENSEN, described in Paragraphs 24 and 25, above,
3 constitute misrepresentation, fraud, deceit, and dishonest dealing.

4 27

5 The facts alleged in Paragraphs 24, 25 and 26, above, are grounds for the
6 suspension or revocation of the licenses and licensing rights of Respondent CHRISTENSEN
7 and Respondent ELI under the following provisions:

- 8 (a) Under Sections 10176(a) of the Code (making a substantial
9 misrepresentation);
- 10 (b) Under Section 10176(b) of the Code (making any false promises of a
11 character likely to influence, persuade or induce);
- 12 (c) Under Section 10176(i) of the Code (any other conduct, whether of the
13 same or a different character than specified in this section, which
14 constitutes fraud or dishonest dealing);
- 15 (d) Under Section 10177(g) of the Code (demonstrated negligence or
16 incompetence in performing an act for which he or she is required to hold
17 a license); and,
- 18 (e) Under Section 10177(j) of the Code (any other conduct, whether of the
19 same or a different character than specified in this section, which
20 constitutes fraud or dishonest dealing).

21 THIRD CAUSE OF ACTION

22 28

23 There is hereby incorporated in this Third, separate and distinct, Cause of Action,
24 all of the allegations contained in Paragraphs 1 through 27, inclusive, of the Accusation with the
25 same force and effect as if herein fully set forth.

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Within the three-year period prior to the filing of this Accusation and at all times herein mentioned, Respondent CHRISTENSEN individually and doing business under the fictitious business name of Financial Solutions Law Group and/or Respondent ELI individually and doing business under the fictitious name of Quantum Escrow and at the direction and under the control of Respondent CHRISTENSEN, employed Respondent PERDOMO to perform and engage in the activities set forth in Paragraphs 13 and 15, above.

At no time did the Department license Respondent PERDOMO as a real estate broker.

Within the three-year period prior to the filing of this Accusation, on or about December 9, 2008, in the course and scope of the activities set forth in Paragraphs 13 and 15, above, Respondent PERDOMO, at the direction and under the control of and/or as ratified by Respondent CHRISTENSEN, represented to Harlan and Norma Hulst as set forth in Paragraph 15, contrary to fact, as said Respondent PERDOMO knew or should have known at the time through the exercise of reasonable diligence, that Respondents: 1.) could modify the borrowers' existing loans secured by liens on their real property as identified in Paragraph 15, as 1011 Darwin Place, San Diego, California; 2.) would negotiate with said borrowers' lenders; 3.) would reduce the borrowers' monthly loan payments, interest rates, and/or loan balances; 4.) would refund the fees said borrowers paid, as set forth in Paragraph 15, for the loan modification service if a loan modification was not achieved; and, 5.) represented to the borrowers that a loan modification would not result or would be unlikely unless said borrowers stopped making their monthly mortgage payments to their lenders.

The representations described in Paragraph 31, above, were false and misleading and were known by Respondent PERDOMO to be false and misleading when made and were

1 directed to be made with no reasonable grounds for believing said representations to be true,
2 and/or said Respondent should have known at the time through the exercise of reasonable
3 diligence that such representations were false and misleading. In truth and in fact: 1.) there was
4 no certainty that a loan modification could be achieved on behalf of the borrowers Harlan and
5 Norma Hulst as set forth in Paragraph 15; 2.) there was no certainty that any loan terms could be
6 changed or the monthly loan payments or principal could be lowered; 3.) a loan modification
7 would not be accomplished; 4) Respondents would not and did not negotiate with the
8 borrowers' lender; 5.) Respondents would not and did not submit anything to the borrowers'
9 lenders; 6.) Respondents would not and did not, and/or Respondents would not and did not
10 direct anyone to, refund the advance fees received from the borrowers Harlan and Norma Hulst
11 set forth in Paragraph 15; 7.) directing the borrowers to cease making their monthly loan
12 payments would not and did not enhance the likelihood of obtaining a loan modification; and,
13 8.) directing the borrowers to cease making their monthly loan payments placed said borrowers
14 in default and risked foreclosure.

15 33

16 The acts and omissions of Respondent PERDOMO described in Paragraphs 31
17 and 32, above, constitute misrepresentation, fraud, deceit, and dishonest dealing.

