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FILED

FEB 29 2024

DEPT. OF REAL ESTATE

By- [REDACTED]

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of) No. H-05708 SD
)
JORGE NILA,)
)
Respondent.)
_____)

ORDER NUNC PRO TUNC

It having been called to the attention of the Real Estate Commissioner that there is an error in the Order dated December 4, 2023, effective January 2, 2024, and good cause appearing therefor, the Order is amended as follows:

The Order, on page 3, line 18, shall have the word "broker" deleted and in its place the word "salesperson" is substituted.

This Order, nunc pro tunc to December 4, 2023, shall become effective immediately.

IT IS SO ORDERED

2/26/24

CHIKA SUNQUIST
REAL ESTATE COMMISSIONER

[REDACTED]
By: Marcus L. McCarther
Chief Deputy Real Estate Commissioner

FILED

DEC 13 2023

DEPT. OF REAL ESTATE

By

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of) No. H-05708 SD
JORGE NILA,) STIPULATION AND AGREEMENT
Respondent.)

It is hereby stipulated by and between Respondent JORGE NILA ("Respondent"), individually, and the Complainant, acting by and through Steve Chu, Counsel for the Department of Real Estate ("Department"), as follows for the purpose of settling and disposing of the Accusation filed on May 5, 2023, in this matter:

1. All issues which were to be contested and all evidence which was to be presented by Complainant and Respondent at a formal hearing on the Accusation, which hearing was to be held in accordance with the provisions of the Administrative Procedure Act ("APA"), shall instead and in place thereof be submitted solely on the basis of the provisions of this Stipulation and Agreement ("Stipulation").

2. Respondent has received, read and understands the Statement to Respondent, the Discovery Provisions of the APA, and the Accusation filed by the Department of Real Estate in this proceeding.

///

1 3. On July 13, 2023, Respondent filed a Notice of Defense pursuant to
2 Section 11506 of the Government Code for the purpose of requesting a hearing on the
3 allegations in the Accusation. Respondent hereby freely and voluntarily withdraws said Notice
4 of Defense. Respondent acknowledges that Respondent understands that by withdrawing said
5 Notice of Defense, Respondent will thereby waive Respondent's right to require the Real Estate
6 Commissioner ("Commissioner") to prove the allegations in the Accusation at a contested
7 hearing held in accordance with the provisions of the APA and that Respondent will waive
8 other rights afforded to Respondent in connection with the hearing such as the right to present
9 evidence in defense of the allegations in the Accusation and the right to cross-examine
10 witnesses.

11 4. Respondent, pursuant to the limitations set forth below, hereby admits
12 that the factual allegations in the Accusation filed in this proceeding are true and correct and
13 the Commissioner shall not be required to provide further evidence to prove such allegations.

14 5. It is understood by the parties that the Real Estate Commissioner may
15 adopt the Stipulation as his Decision in this matter, thereby imposing the penalty and sanctions
16 on Respondent's real estate license and license rights as set forth in the below Order. In the
17 event that the Commissioner in his discretion does not adopt the Stipulation, it shall be void
18 and of no effect, and Respondent shall retain the right to a hearing and proceeding on the
19 Accusation under all the provisions of the APA and shall not be bound by any admission or
20 waiver made herein.

21 6. The Order or any subsequent Order of the Commissioner made pursuant
22 to this Stipulation shall not constitute an estoppel, merger or bar to any further administrative or
23 civil proceedings by the Department with respect to any matters which were not specifically
24 alleged to be causes for the Accusation in this proceeding.

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1 (b) No final determination be made after hearing or upon stipulation
2 that cause for disciplinary action against any of the real estate
3 licenses or license rights of Respondent occurred within two (2)
4 years from the effective date of this Decision and Order. Should
5 such a determination be made, the Commissioner may, in his
6 discretion, vacate and set aside the stay order and reimpose all or
7 a portion of the stayed suspension. Should no such determination
8 be made, the stay imposed herein shall become permanent.

9 4. Respondent shall, within ninety (90) days after the Effective Date of this
10 Decision and Order, take and complete the following mortgage loan originator education
11 requirements:

12 (a) Twenty (20) hours of NMLS approved pre-licensure education,
13 which shall consist of fourteen (14) hours of federal law
14 curriculum, three (3) hours of ethics curriculum, and three (3)
15 hours of non-traditional mortgage lending curriculum. None of
16 these twenty (20) hours of pre-licensure education may be state-
17 specific curriculum;

18 (b) Eight (8) hours of continuing education, which shall consist of
19 four (4) hours of federal law curriculum, two (2) hours of ethics
20 curriculum, and two (2) hours of non-traditional mortgage
21 lending curriculum. None of these eight (8) hours of continuing
22 education may be state-specific curriculum.

