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**FILED**

MAR -6 2013

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 ) NO. H-38752 LA  
12 )  
13 RELIABLE LENDING CONSULTANTS, INC. ) A C C U S A T I O N  
14 and PAUL DAVID CRONIN, )  
15 Respondents. )

16  
17 The Complainant, Robin Trujillo, a Deputy Real Estate  
18 Commissioner of the State of California, for cause of Accusation  
19 against RELIABLE LENDING CONSULTANTS, INC. and PAUL DAVID CRONIN  
20 (collectively "Respondents"), is informed and alleges as  
21 follows:

22 1.

23 The Complainant, Robin Trujillo, a Deputy Real Estate  
24 Commissioner of the State of California, makes this Accusation  
25 in her official capacity.

26 2.

27 From January 21, 2010, through the present, Respondent  
28 RELIABLE LENDING CONSULTANTS, INC. ("RLCI") has been licensed by

1 the Department of Real Estate ("Department") as a corporate real  
2 estate broker, License ID 01875313.

3 3.

4 From November 5, 2010, through the present, Respondent  
5 PAUL DAVID CRONIN ("CRONIN"), aka Skip Cronin, has been licensed  
6 by the Department as a real estate salesperson, License ID  
7 01890458. Respondent has a mortgage loan originator license  
8 endorsement, Nationwide Mortgage Licensing System ("NMLS")  
9 ID 228290.

10 4.

11 All references to the "Code" are to the California  
12 Business and Professions Code and all references to  
13 "Regulations" are to Title 10, Chapter 6, California Code of  
14 Regulations.

15 FIRST CAUSE OF ACCUSATION

16 (Suspended Corporate Status)

17 5.

18 RLCI is a California corporation formed on or about  
19 July 29, 2008. Respondent CRONIN is an officer and director of  
20 RLCI. Robin S. Layne, an unlicensed person, is an officer and  
21 director of RLCI. The California Franchise Tax Board suspended  
22 RLCI's corporate status on April 1, 2011. RLCI's corporate  
23 status remains suspended.

24 6.

25 The suspension of Respondent RLCI's corporate status  
26 is a violation of Regulation 2742, subdivision (c) and  
27 constitutes grounds to suspend or revoke Respondent RLCI's  
28 corporate real estate broker license pursuant to Code Sections

1 10177(d), 10177(f), and/or 10177(g).

2 SECOND CAUSE OF ACCUSATION

3 (Unlicensed Activity/Advance Fee Violations/Fraud/Dishonest Dealing)

4 7.

5 From January 21, 2010, through July 8, 2010, David  
6 Robert Campbell ("Campbell") served as the designated officer  
7 for RLCI. Campbell canceled his designation as of July 8, 2010.  
8 As of July 8, 2010, RLCI was licensed in a non-working status  
9 meaning the licensee is prohibited from performing activities  
10 for which a license is required in California.

11 8.

12 Code Section 10131 defines a real estate broker as a  
13 person who: (d) solicits borrowers or lenders for or negotiates  
14 loans or collects payment or performs services for borrowers or  
15 lenders or note owners in connection with loans secured directly  
16 or collaterally by liens on real property or on a business  
17 opportunity.

18 9.

19 Code Section 10131.2 defines a real estate broker as  
20 "a person who engages in the business of claiming, demanding,  
21 charging, receiving, collecting or contracting for the  
22 collection of an advance fee in connection with any employment  
23 undertaken to promote the sale or lease of real property or of a  
24 business opportunity by advance fee listing, advertisement or  
25 other offering to sell, lease, exchange or rent property or a  
26 business opportunity, or to obtain a loan or loans thereon."

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1 10.

2 Code Section 10085.5 states: "(a) It shall be  
3 unlawful for any person to claim, demand, charge, receive,  
4 collect, or contract for an advance fee (1) for soliciting  
5 lenders on behalf of borrowers or performing services for  
6 borrowers in connection with loans to be secured directly or  
7 collaterally by a lien on real property, before the borrower  
8 becomes obligated to pay the complete loan or, (2) for  
9 performing any other activities for which a license is required,  
10 unless the person is a licensed real estate broker and has  
11 complied with the provisions of this part."

12 11.

13 Code Section 10085.6 states: "(a) Notwithstanding  
14 any other provision of law, it shall be unlawful for any  
15 licensee who negotiates, attempts to negotiate, arranges,  
16 attempts to arrange, or otherwise offers to perform a mortgage  
17 loan modification or other form of mortgage loan forbearance for  
18 a fee or other compensation paid by the borrower, to do any of  
19 the following:

20 (1) Claim, demand, charge, collect, or receive any  
21 compensation until after the licensee has fully performed  
22 each and every service the licensee contracted to perform  
23 or represented that he, she, or it would perform.

24 (2) Take any wage assignment, any lien of any type on  
25 real or personal property, or other security to secure the  
26 payment of compensation.

27 (3) Take any power of attorney from the borrower for  
28 any purpose."

1 12.

2 Within the three year period prior to the filing of  
3 this Accusation, Respondent, while doing business as RLCI in  
4 California, solicited and offered to perform services for  
5 borrowers in connection with loans secured directly or  
6 collaterally by liens on real property.

7 13.

8 On November 22, 2010, borrowers Ame and Andres R.  
9 entered into a loan modification agreement with RLCI.  
10 Respondent charged an advance fee totaling \$3,600 from the  
11 borrowers for said services. Respondent induced the borrowers  
12 to sign a limited power of attorney. On November 23, 2010,  
13 Respondent collected an advance fee of \$1,800 from the  
14 borrowers. On December 15, 2010, Respondent collected another  
15 advance fee of \$1,500 from the borrowers. Respondent failed to  
16 provide proof of completing the services promised to the  
17 borrowers and refused to provide a refund of the borrowers'  
18 advance fees. Respondent provided a refund to the borrowers  
19 only after they filed a complaint against Respondent with the  
20 Department and other consumer protection agencies.