18 34

19 The facts alleged in Paragraphs 31, 32 and 33, above, are grounds for the
20 suspension or revocation of the licenses and licensing rights of Respondent PERDOMO under
21 the following provisions:

- 22 (a) Under Sections 10176(a) of the Code (making a substantial
23 misrepresentation);
- 24 (b) Under Section 10176(b) of the Code (making any false promises of a
25 character likely to influence, persuade or induce);
- 26 (c) Under Section 10176(i) of the Code (any other conduct, whether of the
27 same or a different character than specified in this section, which

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constitutes fraud or dishonest dealing);

(d) Under Section 10177(g) of the Code (demonstrated negligence or incompetence in performing an act for which he or she is required to hold a license);

(e) Under Section 10177(j) of the Code (any other conduct, whether of the same or a different character than specified in this section, which constitutes fraud or dishonest dealing); and,

(f) Under Section 10137 of the Code (unlawful for real estate salesperson to be employed by or accept compensation for licensed acts from any person other than the broker under whom he is at the time licensed) in conjunction with Section 10177(d) the Code (suspension or revocation of license for willful disregard or violation of the Real Estate Law, §§ 10000 et seq. of the Code, or of the Regulations).

FOURTH CAUSE OF ACTION

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There is hereby incorporated in this Fourth, separate and distinct, Cause of Action, all of the allegations contained in Paragraphs 1 through 34, inclusive, of the Accusation with the same force and effect as if herein fully set forth.

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At no time herein mentioned has the Department issued a real estate broker license or a real estate salesperson license to Robert Kutz, Fred Kasra, Mike Scales, and Sonja Graef.

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Within the three-year period prior to the filing of this Accusation and at all times herein mentioned, Respondent CHRISTENSEN individually and doing business under the fictitious business name of Financial Solutions Law Group and/or Respondent ELI individually and doing business under the fictitious name of Quantum Escrow and at the direction and under

1 the control of Respondent CHRISTENSEN, employed Robert Kutz to perform and engage in
 2 the activities set forth in Paragraphs 13 and 15, above, including, but not limited to the
 3 following transaction:

Borrower	Property	Lender	Advance Fee Received	Date Paid
Carla Smith	5314 S. Victoria Ave. Los Angeles, CA	IndyMac	\$2,500.00	11/6/08
Carla Smith	5153 - 7th Ave. Los Angeles, CA	Countrywide/ Bank of America	\$2,500.00	11/6/08
		<u>Total</u>	<u>\$5,000.00</u>	

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11 Within the three-year period prior to the filing of this Accusation and at all times
 12 herein mentioned, Respondent CHRISTENSEN individually and doing business under the
 13 fictitious business name of Financial Solutions Law Group and/or Respondent ELI individually
 14 and doing business under the fictitious name of Quantum Escrow and at the direction and under
 15 the control of Respondent CHRISTENSEN, employed Fred Kasra to perform and engage in the
 16 activities set forth in Paragraphs 13 and 15, above, including, but not limited to the following
 17 transaction:

Borrower	Property	Lender	Advance Fee Received	Date Paid
Emma Smith	3011 Kirtland Ave District Heights, MD	UBS SSG	\$ 595.00	4/3/08
			<u>\$ 625.00</u>	5/5/09
		<u>Total</u>	<u>\$1,220.00</u>	

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23 Within the three-year period prior to the filing of this Accusation and at all times
 24 herein mentioned, Respondent CHRISTENSEN individually and doing business under the
 25 fictitious business name of Financial Solutions Law Group and/or Respondent ELI individually
 26 and doing business under the fictitious name of Quantum Escrow and at the direction and under
 27 the control of Respondent CHRISTENSEN, employed Mike Scales to perform and engage in

1 the activities set forth in Paragraphs 13 and 15, above, including, but not limited to the
 2 following transactions:

3 Borrower	Property	Lender	Advance Fee Received	Date Paid
5 Randall & Barbara Hodge	617 Saddlehorn Dr. Chesapeake, VA	IndyMac	\$1,750.00	11/19/08
			<u>\$1,750.00</u>	12/5/08
		<u>Total</u>	<u>\$3,500.00</u>	
7 Norice Davis-Lee & Otis Lee	789 Quince Ave. Upland, CA	Countrywide/ Bank of America	\$1,750.00	1/19/09