23 5. Proof of completion of the continuing education courses must be
24 delivered to the Department of Real Estate, Flag Section at P.O. Box 137013,
25 Sacramento, CA 95813-7013.


26 6. Respondent may not take any of the pre-licensure education provided for
27 in Paragraph 4(a) of this Order in an online self-study format.

1 7. For a period of three (3) years from the Effective Date of this Order,
2 Respondent shall be required to complete any additional required pre-licensure education or
3 continuing education in a format other than online self-study format.

4 8. All licenses, license endorsements, and license rights of Respondent are
5 indefinitely suspended unless or until Respondent pays an administrative penalty of \$1,500.00.
6 Said payment shall be in the form of a cashier's check made payable to the Department of Real
7 Estate. The payment must be delivered to the Department of Real Estate, Flag Section at
8 P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this Decision and
9 Order.

10 9. All licenses and licensing rights of Respondent are indefinitely
11 suspended unless or until Respondent pays the sum of \$2,377.20 for the Commissioner's
12 reasonable cost of the investigation and enforcement which led to this disciplinary action. Said
13 payment shall be in the form of a cashier's check made payable to the Department of Real
14 Estate. The investigative and enforcement costs must be delivered to the Department of Real
15 Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective
16 date of this Decision and Order.

17
18 DATED: 11/7/2023


Steve Chu, Counsel
Department of Real Estate

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I have read the Stipulation and Agreement. I understand that I am waiving rights given to me by the California Administrative Procedure Act, (including but not limited to Sections 11521 and 11523 of the Government Code), and I willingly, intelligently, and voluntarily waive those rights, including the right to seek reconsideration and the right to seek judicial review of the Commissioner's Decision and Order by way of a writ of mandate.

I agree, acknowledge, and understand that I cannot rescind or amend this Stipulation and Agreement.

I can signify acceptance and approval of the terms and conditions of this Stipulation and Agreement by mailing the original signed Stipulation and Agreement to: Steve Chu, Department of Real Estate, 320 West 4th Street, Suite 350, Los Angeles, California 90013-1105. Steve Chu must receive the original signed Stipulation and Agreement or a copy faxed to (213) 576-6917 by September 10, 2023; if not, this Stipulation and Agreement is invalid and void.

DATED: 9/6/2023

JORGE MILA
Respondent

* * *

The foregoing Stipulation and Agreement is hereby adopted by me as my
Decision in this matter as to Respondent JORGE NILA, and shall become effective at
12 o'clock noon on 1/2/2024.

IT IS SO ORDERED 12/4/23

DOUGLAS R. McCAULEY
REAL ESTATE COMMISSIONER



FILED

JUL 17 2023

DEPT. OF REAL ESTATE

By. [REDACTED]

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of) No. H-05708 SD
JORGE NILA,)
Respondent.)

ORDER VACATING DECISION AND SETTING ASIDE DEFAULT

On May 30, 2023, a Default Order was filed. Thereafter, on June 15, 2023, a Decision was rendered revoking the real estate salesperson license of Respondent JORGE NILA, effective July 18, 2023.

On July 13, 2023, good cause was presented to set aside the Default Order of May 30, 2023, and to vacate the Decision of June 15, 2023, and to have the matter remanded to the Office of Administrative Hearings as a contested matter.

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1 NOW, THEREFORE, IT IS ORDERED that the Default Order of
2 May 30, 2023, is set aside and the Decision of June 15, 2023, is vacated and that the Matter of
3 the Accusation filed on May 5, 2023, be remanded to the Office of Administrative Hearings.

4 This Order is effective immediately.

5 DATED: 7/17/23

6 DOUGLAS R. McCAULEY
7 REAL ESTATE COMMISSIONER



FILED

JUL 17 2023

DEPT. OF REAL ESTATE

By [REDACTED]

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of) No. H-05708 SD
JORGE NILA,)
Respondent.)

ORDER STAYING EFFECTIVE DATE

On June 15, 2023, a Decision was rendered in the above-entitled matter to become effective July 18, 2023.

