

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

FILED
DEC 28 2011
DEPARTMENT OF REAL ESTATE

By 

In the Matter of the Accusation of) No. H-37187 LA
)
PARK PLACE SERVICES;)
NORTHPARK FINANCIAL SERVICES)
GROUP, INC.;)
TINA M. LATHAM, individually)
and as designated officer of)
Park Place Services;)
MEAGAN RAE BEETS, individually)
and as designated officer of)
Northpark Financial Services)
Group, Inc.; and)
ANDY ESPINEIRA,)
Respondents.)

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 October 6, 2011, and the findings of fact set forth herein are based on one or more of the following: (1) Respondent's express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

1.

On March 29, 2011, Robin Trujillo made the Accusation in her official capacity as a Deputy Real Estate Commissioner of the State of California. The Accusation, Statement to Respondent, and Notice of Defense were mailed, by certified mail, to Respondents PARK PLACE SERVICES, NORTHPARK FINANCIAL SERVICES GROUP, INC., TINA M. LATHAM, and MEAGAN RAE BEETS' (collectively "Respondents") last known mailing addresses on

file with the Department on April 5, 2011, May 12, 2011 and August 15, 2011.

On October 6, 2011, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondent PARK PLACE SERVICES, NORTH PARK FINANCIAL SERVICES GROUP, INC., TINA M. LATHAM, and MEAGAN RAE BEETS' default was entered herein.

2.

From June 6, 2008, through the present, Respondent PARK PLACE SERVICES ("PPS") has been licensed by the Department of Real Estate ("Department") as a real estate corporation, Department License No. 01845421. PPS was formerly licensed as "FamilyHomeLoans.Net" and "FamilyHomeLoans.Net, Inc."

3.

From May 11, 2006, through the present, Respondent TINA M. LATHAM ("LATHAM") has been licensed by the Department as a real estate broker, Department License No. 01719774. At all times herein mentioned, Respondent LATHAM was licensed as a real estate broker and as the broker-officer of Respondent PPS.

4.

From December 11, 2007, through the present, Respondent NORTH PARK FINANCIAL SERVICES GROUP, INC. ("NFSGI") has been licensed by the Department as a real estate corporation, Department License No. 01837330.

5.

From May 19, 2001, through the present, Respondent MEAGAN RAE BEETS ("BEETS") has been licensed by the Department as a real estate broker, Department License No. 01230545. At all times herein mentioned, Respondent BEETS was licensed as a real estate broker and as the broker-officer of Respondent NFSGI.

6.

At all times herein mentioned, Respondents engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers in the State of California, by doing or negotiating to do the following acts for another or others, for compensation or in expectation of compensation: (1) sell or offer to sell, solicit prospective sellers or purchasers of, solicit or obtain listings of, or negotiate the purchase, sale or exchange of real property within the meaning of Code Section 10131(a); and (2) solicit borrowers, negotiate loans, collect payments or perform services for borrowers in connection with loans secured directly or collaterally by liens on real property within the meaning of Code Section 10131(d).

7.

At no time mentioned herein have Loan Modification Service, ESP Lending, Inc., Michael Jay Knieberg, Denise Espineira, or Alan Kavetsky ever been licensed by the Department in any capacity.

8.

On July 11, 2007, Respondent LATHAM formed Family HomeLoans.net, Inc., a California corporation. Respondent LATHAM is the President, CEO, Secretary and owns or controls 10 percent or more of the corporation's stock.

9.

On October 17, 2007, Michael Jay Knieberg and Jeanne Harris formed NFSGI, a California corporation. Michael Jay Knieberg is the President and CEO of NFSGI. Jeanne Harris is the Secretary and CFO of NFSGI. Michael Jay Knieberg and Jeanne Harris own or control 10 percent or more of the NFSGI's stock.

10.

On or about May 2, 2008, Respondent NFSGI filed a fictitious business name statement in Orange County, California to do business as "Loan Modification Service" at 5440 Trabuco Road, Suite 100, Irvine, California 92620.

