

1 Department of Real Estate
2 320 West Fourth Street, Ste. 350
3 Los Angeles, California 90013

4 (213) 576-6982

FILED
OCT - 1 2009

DEPARTMENT OF REAL ESTATE

By 

8 DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * * * *

11 To:

) No. H-36289 LA.

) ORDER TO DESIST

) AND REFRAIN

12 A L E ASSOCIATES, INC.,
13 dba Castle Realty Homes
14 and Castle Mortgage;
15 and ANA MICHELLE ESPINOZA
16 individually and as
designated officer of
said corporation

17
18 The Commissioner (Commissioner) of the California
19 Department of Real Estate (Department) caused an investigation to
20 be made of the activities of A L E ASSOCIATES, INC., dba Castle
21 Realty Homes and Castle Mortgage, and ANA MICHELLE ESPINOZA
22 individually and as designated officer of said corporation.
23 Based on that investigation, the Commissioner has determined that
24 you have engaged in, are engaging in, or are attempting to engage
25 in, acts or practices constituting violations of the California
26 Business and Professions Code (Code), including violating Code
27 Sections 10146 and 10085 and Regulation 2970, Title 10,

1 California Code of Regulations ("Regulations"). Furthermore,
2 based on the investigation, the Commissioner hereby issues the
3 following Findings of Fact, Conclusions of Law, and Desist and
4 Refrain Order under the authority of Section 10086 of the Code.

5 Whenever acts referred to below are attributed to "you"
6 those acts are alleged to have been done by acting by yourself,
7 or by and/or through one or more agents, associates, affiliates,
8 and/or co-conspirators.

9 FINDINGS OF FACT

10 1. At all times herein mentioned, you, A L E
11 ASSOCIATES, INC. (ALE), were and now are licensed by the
12 Department of Real as a corporate real estate broker with ANA
13 MICHELLE ESPINOZA (ESPINOZA) as the designated officer and broker
14 responsible, pursuant to the provisions of Code Section 10159.2,
15 for supervising the activities requiring a real estate license
16 conducted on behalf of A L E ASSOCIATES, INC. by its officers,
17 agents and employees.

18 2. During 2008, ALE and ESPINOZA engaged in a
19 business, for or in expectation of compensation or collection of
20 an advance fee, ALE solicited borrowers and negotiated to do one
21 or more of the following acts for another or others: offered to
22 provide loan modifications, re-finance of a loan, or short-sale
23 negotiations or other services for borrowers or owners of real
24 property to modify the terms of the loans on the real property
25 within the meaning of Sections 10131(d), 10131(e) and 10131.2 of
26 the Code.

27 3. ESPINOZA demanded, and thereafter received, an

1 advance fee in the amount of \$2,000 from Alejandra Payes "Payes"
2 for loan modification services and promised lower mortgage
3 payments on the subject property located at 10712 Lou Dillon
4 Ave., Los Angeles, California.

5 4. ESPINOZA demanded, and thereafter received, an
6 advance fee in the amount of \$1,500 from Ramiro Beranl "Bernal"
7 for loan modification services and promised lower mortgage
8 payments on the subject property located at 6719 Caro St.,
9 Paramount, California.

10 5. ESPINOZA failed to place said advance fees into a
11 broker trust account.

12 CONCLUSIONS OF LAW

13 6. Based on the findings of fact contained in
14 paragraphs 1 through 5, you violated Section 10146 of the Code by
15 collecting advance fees from the public and failing to deposit
16 the fees into a real estate broker trust account.

17 7. You violated Code Section 10085 and Regulation 2970
18 by failing to submit to the Commissioner not less than ten
19 calendar days before publication or other use the form of advance
20 fee agreement proposed for use.

21 DESIST AND REFRAIN ORDER

22 Based on the Findings of Fact and Conclusions of Law
23 stated herein, you, A L E ASSOCIATES, INC. and ANA MICHELLE
24 ESPINOZA, whether doing business under your own names, or any
25 other names or fictitious names, ARE ORDERED to

26 (i) immediately desist and refrain from collecting
27 advance fees, as that term is defined in Section 10026 of the

1 Code, in any form and particularly with respect to loan
2 modifications, loan refinances, principal reduction, foreclosure
3 abatement or short sale services, unless and until you
4 demonstrate and provide evidence satisfactory to the Commissioner
5 that you have:

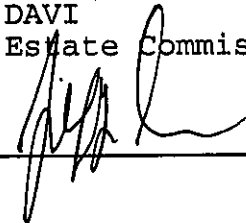
6 (i) an advance fee agreement which has been submitted
7 to the Department and which is in compliance with Section 2970
8 and 2972 of the Regulations;

9 (ii) placed all previously collected advance fees into
10 a trust account for that purpose and are in compliance with
11 Section 10146 of the Code; and

12 (iii) provided an accounting to trust fund owner-
13 beneficiaries pursuant to Section 2972 of the Regulations.

14 DATED: 01-29-09.

15 JEFF DAVI
16 Real Estate Commissioner

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19 **Notice:** Business and Professions Code Section 10139 provides
20 that "Any person acting as a real estate broker or real estate
21 salesperson without a license or who advertises using the words
22 indicating that he or she is a real estate broker without being
23 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)."

24 cc: A L E Associates, Inc.
25 Ana Michelle Espinoza
26 10907 Downey Ave., Suite 201
Downey, CA 90241

27 JRP:ED