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FILED
JUL 16 2003
DEPARTMENT OF REAL ESTATE

MARTHA J. ROSETT, Counsel (SBN 142072)
Department of Real Estate
320 West Fourth Street, Suite 350
Los Angeles, California 90013

(213) 597-6982
(213) 497-6914 (Direct)

By Anna B. Stone

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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

TO:)
LEAHY & WALKER FINANCIAL SERVICES,)
LTD., dba "Meritlending.com" and)
"Bob Thompsen" and)
TIMOTHY EDWIN LEAHY, individually)
and as designated officer of)
Leahy & Walker Financial Services,)
Ltd.)

No. H-29930 LA
L-2003040374
NOTICE OF HEARING
ON ORDER TO
DESIST AND REFRAIN

On February 14, 2003, the Real Estate Commissioner of the State of California issued his Order directing the above-named party to desist and refrain from certain alleged activities.

Keli N. Osaki, Attorney at Law, for and on behalf of LEAHY & WALKER SERVICES, LTD., dba "Meritlending.com" and "Bob Thompsen" and TIMOTHY EDWIN LEAHY, made a request on April 4, 2003, for hearing pursuant to Section 10086 of the Business and Professions Code of the State of California.

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1 YOU ARE HEREBY NOTIFIED that a hearing on the Order to
2 Desist and Refrain will be held before the Department of Real
3 Estate at the Office of Administrative Hearings, 320 West Fourth
4 Street, Suite 630, Los Angeles, California, on Thursday & Friday,
5 August 21 & 22, 2003, commencing at 9:00 a.m., upon the matters
6 contained in the Order To Desist And Refrain filed on February
7 25, 2003.

8 You may be present at the hearing and may be
9 represented by counsel, but you are neither required to be
10 present at the hearing, nor are you required to be represented by
11 counsel.

12 You may present any relevant evidence and will be given
13 full opportunity to cross-examine all witnesses testifying
14 against you.

15 DATED: July 16, 2003.

16
17 PAULA REDDISH ZINNEMANN
18 Real Estate Commissioner

19 By: 
20 MARTHA J. ROSETT
21 Counsel

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23
24 cc: Timothy Edwin Leahy
25 Leahy & Walker Financial Services, Inc.
26 Keli N. Osaki, Esq.
27 Sacto.
 OAH
 JP

Stacy
2/29/03

MARTHA J. ROSETT, Counsel (SBN 142072)
Department of Real Estate
320 West Fourth Street, Suite 350
Los Angeles, California 90013

(213) 597-6982
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FILED
APR 29 2003
DEPARTMENT OF REAL ESTATE

Jane B. Stone

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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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LEAHY & WALKER FINANCIAL SERVICES,)
LTD., dba "Meritlending.com" and)
"Bob Thompsen" and)
TIMOTHY EDWIN LEAHY, individually)
and as designated officer of)
Leahy & Walker Financial Services,)
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ON ORDER TO
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On February 14, 2003, the Real Estate Commissioner of the State of California issued his Order directing the above-named party to desist and refrain from certain alleged activities.

Keli N. Osaki, Attorney at Law, for and on behalf of LEAHY & WALKER SERVICES, LTD., dba "Meritlending.com" and "Bob Thompsen" and TIMOTHY EDWIN LEAHY, made a request on April 4, 2003, for hearing pursuant to Section 10086 of the Business and Professions Code of the State of California.

///

1 YOU ARE HEREBY NOTIFIED that a hearing on the Order to
2 Desist and Refrain will be held before the Department of Real
3 Estate at the Office of Administrative Hearings, 320 West Fourth
4 Street, Suite 630, Los Angeles, California, on Thursday July 31,
5 2003, and Friday, August 1, 2003, commencing at 9:00 a.m., upon
6 the matters contained in the Order To Desist And Refrain filed on
7 February 25, 2003.

8 You may be present at the hearing and may be
9 represented by counsel, but you are neither required to be
10 present at the hearing, nor are you required to be represented by
11 counsel.

12 You may present any relevant evidence and will be given
13 full opportunity to cross-examine all witnesses testifying
14 against you.

15 DATED: April 29, 2003.

16
17 PAULA REDDISH ZINNEMANN
18 Real Estate Commissioner

19 By: Martha J. Rosett
20 MARTHA J. ROSETT
21 Counsel

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23
24 cc: Timothy Edwin Leahy
25 Leahy & Walker Financial Services, Inc.
26 Keli N. Osaki, Esq.
27 Sacto.
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FILED
APR 22 2003
DEPARTMENT OF REAL ESTATE

MARTHA J. ROSETT, Counsel (SBN 142072)

Department of Real Estate
320 West Fourth Street, Suite 350
Los Angeles, California 90013

(213) 597-6982
(213) 497-6914 (Direct)

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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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TO:)
)
LEAHY & WALKER FINANCIAL SERVICES,)
LTD., dba "Meritlending.com" and)
"Bob Thompsen" and)
TIMOTHY EDWIN LEAHY, individually)
and as designated officer of)
Leahy & Walker Financial Services,)
Ltd.)