For an unknown period of time beginning no later than May 27, 2008, while using the unlicensed fictitious business names Loan Modification Service and ESP Lending, Inc., Respondents, severally or jointly, engaged in the business of soliciting to modify or negotiate loans secured by real property, and claimed, demanded, charged, received, collected or contracted for the collection of advance fees, within the meaning of Code Section 10026, for borrowers, including, but not limited to, the those listed below:

Fernnelia and Edward Payne

a. In or around May 27, 2008, Fernnelia Payne contacted PPS (formerly FamilyHomeLoans.Net) after hearing a radio advertisement for loan modification services. Jared Personius visited the home of Fernnelia and Edward Payne and solicited loan modification and negotiation services on behalf of FamilyHomeLoans.net. On May 28, 2008, Fernnelia and Edward Payne paid an advance fee of \$4,000 to Respondent PPS (formerly doing business as FamilyHomeLoans.Net) pursuant to an advance fee agreement for loan modification and negotiation services in connection with a loan secured by real property. Respondent PPS failed to perform the loan modification and negotiation services that had been promised to the Paynes.

b. On or about May 28, 2008, Respondent PPS referred the Paynes' loan modification file to Respondent NFSGI (doing business as Loan Modification Service) to perform services for borrowers Fernnelia and Edward Payne including, but not limited to, negotiating with the Paynes' lender. Respondent PPS told the Paynes that their loan modification would be handled by an attorney. The Paynes later discovered that Helen Yi, the person assigned to handle their file on behalf of Loan Modification Service, was not a licensed California attorney. Respondent NFSGI failed to perform the loan modification and negotiation services that had been promised to the Paynes.

Wilma I. Younger

c. On or about October 18, 2008, Younger entered into a loan modification agreement with ESP Lending, Inc. for the performance of the same. ESP Lending, Inc. demanded and collected an advance fee of \$3,000 from Wilma I. Younger and her daughter, Charlotte Younger.

d. In connection with Wilma I. Younger's loan modification file, Respondent ESP Lending, Inc. referred Younger's file to NFSGI (doing business as Loan Modification Service) for performance of loan modification services for borrower Wilma I. Younger including, but not limited to, negotiating with the Younger's lender. Alan Kavetsky was the individual assigned to handle Ms. Younger's loan modification file on behalf of ESP Lending, Inc. and/or Loan Modification Service.

12.

The materials and advance fee agreements used by Respondent PPS (while doing business as FamilyHomeLoans.net) and ESP Lending, Inc. had not been approved by the Department prior to use as is required under Code Section 10085 and Section 2970, Title 10, Chapter 6, California Code of Regulations ("Regulations").

13.

The advance fees collected by Respondent PPS (while doing business as FamilyHomeLoans.Net) were not deposited in a trust account as required under Code Section 10146 and Regulation 2972.

14.

The activities described in Paragraph 11, above, require a real estate license under Code Sections 10131(d) and 10131.2. Respondents PPS, LATHAM, NFSGI and BEETS violated Code Section 10137 by employing and/or compensating individuals who were not licensed as real estate salespersons or as brokers to perform activities requiring a license as follows:

a. Respondent PPS and/or Respondent LATHAM employed or compensated Jared Personius to solicit borrowers and perform some or all of the services alleged in Paragraph 11, subsection (a), above though he was not licensed as a real estate salesperson or broker.

b. Respondent NFSGI and/or Respondent BEETS employed or compensated Helen Yi to perform some or all of the services alleged in Paragraph 11, subsection (b), above, though she was not licensed as a real estate salesperson or broker.

c. Respondents NFSGI and/or BEETS employed or compensated Alan Kavetsky to perform some or all of the services

alleged in Paragraph 11, above, though he was not licensed as a real estate salesperson or broker.

15.

Use of a fictitious business name for activities requiring the issuance of a real estate license requires the filing of an application for the use of such name with the Department in accordance with the provisions of Code Section 10159.5.

16.

Respondent NFSGI acted without Department authorization in using the fictitious business name Loan Modification Service to engage in activities requiring the issuance of a real estate license.

17.

Respondent PPS

From June 6, 2008, and continuing to the present time, the business and mailing address maintained on file by Respondent PPS with the Department is and was 25241 Paseo De Alicia, Suite 150, Laguna Hills, California.

18.

On October 26, 2010, a representative of the Department visited 25241 Paseo De Alicia, Suite 150, Laguna Hills, California, and found that Respondent PPS no longer occupied the premises.

19.

