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FILED

JUN 2 3 2014

BUREAU OF REAL ESTATE

By K. Controlds

STATE OF CALIFORNIA BUREAU OF REAL ESTATE

To:

NO. H-6143 SAC

STEPHEN ROARK FRENCH

dba FOOTHILL FINANCIAL.

ORDER TO DESIST AND REFRAIN

(B&P Code Section 10086)

The Commissioner (Commissioner) of the California Bureau of Real Estate (Bureau) has caused an investigation to be made of the activities of STEPHEN ROARK FRENCH (FRENCH) dba Foothill Financial (FF). Based on that investigation, the Commissioner has determined that FRENCH and FF have engaged in, are engaging in, or are attempting to engage in, acts or practices constituting violations of the California Business and Professions Code (Code) including soliciting for and/or negotiating loans, which require a real estate license Mortgage Loan Originator Endorsement (MLO License Endorsement) and conducting business at an address not shown on FRENCH's real estate broker license, in the State of California, within the meaning of Code Sections 10166.02(b) and 10163. Furthermore, based on the investigation, the Commissioner hereby issues the following Findings of Fact and Desist and Refrain Order under the authority of Code Section 10086.

FINDINGS OF FACT

- 1. FRENCH is currently licensed by the Bureau as a real estate broker.
- 2. FRENCH's MLO License Endorsement expired on about January 1, 2012.

- 2. FRENCH's MLO License Endorsement expired on about January 1, 2012.
- 3. At no time herein mentioned has FF been licensed by the Bureau in any capacity or obtained a MLO License Endorsement.
- 4. During the periods of time set out below, FRENCH and FF solicited borrowers in order to negotiate loans requiring a MLO License Endorsement for or in expectation of compensation.
- 5. Between about January 23, 2014 and January 31, 2014, FRENCH and FF, through FF's website, <u>www.foothillfinancial.net</u>, solicited borrowers in order to negotiate mortgage loans without having first obtained a MLO License Endorsement in violation of Section 10166.02(b) of the Code.
- 6. At all times herein mentioned, FRENCH listed on the aforementioned FF website an address of 148 Maple Street, Suite C., Auburn, CA 95603, which address is not shown on FRENCH's real estate broker license, in violation of Section 10163 of the Code.

CONCLUSIONS OF LAW

- 7. Based on the Findings of Fact contained in Paragraphs 1 through 5, above, FRENCH and FF solicited for and/or participated in mortgage loan activities, which require an MLO License Endorsement, during a period of time when neither FRENCH nor FF obtained a MLO License Endorsement from the Bureau, a violation of Section 10166.02(b) of the Code.
- 8. Based on the Findings of Fact contained in Paragraph 6, above, FRENCH conducted business at a location not shown on his real estate broker license, in violation of Section 10163 of the Code.

DESIST AND REFRAIN ORDER

Based upon the Findings of Fact and Conclusions of Law stated herein,

STEPHEN ROARK FRENCH and FOOTHILL FINANCIAL, ARE HEREBY ORDERED to

immediately Desist and Refrain from performing any acts within the State of California for which an

MLO License Endorsement is required, and in particular, immediately Desist and Refrain from

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FOOTHILL FINANCIAL

soliciting, negotiating or performing mortgage loan activities which require a MLO License Endorsement until such MLO License Endorsement is obtained.

Based upon the Findings of Fact and Conclusions of Law stated herein, STEPHEN ROARK FRENCH, IS HEREBY ORDERED to immediately Desist and Refrain from conducting business at 148 Maple Street, Suite C, Auburn, CA 95603, or listing said address on the FF website, www.foothillfinancial.net, until an additional license is issued by the Bureau for that location.

DATED:) , 2014

REAL ESTATE COMMISSIONER

By: JEFFREY MASON Chief Deputy Commissioner

- NOTICE -

Business and Professions Code Section 10139 provides that, "Any person acting as a real estate broker or real estate salesperson without a license or who advertises using words indicating that he or she is a real estate broker without being so licensed shall be guilty of a public offense punishable by a fine not exceeding twenty thousand dollars (\$20,000), or by imprisonment in the county jail for a term not to exceed six months, or by both fine and imprisonment; or if a corporation, be punished by a fine not exceeding sixty thousand dollars (\$60,000) . . ."

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