

FILED

MAR 12 2013

DEPARTMENT OF REAL ESTATE

By *R. Mat*

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)	
)	No. H-4416 SD
MJB COMMUNICATIONS and)	
JASON SCOTT STRODER,)	(As to Respondent MJB
)	Communications only)
Respondents.)	

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 February 11, 2013, and the findings of fact set forth herein, which are based on one or more of the following: (1) MJB COMMUNICATION'S ("MJB") express admissions; (2) affidavits; and (3) other evidence.

This Decision revokes a real estate license and/or license rights of MJB on grounds of violation of Sections 10085 (advance fee agreements), 10085.6 (collection of advance fees), 10145 (trust fund handling), 10146 (deposit of trust funds into trust account), 10176(e) (commingling), and 10177(d) (willful disregard/violation of real estate law) and/or 10177(g) (negligence or incompetence) of the Real Estate Law, Part 1 of Division 4 of the Business and Professions Code ("the Code"); Sections 2831 (trust fund records), 2831.1 (requirement of separate records for each beneficiary or transaction), 2835 (commingling), 2970 (advance fee materials) and 2972 (accounting content) of Title 10 of the California Code of Regulations ("the Regulations"); and Sections 2944.7 (prohibition of advance fees) and/or 2945.4 (prohibited acts) of the California Civil Code.

The right to reinstatement of a revoked real estate license is controlled by Section 11522 of the Government Code. A copy of Section 11522 and a copy of the Commissioner's Criteria of Rehabilitation are attached hereto for the information of MJB.

FINDINGS OF FACT

1

On October 9, 2012, Veronica Kilpatrick 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 on October 11, 2012, to MJB's last known mailing address on file with the Department, as well as MJB's Agent for Service of Process Micah Jon Burrige's last address of record.

On February 8, 2013, no Notice of Defense having been received or filed herein within the time prescribed by Section 11506 of the Government Code, MJB's default was entered herein.

2

MJB is presently licensed and/or has license rights under the Code as a corporate real estate broker.

3

At all times relevant herein, MJB engaged in the business of, acted in the capacity of, advertised or assumed to act as a real estate broker within the State of California within the meaning of Section 10131(d) of the Code, including performing services for one or more borrowers and negotiated to do one or more of the following acts for another or others, for or in expectation of compensation: negotiate one or more loans for, or perform services for, borrowers and/or lenders with respect to the collection of advance fees and loan modification, loan refinance, principal reduction, foreclosure abatement or short sale services 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 an advance fee for any of the services offered.

4

On or about March 23, 2011, and continuing intermittently through October 27, 2011, an audit was conducted of MJB at its main office located at 2207 Garnet Avenue, Suite J, San Diego, California, and the Department's Los Angeles District Office, where the auditor examined the records for the period of October 1, 2009, through February 28, 2011 (the audit period).

5

While acting as a real estate broker as described in Paragraph 3, above, and within the audit period, MJB accepted or received funds in trust (trust funds) in the course of the real estate activities described in Paragraph 3, above, and deposited or caused the funds to be deposited into a bank account maintained by MJB, including:

Bank Account #1

Bank of America
North Park Branch
P.O. Box 37176
San Francisco, CA 94137
Account No.: XXXXX-X4014

Account Name: MJB Communications
American Economic Solutions

Signatories: Unknown

Thereafter, from time-to-time, MJB made disbursements of said trust funds.

6

In the course of the activities described in Paragraph 3, above, in connection with the collection and disbursement of trust funds:

- (a) MJB deposited trust funds in the form of advance fees it collected into Bank Account #1, which was not designated as a trust account. Such acts and/or omissions by MJB violate Sections 10145 and 10146 of the Code.
- (b) MJB commingled trust funds with non-trust funds in Bank Account #1. Such acts and/or omissions by MJB violate Sections 10145 and 10176(e) of the Code and Section 2835 of the Regulations.
- (c) MJB failed to maintain accurate and complete records of trust funds received in the form of advance fees. Such acts and/or omissions by MJB violate Section 10145 of the Code and Section 2831 of the Regulations.
- (d) MJB failed to maintain separate records for each beneficiary of funds held in Bank Account #1. Such acts and/or omissions by MJB violate Section 10145 of the Code and Section 2831.1 of the Regulations.
- (e) MJB failed to maintain and provide an accounting content to borrowers showing the services to be rendered, into which trust account funds were to be deposited and details of how those trust funds were disbursed. Such acts and/or omissions by MJB violate Section 2972 of the Regulations.

7

On or about November 4, 2009, MJB entered into a loan modification services contract with Charisse E. Under the terms of the agreement, MJB agreed to negotiate a loan modification on behalf of Charisse E. for her real property located at 1123 East Congress Street,

San Bernardino, California, in exchange for an advance fee payment of \$2,500. On or about November 4, 2009, Charisse E. made a partial payment of \$500 of the advance fees to MJB. MJB never obtained a loan modification for Charisse E. and has never refunded the advance fees she paid to it. In addition, MJB failed to submit the advance fee contract and all materials used in obtaining those advance fee agreements to the Department of Real Estate prior to their use in obtaining advance fees from clients.

DETERMINATION OF ISSUES

1

Cause for disciplinary action against Respondent MJB COMMUNICATIONS exists with reference to acts set forth in Paragraphs 3 through 7, above, pursuant to Business and Professions Code Sections 10085, 10085.6, 10145, 10146, 10176(e), 10177(d) and 10177(g) of the Code; Sections 2831, 2831.1, 2835, 2970 and 2972 of the Regulations; and Sections 2944.7 and 2945.4 of the California Civil Code.

2

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

ORDER

All licenses and licensing rights of Respondent MJB COMMUNICATIONS 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 APR - 2 2013

DATED: 3/11/2013

REAL ESTATE COMMISSIONER



WAYNE S. BELL

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DEPARTMENT OF REAL ESTATE
By R. Mar

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

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12 In the Matter of the Accusation of) No. H-4416 SD
13)
14 MJB COMMUNICATIONS and) DEFAULT ORDER
15 JASON SCOTT STRODER,)
16 Respondents.) (As to Respondent MJB
17) Communications only)

17 Respondent, MJB COMMUNICATIONS, having failed to file a Notice of
18 Defense within the time required by Section 11506 of the Government Code, is now in default.
19 It is, therefore, ordered that a default be entered on the record in this matter.

20 IT IS SO ORDERED February 8, _____, 2013.

21 REAL ESTATE COMMISSIONER

22
23
24 By: Dolores Weeks
25 DOLORES WEEKS
26 Southern Regional Manager
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