On or before October 26, 2010, Respondent PPS left and/or abandoned its principal place of business and the location of its mailing address on file with the Department. Thereafter, Respondent PPS failed to maintain on file with the Department a new address for the principal place of business for its real estate brokerage activities.

Respondent NFSGI

20.

From February 23, 2009, and continuing to the present time, the main office address maintained on file by Respondent NFSGI with the Department is and was 8941 Research Drive, Suite 100, Irvine, California.

21.

On October 14, 2010, a representative of the Department visited 8941 Research Drive, Suite 100, Irvine California, and found that Respondent NFSGI no longer occupied the premises.

22.

On or before October 14, 2010, Respondent NFSGI left and/or abandoned its principal place of business address on file with the Department. Thereafter, Respondent NFSGI failed to maintain on file with the Department a new address for the principal place of business for its real estate brokerage activities.

23.

Respondents LATHAM and BEETS failed to supervise the activities of Respondents PPS and SFSGI and their employees, to ensure full compliance with the Real Estate Law.

DETERMINATION OF ISSUES

1.

The conduct, acts and/or omissions of Respondents PPS and LATHAM, as set forth in Paragraphs 11 and 12 above, in collecting advance fees from prospective borrowers pursuant to a written fee agreement, which agreement was not submitted to the Department for review prior to use was in violation of Code Sections 10085 and 10085.5 and Regulation Section 2970, and constitutes grounds for the suspension or revocation of the licenses and license rights of Respondents PPS and LATHAM, pursuant to Code Sections 10177(d) and 10177(g).

2.

The conduct, acts and/or omissions of Respondents PPS and LATHAM as set forth in Paragraphs 11 and 13 above, in collecting advance fees from prospective borrowers and failing to deposit the advance fees into a trust account was in violation of Code Section 10146 and Regulation Section 2972, and constitutes grounds for the suspension or revocation of the licenses and license rights of Respondents PPS and LATHAM pursuant to Code Sections 10177(d) and 10177(g).

3.

The conduct, acts and/or omissions of Respondents PPS, LATHAM, NFSGI and BEETS as set forth in Paragraphs 11 and 14, above, violate Code Section 10137, and are cause for the suspension or revocation of the licenses and license rights of Respondents PPS, LATHAM, NFSGI, and BEETS pursuant to Code Sections 10137, 10177(d) and 10177(g).

4.

The conduct, acts and/or omissions of Respondent NFSGI, as set forth in Paragraphs 11, 15, and 16, above, violate Code Section 10159.5 and Section 2731 of the Regulations, and are cause for the suspension or revocation of the license and license rights of Respondent NFSGI pursuant to Code Sections 10177(d) and 10177(g).

5.

The conduct, acts and/or omissions of Respondents PPS and NFSGI, in abandoning their offices and failing to notify the Department of a new address, as described in Paragraphs 17 through 22 above, was in violation of Regulation 2715 and Code Section 10162, and constitutes cause for the suspension or revocation of Respondents PPS and NFSGI's licenses and license rights under the provisions of Code Sections 10165, 10177(d), and 10177(g).

6.

Respondent LATHAM's failure to supervise the activities of Respondent PPS and its employees to ensure compliance with the Real Estate Law, is in violation of Code Section 10159.2 and Regulation 2725 which constitutes grounds to

suspend or revoke Respondent LATHAM's license and license rights pursuant to Code Sections 10177(h), 10177(d) and 10177(g).

7.

Respondent BEETS' failure to supervise the activities of Respondent NFSGI and its employees to ensure compliance with the Real Estate Law, is in violation of Code Section 10159.2 and Regulation 2725 which constitutes grounds to suspend or revoke Respondent BEETS' license and license rights pursuant to Code Sections 10177(h), 10177(d) and 10177(g).

8.

Cause for disciplinary action against Respondent PARK PLACE SERVICES exists pursuant to Business and Professions Code Sections 10137, 10165, 10177(d) and 10177(g).

9.

Cause for disciplinary action against Respondent NORTH PARK FINANCIAL SERVICES GROUP, INC. exists pursuant to Business and Professions Code Sections 10137, 10165, 10177(d) and 10177(g).

10.

Cause for disciplinary action against Respondent TINA M. LATHAM exists pursuant to Business and Professions Code Sections 10137, 10177(d), 10177(g), and 10177(h).