IT IS HEREBY ORDERED that the effective date of the Decision of July 18, 2023, is stayed for a period of 10 days to consider Respondent's Petition to Vacate Decision and Set Aside Default.

The Decision of June 15, 2023, shall become effective at 12 o'clock noon on July 28, 2023.

IT IS SO ORDERED on July 17, 2023.

DOUGLAS R. McCAULEY
REAL ESTATE COMMISSIONER

[REDACTED]

FILED

JUN 28 2023

DEPT. OF REAL ESTATE

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of:) DRE No. H-05708 SD
JORGE NILA,)
Respondent.)

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 May 30, 2023, and the Findings of Fact set forth herein, which are based on one or more of the following: (1) The express admissions of Respondent, JORGE NILA ("Respondent"); (2) affidavits; and (3) other evidence.

This Decision revokes a Mortgage Loan Originator License Endorsement ("License Endorsement") and a real estate salesperson license on the grounds of a violation of the Real Estate Law.

Pursuant to Government Code section 11521, the California Department of Real Estate ("the Department") may order reconsideration of this Decision on petition of any party. The party seeking reconsideration shall set forth new facts, circumstances, and evidence, or errors in law or analysis, that show(s) grounds and good cause for the Commissioner to reconsider the Decision. If new evidence is presented, the party shall specifically identify the new evidence and explain why it was not previously presented. The Department's power to order reconsideration of this Decision shall expire 30 days after mailing of this Decision, or on the effective date of this Decision, whichever occurs first. The right to reinstatement of a revoked real estate license, or to the reduction of a penalty, is controlled by Section 11522 of the Government Code. A copy of Sections 11521 and 11522 and a copy of the Commissioner's Criteria of Rehabilitation are attached hereto for the information of respondent.

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FINDINGS OF FACT

1.

On May 4, 2023, Veronica Kilpatrick, made the Accusation in her official capacity as a Supervising Special Investigator of the Department. The Accusation, Statement to Respondent, and Notice of Defense were mailed, by certified mail, return receipt requested, to Respondent's last known mailing address on file with the Department on May 5, 2023.

2.

On May 30, 2023, no Notice of Defense having been received or filed herein within the time prescribed by Section 11506 of the Government Code, Respondent's default was entered herein.

LICENSE HISTORY

3.

Respondent presently has license rights under the Real Estate Law, Part 1 of Division 4 of the Code, as a real estate salesperson. Respondent also has license rights for an individual mortgage loan originator ("MLO") license endorsement.

4.

Respondent is currently, or at the time of the violations described herein was, employed by and authorized to represent Secure Choice Lending, a mortgage company licensed under the Department of Real Estate.

5.

Attached as Exhibit "A" is a true and correct copy of the Accusation filed on May 5, 2023, which is incorporated herein as part of this Decision.

DETERMINATION OF ISSUES

1.

Respondent violated the National Mortgage Licensing System and Registry ("NMLS") student Rules of Conduct by using the services of Danny Yen, doing business as Real Estate Educational Services, to complete Respondent's NMLS-approved continuing education courses, which constitutes a violation of the licensing requirements of this state and under federal law. Specifically, Respondent used and compensated Real Estate Educational Services to obtain credit through an in-person fraud scheme. Under the in-person fraud scheme, Respondent used Real Estate Educational Services to report completion of an in-person course for one year in 2020. Real Estate Educational Services did not teach the in-person course and Respondent never attended the in-person course nor completed the required exam or course work to receive course credit. Respondent does not meet the minimum criteria for licensure under Code section 10166.05(c). The conduct of Respondent, as alleged in the Accusation, Paragraph 5 above, is in violation of Code sections 10166.051(a), 10166.051(b), 10177(d), 10177(g) and/or 10177(j) and is grounds for the suspension or revocation of Respondent's license, MLO license endorsement,

and license rights pursuant to the provisions of Code sections 10166.051(a), 10166.051(b), 10177(d), 10177(g) and/or 10177(j).

2.

