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FILED
JUN 12 2009
DEPARTMENT OF REAL ESTATE

1 Department of Real Estate
320 West Fourth Street, Ste. 350
2 Los Angeles, California 90013
3 Telephone: (213) 576-6982

K. Friederholt

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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11	To:)	No. H-36050 LA
12)	
13	HOME ADVANTAGE FUNDING)	
14	GROUP, INC., GERALD J.)	
15	LOTTER and JACOB KIM)	<u>ORDER TO DESIST</u>
16)	<u>AND REFRAIN</u>
)	(B&P Code Section 10086)
)	
)	

17 The Commissioner ("Commissioner") of the California
18 Department of Real Estate ("Department") caused an investigation
19 to be made of the activities of HOME ADVANTAGE FUNDING GROUP,
20 INC. ("HAFGI"), GERALD J. LOTTER ("LOTTER") and JACOB KIM
21 ("KIM"). Based on that investigation the Commissioner has
22 determined that HAFGI, LOTTER and KIM have engaged in or are
23 engaging in acts or are attempting to engage in practices
24 constituting violations of the California Business and
25 Professions Code ("Code") and/or Title 10, California Code of
26 Regulations ("Regulations"), including the business of, acting
27 in the capacity of, and/or advertising or assuming to act as a

1 real estate broker in the State of California within the meaning
2 of Code Section 10131(d) (performing services for borrowers in
3 connection with loans secured by real property). Based on the
4 findings of that investigation, set forth below, the Commissioner
5 hereby issues the following Findings of Fact, Conclusions of Law,
6 and Desist and Refrain Order under the authority of Section 10086
7 of the Code.

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9 FINDINGS OF FACT

10 1. HAFGI is presently licensed and/or has license
11 rights under the Real Estate Law, Part 1 of Division 4 of the
12 California Business and Professions Code ("Code"), as a real
13 estate corporation. Effective November 16, 2008, HAFGI'S real
14 estate corporation license expired.

15 2. LOTTER is presently licensed and/or has license
16 rights under the Real Estate Law (Part 1 of Division 4 of the
17 Code) as a real estate broker. LOTTER was the designated officer
18 of HAFGI until its real estate corporation license expired on
19 November 16, 2008.

20 3. KIM is not now, and has never been, licensed by
21 the Department in any capacity.

22 4. At the time set forth below HAGFI, LOTTER and KIM
23 solicited borrowers and negotiated to do one or more of the
24 following acts for another or others, for or in expectation of
25 compensation: engaged in the business of, acted in the capacity
26 of, or advertised a loan modification service and advance fee
27 brokerage using the name Home Advantage Funding Group, Inc.

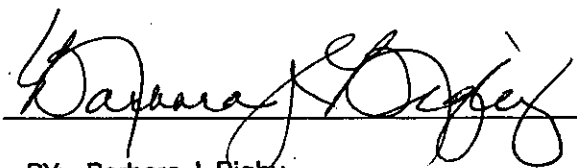
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(d) in addition, you LOTTER are ordered to:
immediately desist and refrain from collecting
advance fees, as that term is defined in Section
10026 of the Code, in any form and particularly
with respect to loan modification, loan refinance,
principal reduction, foreclosure abatement or
short sale services, unless and until you
demonstrate and provide evidence satisfactory to
the Commissioner that you have:

- (i) an advance fee agreement which has been submitted to the Department and which is in compliance with Sections 2970 and 2972 of the Regulations;
- (ii) placed all previously collected advance fees into a trust account for that purpose and are in compliance with Section 10146 of the Code; and
- (iii) provided an accounting to trust fund owner-beneficiaries pursuant to Section 2972 of the Regulations.

DATED: 6/8, 2009.

JEFF DAVI
Real Estate Commissioner



BY: Barbara J. Bigby
Chief Deputy Commissioner

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1 **Notice:** Business and Professions Code Section 10139 provides
2 that "Any person acting as a real estate broker or real estate
3 salesperson without a license or who advertises using words
4 indicating that he or she is a real estate broker without being
5 so licensed shall be guilty of a public offense punishable by a
6 fine not exceeding twenty thousand dollars (\$20,000), or by
7 imprisonment in the county jail for a term not to exceed six
8 months, or by both fine and imprisonment; or if a corporation, be
9 punished by a fine not exceeding sixty thousand dollars
10 (\$60,000)."
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cc: Home Advantage Funding Group, Inc.
3330 Harbor Blvd., 3rd Floor
Costa Mesa, CA 92626

Gerald J. Lotter
117 20th Street
Huntington Beach, CA 92648

Jacob Kim
3330 Harbor Blvd., 3rd Floor
Costa Mesa, CA 92626