11.

Cause for disciplinary action against Respondent MEAGAN RAE BEETS exists pursuant to Business and Professions Code Sections 10137, 10177(d), 10177(g), and 10177(h).

12.

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

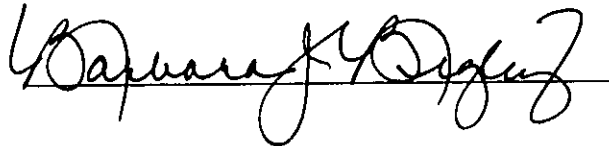
ORDER

The licenses and license rights of Respondent PARK PLACE SERVICES, NORTHPARK FINANCIAL SERVICES GROUP, INC., TINA M. LATHAM, and MEAGAN RAE BEETS' 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 January 17, 2012,

DATED: 11/17/11

BARBARA J. BIGBY
Acting Real Estate Commissioner

A handwritten signature in cursive script, appearing to read 'Barbara J. Bigby', is written over a horizontal line.

1 Department of Real Estate
2 320 West Fourth Street, Suite 350
3 Los Angeles, CA 90013
4 (213) 576-6982

FILED
OCT - 6 2011
DEPARTMENT OF REAL ESTATE

By CR

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * * *

11 In the Matter of the Accusation of)	NO. H-37187 LA
12)	
13 <u>PARK PLACE SERVICES;</u>)	<u>DEFAULT ORDER</u>
14 <u>NORTHPARK FINANCIAL SERVICES</u>)	
15 <u>GROUP, INC.;</u>)	
16 <u>TINA M. LATHAM, individually</u>)	
17 <u>and as designated officer of</u>)	
18 <u>Park Place Services;</u>)	
19 <u>MEAGAN RAE BEETS, individually</u>)	
20 <u>and as designated officer of</u>)	
21 <u>Northpark Financial Services</u>)	
22 <u>Group, Inc.; and</u>)	
23 <u>ANDY ESPINEIRA,</u>)	
24)	
25 Respondents.)	
26)	
27)	

21 Respondents PARK PLACE SERVICES; NORTHPARK
22 FINANCIAL SERVICES GROUP, INC.; TINA M. LATHAM; and MEAGAN
23 RAE BEETS, having failed to file a Notice of Defense within
24 the time required by Section 11506 of the Government Code,
25 is now in default. It is, therefore, ordered that a default
26 be entered on the record in this matter.
27

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

IT IS SO ORDERED

October 6, 2011

BARBARA J. BIGBY
Acting Real Estate Commissioner

By:

Dolores Weeks
DOLORES WEEKS
Regional Manager

1 LISSETE GARCIA, Counsel (SBN 211552)
2 Department of Real Estate
3 320 West 4th Street, Suite 350
4 Los Angeles, California 90013-1105

5 Telephone: (213) 576-6982
6 (Direct) (213) 576-6914

FILED
APR - 5 2011
DEPARTMENT OF REAL ESTATE

By CA

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)
12) NO. H-37187 LA
13 PARK PLACE SERVICES;)
14 NORTH PARK FINANCIAL SERVICES) A C C U S A T I O N
15 GROUP, INC.;)
16 TINA M. LATHAM, individually)
17 and as designated officer of)
18 Park Place Services;)
19 MEAGAN RAE BEETS, individually)
20 and as designated officer of)
21 Northpark Financial Services)
22 Group, Inc.; and)
23 ANDY ESPINEIRA,)
24 Respondents.)
25)
26)

20 The Complainant, Robin Trujillo, a Deputy Real
21 Estate Commissioner of the State of California, for cause of
22 Accusation against PARK PLACE SERVICES; NORTH PARK FINANCIAL
23 SERVICES GROUP, INC.; TINA M. LATHAM, individually and as
24 designated officer of Park Place Services; MEAGAN RAE BEETS,
25 individually and as designated officer of Northpark Financial
26

1 Services Group, Inc.; and ANDY ESPINEIRA (collectively
2 "Respondents"), is informed and alleges as follows:

3 1.

4 The Complainant, Robin Trujillo, a Deputy Real Estate
5 Commissioner of the State of California, makes this Accusation
6 in her official capacity.

7 2.