No. H-29930 LA
L-2003040374

NOTICE OF HEARING
ON ORDER TO
DESIST AND REFRAIN

On February 14, 2003, the Real Estate Commissioner of the State of California issued his Order directing the above-named party to desist and refrain from certain alleged activities.

Keli N. Osaki, Attorney at Law, for and on behalf of LEAHY & WALKER SERVICES, LTD., dba "Meritlending.com" and "Bob Thompsen" and TIMOTHY EDWIN LEAHY, made a request on April 4, 2003, for hearing pursuant to Section 10086 of the Business and Professions Code of the State of California.

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1 YOU ARE HEREBY NOTIFIED that a hearing on the Order to
2 Desist and Refrain will be held before the Department of Real
3 Estate at the Office of Administrative Hearings, 320 West Fourth
4 Street, Suite 630, Los Angeles, California, on Monday May 5,
5 2003, and Tuesday, May 6, 2003, commencing at 9:00 a.m., upon the
6 matters contained in the Order To Desist And Refrain filed on
7 February 25, 2003.

8 You may be present at the hearing and may be
9 represented by counsel, but you are neither required to be
10 present at the hearing, nor are you required to be represented by
11 counsel.

12 You may present any relevant evidence and will be given
13 full opportunity to cross-examine all witnesses testifying
14 against you.

15 DATED: April 22, 2003

16
17 PAULA REDDISH ZINNEMANN
18 Real Estate Commissioner

19 By: Martha Rosett
20 MARTHA J. ROSETT
21 Counsel

22
23
24 cc: Timothy Edwin Leahy
25 Leahy & Walker Financial Services, Inc.
26 Keli N. Osaki, Esq.
27 Sacto.
 OAH
 JP

1 Department of Real Estate
2 320 West Fourth St., #350
3 Los Angeles, CA 90013
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FILED
FEB 25 2003
DEPARTMENT OF REAL ESTATE

Laura B. Stone

BEFORE THE DEPARTMENT OF REAL ESTATE.

STATE OF CALIFORNIA

* * * *

To: LEAHY & WALKER FINANCIAL SERVICES,)
LTD., dba "Meritlending.com" and)
"Bob Thompsen" and)
TIMOTHY EDWIN LEAHY, individually)
and as designated officer of)
Leahy & Walker Financial Services,)
Ltd.)
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)

NO. H-29930 LA
ORDER TO
DESIST AND REFRAIN

18 The Real Estate Commissioner of the State of California
19 (hereinafter "Commissioner") has caused an investigation to be
20 made of your activities as real estate brokers and based
21 upon the findings of that investigation, as set forth below, is
22 of the opinion that you, LEAHY & WALKER FINANCIAL SERVICES, LTD.,
23 dba "Meritlending.com" and "Bob Thompsen", and you, TIMOTHY EDWIN
24 LEAHY, individually and as designated officer of Leahy & Walker
25 Financial Services, Ltd., have violated Section 10235 of the
26 Business and Professions Code (hereinafter "Code") and Section
27 2848 of Title 10, Chapter 6, California Code of Regulations

1 (hereinafter "Regulations") and that you, TIMOTHY EDWIN LEAHY, as
2 designated broker-officer of LEAHY & WALKER FINANCIAL SERVICES
3 have also violated Section 10159.2 of the Code.

4 1.

5 At all times material herein, you, LEAHY & WALKER
6 FINANCIAL SERVICES, LTD., dba "Meritlending.com," and "Bob
7 Thompsen," (hereinafter "L & W") were and now are licensed by the
8 Department of Real Estate of the State of California (hereinafter
9 "Department") as a corporate real estate broker through TIMOTHY
10 EDWIN LEAHY as the designated officer and broker responsible,
11 pursuant to the provisions of Code Section 10159.2, for
12 supervising the activities requiring a real estate license
13 conducted on behalf of L & W by L & W's officers, agents and
14 employees.

15 2.

16 At all times material herein, you, TIMOTHY EDWIN LEAHY
17 (hereinafter "LEAHY"), were and now are licensed by the
18 Department as a real estate broker, individually and as the
19 designated officer of LEAHY & WALKER FINANCIAL SERVICES, LTD. As
20 the designated broker-officer, you, LEAHY, are, and at all times
21 material herein were, responsible for the supervision and control
22 of the activities of the officers, agents and employees of L & W
23 for which a license is required pursuant to Code Section 10159.2.

24 3.

