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FILED

MAR 11 2016

BUREAU OF REAL ESTATE

By 

BUREAU OF REAL ESTATE

STATE OF CALIFORNIA

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To:)	CalBRE No. H-40164 LA
)	
RCT REAL ESTATE SERVICE;)	<u>ORDER TO DESIST</u>
RCT HOME LOAN SERVICE;)	<u>AND REFRAIN</u>
and RAFAEL CASTILLO)	
CABRERA, doing business as)	(B&P Code Section 10086)
RCT Real Estate Service and as)	
RCT Home Loan Service)	
_____)	

The Commissioner ("Commissioner") of the California Bureau of Real Estate ("Bureau") caused an investigation to be made of the activities of RCT REAL ESTATE SERVICE ("RRES"), RCT HOME LOAN SERVICE ("RHLS") and RAFAEL CASTILLO CABRERA ("CABRERA") doing business as RRES and as RHLS, and has determined that each has engaged in or are engaging in acts or practices constituting violations of the California Business and Professions Code ("Code") and/or Title 10, California Code of Regulations ("Regulations") including engaging in the business of, acting in the capacity of, advertising, or assuming to act as real estate brokers in the State of California within the meaning of Code Section 10131 subsection (a) (selling or offering to sell and soliciting or negotiating sales) and Code Section 10131 subsection (d) (soliciting borrowers or lenders or negotiating loans). Based

1 on the findings of that investigation, as set forth below, the Commissioner hereby issues the
2 following Findings of Fact and Desist and Refrain Order pursuant to Section 10086 of the Code.

3 FINDINGS OF FACT

4 1. At no time herein mentioned has RRES, RHLS or CABRERA been licensed by
5 the Bureau in any capacity.

6 2. At the times mentioned herein RRES, RHLS and CABRERA engaged in the
7 business, acted in the capacity of, advertised or assumed to act as a real estate broker in the
8 State of California within the meaning of Code Section 10131 subparts (a) and (d), including
9 soliciting prospective sellers or purchasers of real property, and negotiating for the purchase,
10 sale or exchange of real property for compensation or in expectation of compensation as well as
11 soliciting borrowers or lenders or negotiating loans secured directly or collaterally by liens on
12 real property for compensation or in expectation of compensation.

13 3. Whenever acts referred to below are attributed to RRES, RHLS and/or
14 CABRERA those acts are alleged to have been done by each of them, acting alone, or by and/or
15 through one or more agents, associates, affiliates, and/or co-conspirators, including but not
16 limited to each of those named herein, and using a fictitious name(s) unknown at this time.

17 4. In or around July, 2013, and thereafter, each of those named herein advertised
18 their ability to negotiate the purchase of real property located in the cities of Oxnard, Encino,
19 Pacoima and San Fernando by posting listings of real property for sale on the outside of their
20 office located at an indoor swap meet in North Hollywood.

21 5. In reliance on the advertising described in Paragraph 4, above, in or around
22 July, 2013, Juana A. approached CABRERA stating her desire to purchase a real property.
23 Juana A. inquired of CABRERA about her ability to purchase a property despite having
24 problems with her credit. CABRERA represented to CABRERA that her credit could be
25 repaired if she purchased "5 credit points" for the sum of \$800. In response to the foregoing
26 information, Juana A. gave CABRERA a money order in the amount of \$747.39 made payable
27 to RHLS.

1 6. Thereafter, CABRERA showed Juana A. properties listed for sale on a
2 Multiple Listing Service, and took Juana A. to view some of those properties. Juana A. chose
3 one of the properties shown to her by CABRERA as a property she wished to purchase.
4 CABRERA advised Juana A. that in order to purchase the property she chose she would need to
5 give him \$20,000 as a down payment on the purchase price. On or about July 8, 2013, Juana A.
6 gave CABRERA a cashier's check in the amount of \$20,000 made payable to RHLS. A day
7 later CABRERA told Juana A. that she would need to give him an additional \$17,000 to make
8 her offer to purchase the property stronger. In response to CABRERA's advice, on or about July
9 9, 2013, Juana A. gave CABRERA an additional cashier's check in the amount of \$17,000
10 made payable to RHLS. After the passage of several months, CABRERA told Juana A. that she
11 could not purchase the property she had chosen as the sellers had changed their minds about
12 selling. CABRERA then showed Juana A. additional properties listed for sale. Juana A. chose
13 another property she wished to purchase. CABRERA advised Juana A. that to improve her
14 chances of purchasing the property she should give him an additional \$13,000 which would
15 bring the total amount Juana A. gave CABRERA to \$50,000. On or about September 17, 2013,
16 Juana A. gave CABRERA a final cashier's check. This one was in the amount of \$13,000 and
17 was also made payable to RHLS.

18 7. Despite Juana A.'s payment of \$50,000 to CABRERA and RHLS she was
19 never able to purchase a property through CABRERA. Further, CABRERA failed and refused
20 to refund the \$50,000 Juana A. paid to him and RHLS.

21 8. On or about June 17, 2015, a Special Investigator of the Bureau went to
22 CABRERA's office in North Hollywood to ascertain if CABRERA continued to engage in real
23 estate activities. Upon arriving at CABRERA's office location the Special Investigator was
24 approached by a woman named "Joann" who informed him that CABRERA helped people buy
25 homes by providing loans to them. Joann informed the Bureau's investigator that CABRERA
26 would be in touch with him. Joann also gave the investigator two business cards and a flyer
27 which advertised CABRERA's real estate activities. One of CABRERA's cards said

1 CABRERA can "help you to buy your home." The other said that CABRERA is a loan manager
2 for Interstate Lending Group, Inc. The flyer said: "We offer many easy and affordable loan
3 programs. There is no need to apply with other banks or mortgage companies. Let us find the
4 program right for you."

5 9. On or about August 14, 2015, a second Special Investigator for the Bureau
6 went to CABRERA's office in North Hollywood. The investigator spoke with CABRERA
7 directly to inquire about a particular property, 16403 Leadwell Street, Van Nuys, California.
8 CABRERA told the Special Investigator that ten offers on the property had already been
9 received. CABRERA also said one offer was for \$400,000, and for the investigator to have a
10 chance to buy the property the investigator would have to bid \$405,000. CABRERA told the
11 investigator that he would be the only individual the investigator would deal with throughout
12 the purchase process. CABRERA provided the investigator with two business cards which were
13 the same as the ones described in Paragraph 8, above.

14 10. On or about August 19, 2015, the Special Investigator received confirmation
15 from listing agent Trina Brown that the property at 16403 Leadwell Street, Van Nuys, California
16 had closed escrow as a purchase on August 4, 2015, a date prior to the time that CABRERA
17 purported to offer the property for sale as is alleged in Paragraph 9, above.

18 CONCLUSIONS OF LAW

19 11. Based on the information contained in Paragraphs 4 through 9, above,
20 CABRERA, RRES and RHLS have performed and/or participated in real estate activities,
21 which require a license under the provision of Code Section 10131 subparts (a) and (d), during a
22 period of time when none of them were licensed by the Bureau in any capacity in violation of
23 Code Section 10130.

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