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10 Within the three-year period prior to the filing of this Accusation and at all times
 11 herein mentioned, Respondent CHRISTENSEN individually and doing business under the
 12 fictitious business name of Financial Solutions Law Group and/or Respondent ELI individually
 13 and doing business under the fictitious name of Quantum Escrow and at the direction and under
 14 the control of Respondent CHRISTENSEN, employed Sonja Graef to perform and engage in the
 15 activities set forth in Paragraphs 13 and 15, above, including, but not limited to the following
 16 transactions:

17 Borrower	Property	Lender	Advance Fee Received	Date Paid
19 Wilson Afoa	94-495 Palai Street Waipahu, HI	Unknown	\$ 500.00	10/23/08
			\$1,300.00	11/3/08
			<u>\$1,700.00</u>	12/1/08
		<u>Total</u>	<u>\$3,500.00</u>	

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23 The facts alleged in Paragraphs 36, 37, 38, 39 and 40, above, are grounds for the
 24 suspension or revocation of the licenses and licensing rights of Respondent CHRISTENSEN
 25 and Respondent ELI under Section 10137 of the Code (unlawful for real estate broker to employ
 26 or compensate any person for performing any acts requiring a real estate license who is not a
 27 salesperson licensee licensed under said broker or who is not a licensed broker) in conjunction

1 with Section 10177(d) of the Code (suspension or revocation of license for willful disregard or
2 violation of the Real Estate Law, §§ 10000 et seq. of the Code, or of the Regulations).

3 FIFTH CAUSE OF ACTION

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5 There is hereby incorporated in this Fifth, separate and distinct, Cause of Action,
6 all of the allegations contained in Paragraphs 1 through 41, inclusive, of the Accusation with the
7 same force and effect as if herein fully set forth.

8 43

9 At all times herein mentioned, Respondent CHRISTENSEN was responsible, as
10 the designated broker officer of Respondent ELI, for the supervision and control of the activities
11 conducted on behalf of the corporation by its officers and employees and of the corporate
12 activities requiring a real estate license. Respondent CHRISTENSEN failed to exercise
13 reasonable supervision and control over the loan services, mortgage brokering, and advance fee
14 collection activities of Respondent ELI and its employees. In particular, Respondent
15 CHRISTENSEN participated in, permitted, ratified, and/or caused the conduct described in the
16 First, Second, Third, and Fourth Causes of Action, above, to occur, and failed to take reasonable
17 steps to insure, including, but not limited to, approval for advance fee contracts would be
18 obtained prior to use, insure that no false representations would be made to borrowers, insure
19 that quarterly accounting for advance fees would be provided to borrowers, insure proper
20 employment of individuals having a real estate license to engage in activities requiring a real
21 estate license, insure proper supervision of employees, and to insure the implementation of
22 policies, rules, procedures, and systems to ensure the compliance of the corporation and its
23 employees with the Real Estate Law (Business and Professions Code Sections 10000 et seq. and
24 Sections 11000 et seq.) and the Commissioner's Regulations (Chapter 6, Title 10, California
25 Code of Regulations).

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The acts and/or omissions of Respondent CHRISTENSEN as described in Paragraph 43, above, constitute grounds for the suspension or revocation of the licenses and license rights of Respondent CHRISTENSEN under the provisions Section 10159.2 of the Code (designated broker/officer responsible for supervision and control of activities conducted on behalf of corporation by officers, licensed salespersons and employees to secure compliance with the Real Estate Law) and Section 2725 of the Regulations (broker shall exercise reasonable supervision over: licensed employees; establish policies and procedures for compliance with Real Estate Law; supervise transactions requiring a real estate license; trust fund handling; etc.) in conjunction with Section 10177(d) of the Code and/or of Section 10177(h) of the Code (suspension or revocation for broker or designated broker/officer who fails to exercise reasonable supervision of licensed employees or licensed activities of broker corporation).

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 license rights of Respondents under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code), and for such other and further relief as may be proper under other provisions of law, including the payment of restitution.


 JOSEPH AIU
 Deputy Real Estate Commissioner

Dated at San Diego, California,
 this 27 day of September, 2010.