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1 Department of Real Estate
2 320 West 4th Street, Suite 350
3 Los Angeles, California 90013-1105

AUG 29 2011

DEPARTMENT OF REAL ESTATE
BY: *D. [Signature]*

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7 BEFORE THE DEPARTMENT OF REAL ESTATE
8
9 STATE OF CALIFORNIA

10 * * * *

11 To:)	No. H-37486 LA
)	
12 RICHMAN & ASSOCIATES INC. and)	<u>ORDER TO DESIST</u>
13 MORTGAGE RESCUE SERVICES)	<u>AND REFRAIN</u>
)	
14)	(B&P Code Section 10086)

15 The Commissioner ("Commissioner") of the California Department of Real Estate
16 ("Department") caused an investigation to be made of the activities of RICHMAN &
17 ASSOCIATES INC. ("RAI") and MORTGAGE RESCUE SERVICES ("MRS"). Based on that
18 investigation, the Commissioner has determined that RAI and MRS have engaged in, or are
19 engaging in acts, or are attempting to engage in the business of, acting in the capacity of, and/or
20 assuming to act as real estate brokers in the State of California within the meaning of Business
21 and Professions Code Sections 10131(d) (soliciting, negotiating and performing services for
22 borrowers in connection with loans secured by real property) and 10131.2 (advance fee
23 handling).

24 In addition, based on that investigation, the Commissioner has determined that
25 RAI and MRS have engaged in or are engaging in acts or are attempting to engage in practices
26 constituting violations of the California Business and Professions Code ("Code"). Based on the
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1 findings of that investigation, set forth below, the Commissioner hereby issues the following
2 Findings of Fact, Conclusions of Law, and Desist and Refrain Order under the authority of
3 Section 10086 of the Code.

4 FINDINGS OF FACT

5 1. RAI and MRS are not now, and have never been, licensed by the Department
6 in any capacity.

7 2. At the times set forth below, RAI and MRS negotiated to do one or more of
8 the following acts for another or others, for or in expectation of compensation: engaged in the
9 business of, acted in the capacity of, or solicited borrowers for a loan modification and
10 negotiation service and advance fee brokerage with respect to loans which were secured by liens
11 on real property for compensation or in expectation of compensation and for fees collected in
12 advance of the transaction.

13 Zeferino M. Transaction

14 3. On or about February 19, 2008, Zeferino M. entered into an agreement with
15 RAI in which RAI agreed to perform services for Zeferino M. in connection with a loan secured
16 by real property in exchange for payment of \$1,900 in advance fees.

17 William & Shalonda J. Transaction

18 4. On or about December 6, 2008, William and Shalonda J. entered into an
19 agreement with RAI in which RAI agreed to perform services for William & Shalonda J. in
20 connection with a loan secured by real property in exchange for payment of \$2,400 in advance
21 fees.

22 Claudio & Maricela R. Transaction

23 5. On or about November 25, 2008, Claudio and Maricela R. entered into an
24 agreement with "Home Retention Programs by Richamn & Associates Inc." in which RAI
25 agreed to perform services for Claudio and Maricela R. in connection with a loan secured by real
26 property in exchange for payment of \$1,900 in advance fees.

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1 Reza S. Transactions

2 6. On or about December 17, 2008, Reza S. entered into an Advance Fee
3 Agreement with "Lloyds Investments, Inc" in which Reza S. agreed that \$900 of his \$2,495
4 advance fee would be paid to RAI for the performance of services in connection with a loan
5 secured by real property.

6 7. On or about January 30, 2009, Reza S. entered into an Advance Fee
7 Agreement with "Lloyds Investments, Inc" in which Reza S. agreed that \$900 of his \$2,495
8 advance fee would be paid to RAI for the performance of services in connection with a loan
9 secured by real property.

10 Reynaldo & Christina B. Transactions

11 8. On March 7, 2009, Reynaldo & Cristina B. signed two authorizations for
12 Mortgage Rescue Services and RAI to represent Reynaldo & Cristina B. in negotiating
13 modifications of their loans secured by real property. On March 7, 2009 and March 10, 2009,
14 Reynaldo & Cristina B. issued \$2,800 checks to Mortgage Rescue Services as advance fees for
15 loan modification services.

16 Scott W. Transaction

17 9. On or about January 22, 2009, Scott W. entered into an advance fee agreement
18 with US Equity Solutions, LLC, in which Scott W. agreed that \$1,095 of his \$2,850 advance fee
19 would be paid to RAI for the performance of services in connection with a loan secured by real
20 property.

21 Alfred & Virginia D. Transaction

22 10. On or about February 8, 2009, Alfred & Virginia D. entered into an Advance
23 Fee Agreement with Mortgage Rescue Services in which Alfred & Virginia D. agreed to pay
24 advance fees in exchange for the performance of services in connection with a loan secured by
25 real property.

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CONCLUSIONS OF LAW

11. Based on the information contained in Paragraphs 1 through 9 above, RAI violated Code Section 10130 by engaging in activities requiring a broker license without first obtaining a broker license from the Department.

12. Based on the information contained in Paragraphs 1, 2, 8 and 9 above, MRS violated Code Section 10130 by engaging in activities requiring a broker license without first obtaining a broker license from the Department.

DESIST AND REFRAIN ORDER

Based upon the FINDINGS OF FACT and CONCLUSIONS OF LAW stated herein, it is hereby ordered that:

- (A) RICHMAN & ASSOCIATES INC., immediately desist and refrain from:
performing any acts within the State of California for which a real estate broker license is required, unless you are so licensed.
- (B) MORTGAGE RESCUE SERVICES immediately desist and refrain from:
performing any acts within the State of California for which a real estate broker license is required, unless you are so licensed.

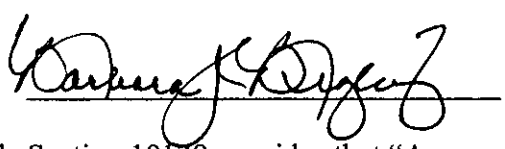
IT IS FURTHER ORDERED THAT RICHMAN & ASSOCIATES INC. and MORTGAGE RESCUE SERVICES immediately desist and refrain from:

1. Charging, demanding, claiming, collecting and/or receiving advance fees, as that term is defined in Section 10026 of the Code, in any form, and under any conditions, with respect to the performance of loan modification or any other form of mortgage loan forbearance services in connection with loans on residential property containing four or fewer dwelling units.
2. Charging, demanding, claiming, collecting and/or receiving advance fees, as that term is defined in Section 10026 of the Code, for any of the other real estate related services offered to others.

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DATED: 8/24, 2011.

BARBARA J. BIGBY
Acting Real Estate 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)."

cc: RICHMAN & ASSOCIATES INC.
500 North Central Ave., Suite 250
Glendale, CA 91205

MORTGAGE RESCUE SERVICES
PO Box 580974
Elk Grove, CA 95758-0017