21 14.

22 On November 30, 2010, borrowers Francisco and Fe D.  
23 entered into a loan modification agreement with RLCI.  
24 Respondent charged an advance fee totaling \$2,400 from the  
25 borrowers for said services. Respondent induced the borrowers  
26 to sign a limited power of attorney. On December 9, 2010,  
27 Respondent collected an advance fee of \$1,200 from the  
28 borrowers. On January 10, 2011, Respondent collected another

1 advance fee of \$1,200 from the borrowers. Respondent made  
2 several misrepresentations to the borrowers in order to induce  
3 them to enter into the loan modification agreement and pay the  
4 advance fee for said services including that Respondent could  
5 obtain a lower interest rate and reduce the principal of the  
6 borrowers' loan. Respondent failed to provide proof of  
7 completing the services promised to the borrowers and refused to  
8 provide a refund of the borrowers' advance fees. Respondent  
9 provided a refund to the borrowers only after they filed a  
10 complaint against Respondent with the Department and other  
11 consumer protection agencies.

12 15.

13 On March 17, 2011, borrowers Armando and Filgerina T.  
14 entered into a loan modification agreement with RLCI.  
15 Respondent charged an advance fee totaling \$5,000 from the  
16 borrowers for said services. On March 18, 2011, Respondent  
17 collected an advance fee of \$1,500 from the borrowers. On  
18 April 11, 2011, Respondent collected another advance fee of  
19 \$1,500 from the borrowers. On April 22, 2011, the borrowers  
20 cancelled their agreement with RLCI and requested a refund of  
21 the \$3,000 in advance fees they had paid. Respondent failed to  
22 provide proof of completing the services promised to the  
23 borrowers and failed to provide a refund of the borrowers'  
24 advance fees.

25 16.

26 On March 23, 2011, borrower Marie V. entered into a  
27 loan modification agreement with RLCI. Respondent charged an  
28 advance fee totaling \$5,500 from the borrower for said services.

1 Respondent induced the borrower to sign a limited power of  
2 attorney. On March 24, 2011, Respondent collected an advance  
3 fee of \$3,000 from the borrower. On April 19, 2011, Respondent  
4 collected another advance fee of \$2,500 from the borrower. On  
5 August 2, 2011, the borrower cancelled her agreement with RLCI  
6 and requested a refund of the \$5,500 in advance fees she had  
7 paid. Respondent failed to provide proof of completing the  
8 services promised to the borrower and failed to provide a refund  
9 of the borrower's advance fees.

10 17.

11 Respondent RLCI failed to comply with the requirements  
12 for advance fees pursuant to Code Section 10085 and Regulations  
13 2970 and 2972. Respondent RLCI failed to comply with the  
14 requirements for handling of advance fees in violation of Code  
15 Sections 10145, 10146, and Regulations 2831, 2832, and 2972.

16 18.

17 The activities described in Paragraphs 12 through 16,  
18 above, require a real estate broker license under Code Sections  
19 10131(d) and 10131.2. Cause exists to discipline all licenses  
20 and/or license rights of Respondent RLCI pursuant to Code  
21 Sections 10139, 10177(d) and/or 10177(g) for violation of Code  
22 Sections 10130, 10137, 10145, 10146, and Regulations 2740, 2742,  
23 subdivision (c), 2831, 2832, 2970, and 2972.

24 19.

25 The activities described in Paragraphs 12 through 16,  
26 above, require a real estate broker license under Code Sections  
27 10131(d) and 10131.2 or to be done by a licensed salesperson  
28 under the employment and supervision of a licensed real estate

1 broker pursuant to Code Section 10132. Cause exists to  
2 discipline all licenses, endorsements and/or license rights of  
3 Respondent CRONIN pursuant to Code Sections 10166.05(c),  
4 10166.051, 10139, 10177(d) and/or 10177(g) for violation of Code  
5 Sections 10130 and 10137.

6 20.

7 Respondents' conduct, acts and/or omissions as set  
8 forth above constitute grounds for the discipline of all  
9 licenses, endorsements and/or license rights of Respondents RLCI  
10 and CRONIN pursuant to Code Sections 10176(a) (making any  
11 substantial misrepresentation), 10176(b) (making any false  
12 promises of a character likely to influence, persuade or  
13 induce), 10176(i) (conduct...which constitutes fraud or dishonest  
14 dealing), 10177(d) (violation of the Real Estate Law), and/or  
15 10177(g) (negligence).

16 21.

17 Code Section 10106 provides, in pertinent part, that  
18 in any order issued in resolution of a disciplinary proceeding  
19 before the Department of Real Estate, the Commissioner may  
20 request the administrative law judge to direct a licensee found  
21 to have committed a violation of this part to pay a sum not to  
22 exceed the reasonable costs of the investigation and enforcement  
23 of the case.

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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, endorsements, and/or license rights  
5 of Respondents RELIABLE LENDING CONSULTANTS, INC. and PAUL DAVID  
6 CRONIN under the Real Estate Law (Part 1 of Division 4 of the  
7 Business and Professions Code), for the cost of investigation  
8 and enforcement as permitted by law, and for such other and  
9 further relief as may be proper under other provisions of law.

10 Dated at Los Angeles, California

11 this 4 day of March, 2013.

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13   
14 ROBIN TRUJILLO  
15 Deputy Real Estate Commissioner  
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23 cc: Reliable Lending Consultants, Inc.  
24 Paul David Cronin  
25 Pacific Home Loans, Inc.  
26 Robin Trujillo  
27 Sacto  
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