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

ORDER

The Department of Real Estate having met its burden of proof, it is hereby ordered that all real estate licenses, licensing rights, and Mortgage Loan Originator license endorsements issued to Respondent JORGE NILA 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 7/18/2023

DATED: 6/15/2023

DOUGLAS R. McCAULEY
REAL ESTATE COMMISSIONER



By: MARCUS L. McCARTHER
Chief Deputy Real Estate Commissioner

1 Department of Real Estate
2 320 West Fourth St, Ste 350
3 Los Angeles, CA, 90013

FILED

MAY 30 2023

DEPT. OF REAL ESTATE

By: 

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7
8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of) DRE NO. *H-05708 SD*
12 JORGE NILA,) DEFAULT ORDER
13 Respondent.)
14 _____)

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

18 IT IS SO ORDERED MAY 30 2023.

19 DOUGLAS R. McCAULEY
20 REAL ESTATE COMMISSIONER

21 
22 By: _____
23 CHIKA SUNQUIST
24 Assistant Commissioner
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26
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Ex. "A"

FILED

MAY 05 2023

DEPT. OF REAL ESTATE

By: [REDACTED]

STEVE CHU, Counsel (SBN 238155)
Department of Real Estate
320 West 4th Street, Suite 350
Los Angeles, California 90013-1105

Telephone: (213) 620-6430
Fax: (213) 576-6917

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of) No. H-05708 SD
)
JORGE NILA,) A C C U S A T I O N
)
Respondent.)

The Complainant, Veronica Kilpatrick, a Supervising Special Investigator of the State of California, for cause of Accusation against JORGE NILA ("Respondent"), is informed and alleges as follows:

1.

The Complainant, Veronica Kilpatrick, acting in her official capacity as a Supervising Special Investigator of the State of California, makes this Accusation against JORGE NILA.

2.

All references to the "Code" are to the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code.

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Accusation of Jorge Nila

1 3.

2 Respondent presently has license rights under the Real Estate Law, Part 1 of
3 Division 4 of the Code, as a real estate salesperson. Respondent also has license rights for an
4 individual mortgage loan originator ("MLO") license endorsement.

5 4.

6 Respondent is currently, or at the time of the violations described herein was,
7 employed by and authorized to represent Secure Choice Lending, a mortgage company licensed
8 under the Department of Real Estate.

9 5.

10 Respondent violated the National Mortgage Licensing System and Registry
11 ("NMLS") student Rules of Conduct by using the services of Danny Yen, doing business as
12 Real Estate Educational Services, to complete Respondent's NMLS-approved continuing
13 education courses, which constitutes a violation of the licensing requirements of this state and
14 under federal law. Specifically, Respondent used and compensated Real Estate Educational
15 Services to obtain credit through an in-person fraud scheme. Under the in-person fraud
16 scheme, Respondent used Real Estate Educational Services to report completion of an in-
17 person course for one year in 2020. Real Estate Educational Services did not teach the in-
18 person course and Respondent never attended the in-person course nor completed the required
19 exam or course work to receive course credit.

20 6.

21 The State Regulatory Registry LLC ("State Regulatory Registry"), which owns
22 and operates the NMLS, administers pre-licensure and continuing education and Uniform State
23 Test protocols. Title V of Public Law 110-289, the Secure and Fair Enforcement for Mortgage
24 Licensing Act of 2008 ("SAFE Act"), requires that state-licensed MLOs complete pre-licensure
25 education courses prior to initial licensure and annual continuing education courses thereafter.
26 (See Code section 10166.06).

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Accusation of Jorge Nila

1 7.

2 In order to meet pre-licensure education requirements contemplated under the
3 SAFE Act, state-licensed MLOs must complete 20 hours of NMLS-approved education. Code
4 section 10166.06(a).

5 8.

6 In order to meet continuing education requirements contemplated under the
7 SAFE Act, state-licensed MLOs must complete eight hours of NMLS-approved education.
8 Code section 10166.10(a).

9 9.

10 Real Estate Educational Services had NMLS course provider number 1405046
11 and was an NMLS-approved course provider during the years 2017 to 2020.

12 10.

13 The NMLS had approved Real Estate Educational Services to offer one
14 in-person 8-hour "DBO-SAFE Act Comprehensive: Mortgage Continuing Education" course
15 in a classroom format located at 15751 Brookhurst Street, Suite 230, Westminster, California
16 ("Westminster address").

17 11.

18 Real Estate Educational Services was never approved by the NMLS to offer
19 online pre-licensure or online continuing education to MLOs.

20 12.

21 During all times relevant herein, Real Estate Educational Services had its
22 primary place of business located at 3643 Adams Street, Carlsbad, California.

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13.