8 Respondents are presently licensed and/or have license
9 rights under the Real Estate Law (Part 1 of Division 4 of the
10 California Business and Professions Code, "Code").

11 3.

12 From June 6, 2008, through the present, Respondent
13 PARK PLACE SERVICES ("PPS") has been licensed by the Department
14 of Real Estate ("Department") as a real estate corporation,
15 Department License No. 01845421. PPS was formerly licensed as
16 "FamilyHomeLoans.Net" and "FamilyHomeLoans.Net, Inc."

17 4.

18 From May 11, 2006, through the present, Respondent
19 TINA M. LATHAM ("LATHAM") has been licensed by the Department as
20 a real estate broker, Department License No. 01719774.
21 At all times herein mentioned, Respondent LATHAM was licensed as
22 a real estate broker and as the broker-officer of Respondent
23 PPS.

24 5.

25 From December 11, 2007, through the present,
26 Respondent NORTH PARK FINANCIAL SERVICES GROUP, INC. ("NFSGI")
has been licensed by the Department as a real estate

1 corporation, Department License No. 01837330.

2 6.

3 From May 19, 2001, through the present, Respondent
4 MEAGAN RAE BEETS ("BEETS") has been licensed by the Department
5 as a real estate broker, Department License No. 01230545.
6 At all times herein mentioned, Respondent BEETS was licensed as
7 a real estate broker and as the broker-officer of Respondent
8 NFSGI.

9 7.

10 From August 3, 2007, through the present, Respondent
11 ANDY ESPINEIRA ("ESPINEIRA") has been licensed by the Department
12 as a real estate salesperson, Department License No. 01258936.
13 From August 14, 2007, through May 8, 2010, Respondent ESPINEIRA
14 was licensed under the employment of real estate broker,
15 Mortgage Sense, Inc. Respondent ESPINEIRA has been licensed
16 under the employment of real estate broker, VIP Independent
17 Mortgage, Inc., from July 19, 2010, through the present.

18 8.

19 On February 8, 2001, in Department Case No.
20 H-28358 LA, Respondent ESPINEIRA's application for a real estate
21 salesperson license was denied based on a prior conviction for a
22 violation of Business and Professions Code Sections 480(a)(1)
23 and 10177(b).

24 9.

25 At all times herein mentioned, Respondents engaged in
26 the business of, acted in the capacity of, advertised or assumed

1 to act as real estate brokers in the State of California, by
2 doing or negotiating to do the following acts for another or
3 others, for compensation or in expectation of compensation: (1)
4 sell or offer to sell, solicit prospective sellers or purchasers
5 of, solicit or obtain listings of, or negotiate the purchase,
6 sale or exchange of real property within the meaning of Code
7 Section 10131(a); and (2) solicit borrowers, negotiate loans,
8 collect payments or perform services for borrowers in connection
9 with loans secured directly or collaterally by liens on real
10 property within the meaning of Code Section 10131(d).

11 FIRST CAUSE OF ACCUSATION
12 (Advance Fee Violations)

13 10.

14 At no time mentioned herein have Loan Modification
15 Service, ESP Lending, Inc., Michael Jay Knieberg, Denise
16 Espineira, Jared Personius, or Alan Kavetsky ever been licensed
17 by the Department in any capacity.

18 11.

19 On July 11, 2007, Respondent LATHAM formed Family
20 HomeLoans.net, Inc., a California corporation. Respondent
21 LATHAM is the President, CEO, Secretary and owns or controls 10
22 percent or more of the corporation's stock.

23 12.

24 On October 17, 2007, Michael Jay Knieberg and Jeanne
25 Harris formed NFSGI, a California corporation. Michael Jay
26 Knieberg is the President and CEO of NFSGI. Jeanne Harris is

1 the Secretary and CFO of NSFSGI. Michael Jay Knieberg and Jeanne
2 Harris own or control 10 percent or more of the NFSGI's stock.

3 13.

4 On or about May 2, 2008, Respondent NFSGI filed a
5 fictitious business name statement in Orange County, California
6 to do business as "Loan Modification Service" at 5440 Trabuco
7 Road, Suite 100, Irvine, California 92620.

8 14.