25 All further references to "you" include the parties
26 identified in Paragraphs 1 and 2, above, and also include the
27 officers, directors, employees, agents and real estate licensees

1 employed by or associated with said parties and who at all times
2 herein mentioned were engaged in the furtherance of the business
3 or operations of said parties and who were acting within the
4 course and scope of their authority and employment.

5 4.

6 At all times mentioned herein, you engaged in the
7 business of, acted in the capacity of, advertised or assumed to
8 act as real estate brokers in the State of California, within the
9 meaning of Code Section 10131(d) for another or others, all for
10 or in expectation of compensation. These activities included the
11 operation of a mortgage and loan brokerage with the public
12 wherein lenders and borrowers were solicited for loans secured
13 directly or collaterally by liens on real property, wherein such
14 loans were arranged, negotiated, processed and consummated on
15 behalf of others for compensation or in expectation of
16 compensation and for fees often collected in advance. These
17 activities included advertising in the form of direct mail
18 solicitation of borrowers for loans secured by deeds of trust.

19 5.

20 Between on or about September 1, 2000 and the present
21 time, you, doing business as meritlending.com, mailed
22 advertisements soliciting borrowers for loans secured by real
23 property which were false, misleading or deceptive and/or which
24 otherwise created the false impression that the recipients of
25 these "Rate Reduction Notices," in fact were liable for specific
26 loans, identified by lender and parcel number, when in truth of
27 fact the recipients did not in fact have loans with the named

1 lenders. The advertising also created the false impression that
2 meritlending.com was affiliated with the lending institutions at
3 which the recipients of the "Rate Reduction Notices" allegedly
4 had loans outstanding, when in fact they were not. Specifically,
5 the mail solicitations contained the following language:

6
7 "RE: YOUR LOAN WITH [fill-in blank with name of lender],
8 PIN NO. [fill-in blank with number]
9 LOAN AMOUNT [fill-in blank with amount]"

10 Among members of the public who received these
11 misleading, false or deceptive solicitations were the following:

- 12 a) Sherwood R. Smith
13 2086 Navas Ln.
14 Newcastle, CA 95658
15 (Solicited on or about April 15, 2001)
- 16 b) Joan Schmutz
17 9765 Kelly Lane
18 Penngrove, CA 94951
19 (Solicited on or about May 24, 2001)
- 20 c) Betty J. Mori
21 4330 Rose Avenue
22 Oakley, CA 94561
23 (Solicited on or about November 5, 2001)
- 24 d) Willis J. Fannon, Jr.
25 Hulda Fannon
26 3452 Brandywine Street
27 San Diego, CA 92117
(Solicited on or about October 31, 2001)
- e) Robert W. Hamilton
P.O. Box 1593
La Quinta, CA 92253
(Solicited on or about May 24, 2002)

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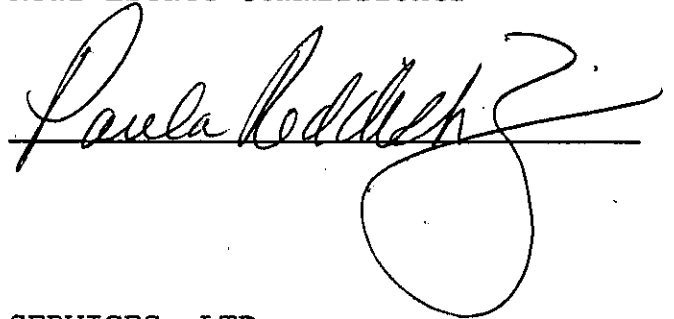
1 f) George L. Schrohe
2 Betty P. Schrohe
3 234 Laurel Grove Ave.
4 Kentfield, CA 94904-1519
5 (Solicited on or about August 3, 2002)

6 NOW, THEREFORE, YOU, LEAHY & WALKER FINANCIAL SERVICES,
7 LTD., and YOU, TIMOTHY EDWIN LEAHY, ARE ORDERED TO DESIST AND
8 REFRAIN from performing any activity for which a real estate
9 license is required, within the meaning of Code Section 10131
10 unless and until you are in compliance with Code Section 10235
11 and Regulation 2848.

12 AND FURTHER, YOU, LEAHY & WALKER FINANCIAL SERVICES,
13 LTD., and YOU, TIMOTHY EDWIN LEAHY, ARE ORDERED TO DESIST AND
14 REFRAIN from utilizing false, misleading and/or deceptive
15 advertisements in the solicitation of borrowers for loans.

16 DATED: February 14, 2003.

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18
19 PAULA REDDISH ZINNEMANN
20 Real Estate Commissioner

21 
22
23

24 cc: TIMOTHY EDWIN LEAHY
25 LEAHY & WALKER FINANCIAL SERVICES, LTD.
26 dba, "Meritlending.com"
27 575 Anton Blvd., Suite 1050
Costa Mesa, California 92626