The Mortgage Testing and Education Board, which was created by the State Regulatory Registry, has approved “Administrative Action Procedures for S.A.F.E. Testing and Education Requirements” (“Administrative Action Procedures”), which extends administrative authority to the Mortgage Testing and Education Board to investigate alleged violations of the NMLS student Rules of Conduct (“Rules of Conduct”).

14.

The Administrative Action Procedures also extends administrative authority to the Mortgage Testing and Education Board and the State Regulatory Registry to investigate alleged violations of the NMLS Standards of Conduct (“Standards of Conduct”), which apply to all NMLS–Approved course providers.

15.

In late 2020, the State Regulatory Registry obtained information concerning suspicious activity and that that information identified a possible MLO education cheating scheme coordinated by and implemented through Real Estate Educational Services and its owners and operators, including Danny Yen. Based on that information, and pursuant to the Administrative Action Procedures, the State Regulatory Registry initiated an investigation into the matter.

16.

On or about December 15, 2020, the State Regulatory Registry staff were informed of suspected individuals completing online NMLS–approved education courses on behalf of another.

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Accusation of Jorge Nila

17.

Additional investigation revealed evidence that Real Estate Educational Services fraudulently provided course credit to MLOs who had never attended and completed Real Estate Educational Services's 8-hour in-person continuing education course in Westminster, California in the in-person fraud scheme.

18.

Respondent was identified in NMLS records as receiving course credit for Real Estate Educational Services's 8-hour in-person continuing education course in 2020. It was determined that none of these in-person courses ever took place and Respondent never attended an in-person course corresponding to the course credits Respondent received. Consequently, Respondent never took a knowledge examination required for course credit. It was determined that Respondent had used Real Estate Educational Services to obtain one year of course credits in 2020 in violation of the Rules of Conduct under the in-person fraud scheme.

19.

The Rules of Conduct provide in relevant part:

Rules of Conduct 3: I understand that the SAFE Act and state laws require me to spend a specific amount of time in specific subject areas. Accordingly, I will not attempt to circumvent the requirements of any NMLS approved course.

Rules of Conduct 5: I will not seek or attempt to seek outside assistance to complete the course.

Rules of Conduct 8: I will not engage in any capacity that would be contrary to good character or reputation, or engage in any behavior that would cause the public to believe that I would not operate in the mortgage loan business lawfully, honestly or fairly.

Rules of Conduct 9: I will not engage in any conduct that is dishonest, fraudulent, or would adversely impact the integrity of the course(s) I am completing and the conditions for which I am seeking licensure or renewal of licensure.

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Accusation of Jorge Nila

20.

By using the services of another to complete Respondent's continuing education and receiving fraudulent course credits through a non-existent course, Respondent violated Rules of Conduct 3, 5, 8, and 9, and engaged in conduct that was dishonest, fraudulent, and that adversely impacted the integrity of the courses and the conditions and qualifications for which Respondent sought licensure or renewal of licensure.

21.

In violating the Rules of Conduct by using the services of another to complete his continuing education course, Respondent does not meet the minimum criteria for licensure under Code section 10166.05(c). The conduct of Respondent, as alleged above, is in violation of Code sections 10166.051(a), 10166.051(b), 10177(d), 10177(g) and/or 10177(j) and is grounds for the suspension or revocation of Respondent's license, MLO license endorsement, and license rights pursuant to the provisions of Code sections 10166.051(a), 10166.051(b), 10177(d), 10177(g) and/or 10177(j).

22.

Code section 10106 provides, in pertinent part, that in any order issued in resolution of a disciplinary proceeding before the Department of Real Estate, the Commissioner may request the administrative law judge to direct a licensee found to have committed a violation of this part to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

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Accusation of Jorge Nila

1 WHEREFORE, Complainant prays that a hearing be conducted on the
2 allegations of this Accusation and that upon proof thereof, a decision be rendered imposing
3 disciplinary action against all the licenses, license endorsements, and license rights of
4 Respondent JORGE NILA under the Real Estate Law, for the cost of investigation and
5 enforcement as permitted by law, and for such other and further relief as may be proper under
6 other applicable provisions of law.

7
8 Dated at San Diego, California

9 this 4th day of May, 2023

10 
11 _____
12 Veronica Kilpatrick
13 Supervising Special Investigator

14 cc: JORGE NILA
15 Secure Choice Lending
16 Veronica Kilpatrick
17 Sacto.
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