9 On June 18, 2007, Respondent ESPINEIRA and Denise
10 Espineira formed ESP Lending, Inc., a California corporation.
11 Respondent ESPINEIRA is the President and CFO of ESP Lending,
12 Inc. Denise Espineira is the Secretary of ESP Lending, Inc.
13 Respondent ESPINEIRA and Denise Espineira own or control 10
14 percent or more of the corporation's stock.

15 15.

16 For an unknown period of time beginning no later than
17 May 27, 2008, while using the unlicensed fictitious business
18 names Loan Modification Service and ESP Lending, Inc.,
19 Respondents, severally or jointly, engaged in the business of
20 soliciting to modify or negotiate loans secured by real
21 property, and claimed, demanded, charged, received, collected or
22 contracted for the collection of advance fees, within the
23 meaning of Code Section 10026, for borrowers, including, but not
24 limited to, the those listed below:

25 ///

26 ///

Fernnelia and Edward Payne

a. In or around May 27, 2008, Fernnelia Payne contacted PPS (formerly FamilyHomeLoans.Net) after hearing a radio advertisement for loan modification services. Jared Personius visited the home of Fernnelia and Edward Payne and solicited loan modification and negotiation services on behalf of FamilyHomeLoans.net. On May 28, 2008, Fernnelia and Edward Payne paid an advance fee of \$4,000 to Respondent PPS (formerly doing business as FamilyHomeLoans.Net) pursuant to an advance fee agreement for loan modification and negotiation services in connection with a loan secured by real property. Respondent PPS failed to perform the loan modification and negotiation services that had been promised to the Paynes.

b. On or about May 28, 2008, Respondent PPS referred the Paynes' loan modification file to Respondent NFSGI (doing business as Loan Modification Service) to perform services for borrowers Fernnelia and Edward Payne including, but not limited to, negotiating with the Paynes' lender. Respondent PPS told the Paynes that their loan modification would be handled by an attorney. The Paynes later discovered that Helen Yi, the person assigned to handle their file on behalf of Loan Modification Service, was not a licensed California attorney. Respondent NFSGI failed to perform the loan modification and negotiation services that had been promised to the Paynes.

17.

Wilma I. Younger

a. On or about October 18, 2008, Respondent ESPINEIRA solicited or offered to provide loan modification and negotiation services to borrower, Wilma I. Younger in connection with her mortgage loan secured by real property. Younger entered into a loan modification agreement with ESP Lending, Inc. for the performance of the same. Respondent ESPINEIRA, while doing business as ESP Lending, Inc., demanded and collected an advance fee of \$3,000 from Wilma I. Younger and her daughter, Charlotte Younger.

b. In connection with Wilma I. Younger's loan modification file, Respondent ESPINEIRA referred Younger's file to NFSGI (doing business as Loan Modification Service) for performance of loan modification services for borrower Wilma I. Younger including, but not limited to, negotiating with the Younger's lender. Alan Kavetsky was the individual assigned to handle Ms. Younger's loan modification file on behalf of ESP Lending, Inc. and/or Loan Modification Service.

18.

The materials and advance fee agreements used by Respondent PPS (while doing business as FamilyHomeLoans.net) and ESP Lending, Inc. had not been approved by the Department prior to use as is required under Code Section 10085 and Section 2970, Title 10, Chapter 6, California Code of Regulations ("Regulations").

19.

The advance fees collected by Respondent PPS (while doing business as FamilyHomeLoans.Net) were not deposited in a trust account as required under Code Section 10146.

20.

The conduct, acts and/or omissions of Respondents PPS and LATHAM, as set forth above, in collecting advance fees from prospective borrowers pursuant to a written fee agreement, which agreement was not submitted to the Department for review prior to use was in violation of Code Sections 10085 and 10085.5 and Regulation Section 2970, and constitutes grounds for the suspension or revocation of the licenses and license rights of Respondents PPS and LATHAM, pursuant to Code Sections 10177(d) or 10177(g).

21.

The conduct, acts and/or omissions of Respondents PPS and LATHAM as set forth above, in collecting advance fees from prospective borrowers and failing to deposit the advance fees into a trust account was in violation of Code Section 10146 and Regulation Section 2972, and constitutes grounds for the suspension or revocation of the licenses and license rights of Respondents PPS and LATHAM pursuant to Code Sections 10177(d) or 10177(g).

22.

The conduct, acts and/or omissions of Respondent ESPINEIRA, as set forth above, in collecting advance fees from

1 prospective borrowers pursuant to a written fee agreement, was
2 in violation of Code Section 10085.5 and constitutes grounds for
3 the suspension or revocation of the license and license rights
4 of Respondent ESPINEIRA, pursuant to Code Sections 10177(d) or
5 10177(g).

6 SECOND CAUSE OF ACCUSATION
7 (Unlawful Employment Or Payment Of Compensation)
8 (Unlicensed Activity)

9 23.

10 There is hereby incorporated in this Second, separate,
11 Cause of Accusation, all of the allegations contained in
12 Paragraphs 1 through 22 above, with the same force and effect as
13 if herein fully set forth.

14 24.

15 The activities described in Paragraphs 16 and 17,
16 above, require a real estate license under Code Sections
17 10131(d) and 10131.2. Respondents PPS, LATHAM, NFSGI and BEETS
18 violated Code Section 10137 by employing and/or compensating
19 individuals who were not licensed as real estate salespersons or
20 as brokers to perform activities requiring a license as follows:

21 a. Respondent PPS and/or Respondent LATHAM employed
22 or compensated Jared Personius, to solicit borrowers and perform
23 some or all of the services alleged in Paragraph 16, subsection
24 (a), above though he was not licensed as a real estate
25 salesperson or broker.

26 b. Respondent NFSGI and/or Respondent BEETS employed
or compensated Helen Yi to perform some or all of the services

1 alleged in Paragraph 16, subsection (b), above though she was
2 not licensed as a real estate salesperson or broker.

3 c. Respondents NFSGI and/or BEETS employed or
4 compensated Alan Kavetsky to perform some or all of the services
5 alleged in Paragraph 17, above, though he was not licensed as a
6 real estate salesperson or broker.

7 25.

8 The conduct, acts and/or omissions of Respondents PPS,
9 LATHAM, NFSGI and BEETS as set forth in Paragraph 23, above,
10 violate Code Section 10137, and are cause for the suspension or
11 revocation of the licenses and license rights of Respondents
12 PPS, LATHAM, NFSGI, and BEETS pursuant to Code Sections 10137,
13 10177(d) or 10177(g).

14 26.

15 The conduct, acts and/or omissions of Respondent
16 ESPINEIRA, in engaging in activities that require a real estate
17 broker license or require that he work under the supervision
18 under the broker whom he is licensed, is in violation of Code
19 Section 10130, and is cause for the suspension or revocation of
20 the licenses and license rights of Respondent ESPINEIRA pursuant
21 to Code Sections 10130, 10177(d) or 10177(g).

22 THIRD CAUSE OF ACCUSATION

23 (Use of Unauthorized Fictitious Business Name)

24 27.

25 There is hereby incorporated in this Third, separate,
26 Cause of Accusation, all of the allegations contained in

1 Paragraphs 1 through 26 above, with the same force and effect as
2 if herein fully set forth.

3 28.

4 Use of a fictitious business name for activities
5 requiring the issuance of a real estate license requires the
6 filing of an application for the use of such name with the
7 Department in accordance with the provisions of Code Section
8 10159.5.

9 29.

10 Respondent NFSGI acted without Department
11 authorization in using the fictitious business name Loan
12 Modification Service to engage in activities requiring the
13 issuance of a real estate license.

14 30.

15 The conduct, acts and/or omissions of Respondent
16 NFSGI, as set forth in Paragraphs 28 and 29, above, violate Code
17 Section 10159.5 and Section 2731 of the Regulations, and are
18 cause for the suspension or revocation of the license and
19 license rights of Respondent NFSGI pursuant to Code Sections
20 10177(d) and/or 10177(g).

21 FOURTH CAUSE OF ACCUSATION
22 (Office Abandonment)

23 31.

24 There is hereby incorporated in this Fourth, separate
25 Cause of Accusation, all of the allegations contained in
26 Paragraphs 1 through 30, above, with the same force and effect

1 as if herein fully set forth.

2 Respondent PPS

3 32.

4 From June 6, 2008, and continuing to the present time,
5 the business and mailing address maintained on file by
6 Respondent PPS with the Department is and was 25241 Paseo De
7 Alicia, Suite 150, Laguna Hills, California.

8 33.

9 On October 26, 2010, a representative of the
10 Department visited 25241 Paseo De Alicia, Suite 150, Laguna
11 Hills, California, and found that Respondent PPS no longer
12 occupied the premises.

13 34.

14 On or before October 26, 2010, Respondent PPS left
15 and/or abandoned its principal place of business and the
16 location of its mailing address on file with the Department.
17 Thereafter, Respondent PPS failed to maintain on file with the
18 Department a new address for the principal place of business for
19 its real estate brokerage activities.

20 Respondent NFSGI

21 35.

22 From February 23, 2009, and continuing to the present
23 time, the main office address maintained on file by Respondent
24 NFSGI with the Department is and was 8941 Research Drive, Suite
25 100, Irvine, California.
26

1 36.

2 On October 14, 2010, a representative of the
3 Department visited 8941 Research Drive, Suite 100, Irvine
4 California, and found that Respondent NFSGI no longer occupied
5 the premises.

6 37.

7 On or before October 14, 2010, Respondent NFSGI left
8 and/or abandoned its principal place of business address on file
9 with the Department. Thereafter, Respondent NFSGI failed to
10 maintain on file with the Department a new address for the
11 principal place of business for its real estate brokerage
12 activities.

13 38.

14 The conduct, acts and/or omissions of Respondents PPS
15 and NFSGI, in abandoning their offices and failing to notify the
16 Department of a new address, as described above, was in
17 violation of Regulation 2715 and Code Section 10162, and
18 constitutes cause for the suspension or revocation of
19 Respondents PPS and NFSGI's licenses and license rights under
20 the provisions of Code Sections 10165, 10177(d), and/or
21 10177(g).

22 ///

23 ///

24 ///

25 ///

26 ///

1 FIFTH CAUSE OF ACCUSATION

2 (Failure to Supervise)
3 (LATHAM and BEETS)

4 39.

5 There is hereby incorporated in this Fifth, separate
6 Cause of Accusation, all of the allegations contained in
7 Paragraphs 1 though 38 above, with the same force and effect as
8 if herein fully set forth.

9 40.

10 Respondent LATHAM's failure to supervise the
11 activities of Respondent PPS and its employees to ensure
12 compliance with the Real Estate Law, is in violation of Code
13 Section 10159.2 and Regulation 2725 which constitutes grounds to
14 suspend or revoke Respondent LATHAM's license and license rights
15 pursuant to Code Sections 10177(h), 10177(d) or 10177(g).

16 41.

17 Respondent BEETS' failure to supervise the activities
18 of Respondent NFSGI and its employees to ensure compliance with
19 the Real Estate Law, is in violation of Code Section 10159.2 and
20 Regulation 2725 which constitutes grounds to suspend or revoke
21 Respondent BEETS' license and license rights pursuant to Code
22 Sections 10177(h), 10177(d) or 10177(g).

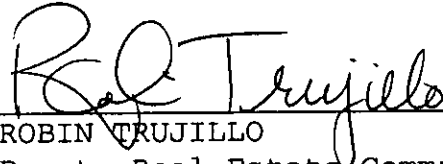
23 ///

24 ///

25 ///

1 WHEREFORE, Complainant prays that a hearing be
2 conducted on the allegations of this Accusation and that upon
3 proof thereof, a decision be rendered imposing disciplinary
4 action against all licenses and/or license rights of Respondents
5 PARK PLACE SERVICES; NORTHPARK FINANCIAL SERVICES GROUP, INC.;
6 TINA M. LATHAM, individually and as designated officer of Park
7 Place Services; MEAGAN RAE BEETS, individually and as designated
8 officer of Northpark Financial Services Group, Inc.; and ANDY
9 ESPINEIRA under the Real Estate Law (Part 1 of Division 4 of the
10 California Business and Professions Code) and for such other and
11 further relief as may be proper under other applicable
12 provisions of law.

13 this 29 day of March, 2011.

14 
15 ROBIN TRUJILLO
16 Deputy Real Estate Commissioner
17
18
19
20
21

22 cc: Park Place Services
23 Northpark Financial Services Group, Inc.
24 Tina M. Latham
25 Meagan Rae Beets
26 Andy Espineira
Robin Trujillo
Sacto.