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**FILED**

**JAN 18 2017**

**BUREAU OF REAL ESTATE**

By *Al Soler*

8 BEFORE THE BUREAU OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Application of

12 BOONRATE,

13 Respondent.

) No. H-40517 LA

) STATEMENT OF ISSUES

) Mortgage Loan Originator  
) License Endorsement

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17 The Complainant, Chika Sunquist, a Supervising Special Investigator of the State  
18 of California, for cause of Statement of Issues against BOONRATE ("Respondent") is informed  
19 and alleges as follows:

20 1.

21 The Complainant, Chika Sunquist, a Supervising Special Investigator of the State  
22 of California, makes this Statement of Issues against Respondent in her official capacity.

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CalBRE Statement of Issues – BOONRATE

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LICENSE HISTORY – RESPONDENT BOONRATE

2.

From July 31, 2014 through the present, Respondent has been licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the Business and Professions Code (“Code”) as a real estate corporation, Bureau of Real Estate (“BRE”) license number 01959521.

a. Respondent’s real estate corporation license will expire on July 30, 2018. Respondent’s designated officer of record is real estate broker (“REB”) Richard Viet Vu (“Vu”), BRE license number 01326661, and Nationwide Mortgage Licensing System (“NMLS”) ID 238856. Vu’s officer affiliation will expire on July 30, 2018.

b. According to California Secretary of State filings, the corporation BoonRate, Inc. was formed in the State of Delaware on May 16, 2014, and Rick Lien is its Chief Executive Officer, Secretary, Chief Financial Officer, President and one hundred percent (100%) owner.

Respondent’s CEO, Secretary, CFO, President and Sole Owner Rick Lien

3.

a. BRE License Discipline and Revocation. Rick B. Lien was previously licensed by the BRE as a real estate salesperson (“RES”), BRE license number 01162791. On or about January 8, 1995, Respondent’s RES license was conditionally suspended pursuant to Code Section 10153.4(a). On or about July 10, 1997 in BRE Case No. H-26863 LA, Respondent’s RES license was revoked, pursuant to Code Section 10177(d), for violation of Code Section 10130 for engaging in activities requiring a real estate license within the meaning of Code Sections 10131(d) and 10131.2, including the operation of a mortgage loan brokerage business wherein lenders and borrowers were solicited for loans secured directly or collaterally by liens on real property, wherein such loans were arranged, negotiated, processed, and consummated on behalf of others for compensation or in expectation of compensation and for fees often collected in advance, during a period when his real estate license was suspended by the BRE (then

1 “Department”). Additionally, Lien’s conduct constituted fraud and dishonest dealing, and  
2 negligence and/or incompetence, additional grounds for license discipline pursuant to Code  
3 Section 10177(d) and 10176(i), respectively.  
4

5 b. Civil Fraud Judgment in Los Angeles County Case No. BC298781. On or  
6 about October 1, 2010, in Los Angeles Case No. BC298781, a default final judgment of seven  
7 hundred sixteen thousand dollars and nine cents (\$716,000.09) (comprised of \$179,000.00  
8 damages and \$537,000.00 other costs) was entered against Lien based on a complaint that  
9 alleged fraud.

10 c. Civil Fraud Judgment in Orange County Case No. 768752. On or about May  
11 22, 1997, in Orange County Case No. 768752, a default final judgment of three hundred seventy-  
12 three thousand three hundred twenty-four dollars and nine cents (\$373,324.09) (comprised of  
13 \$350,000.00 principal, \$23,109.59 interest, and \$214.50 costs) was entered against Lien and co-  
14 defendant Ted Criscione a.k.a. Nick Criscione based on a complaint that alleged fraud.

15 d. Civil Judgment in Orange County Case No. 770259 based on a Fraud  
16 Determination. On or about October 7, 1997, in Orange County Case No. 770259, a default final  
17 judgment of twenty-five thousand seven hundred seventy-seven dollars (\$25,777.00) (comprised  
18 of \$18,050 actual damages, \$7,500 attorney’s fees, and \$227.00 costs) was entered against Lien  
19 and co-defendant Ted Criscione based on a fraud determination by the court.  
20

21 e. Criminal Conviction in Los Angeles County Case No. BA254647. On or about  
22 November 4, 2003, in Los Angeles County Case No. BA254647, Rick Lien, a.k.a. Rick Boi Lien  
23 or Rick Boivinh Lien, was charged with violation of: Penal Code (“PC”) Section 487(A) (grand  
24 theft of personal property) (two counts), a felony; PC Section 115(A) (attempt to file false or  
25 forged instrument), a felony (three counts); PC Section 368(D) (theft from elder or dependent  
26 adult), a felony (one count); and PC 470(D) (forgery), a felony (three counts). On or about May  
27 14, 2004, Complaint BA254647 was amended to allege PC 487(A) as a misdemeanor pursuant to  
28 PC 17B. Also on or about May 14, 2004, Lien pled *nolo contendere* to one count for violation of

1 PC Section 487(A) (grand theft of property), a misdemeanor. On or about June 17, 2004, Lien  
2 was sentenced to thirty-six (36) months probation, ordered to serve fourteen (14) days in jail, and  
3 ordered to pay: restitution to the victim in the amount \$20,000 and a restitution fine to the court  
4 in the amount \$200.00. Additionally, the court ordered Lien not to engage in any real estate  
5 transaction except for the purchase/sale of [his] own real property. On or about October 12,  
6 2007, this conviction was dismissed pursuant to PC 1203.4.  
7

8 Respondent's BRE Designated Officer of Record Richard Viet Vu

9 4.

10 a. (Aggravation) Civil Judgment in Los Angeles County Case No. 770259. On or  
11 about September 14, 2007, in Los Angeles County Case – Small Claims Case No. DOW  
12 07S00238, a default final judgment of \$1,675.00 (comprised of \$1,500.00 principal and \$175.00  
13 costs) was entered against Vu and co-defendant Ana L. Navarro based on a complaint that  
14 alleged breach of contract.  
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16 b. (Aggravation) Civil Judgment in Orange County Case No. 30-2012-00617457-  
17 CU-BC-CJC. On or about April 8, 2013, in Orange County Case No. 30-2012-00617457-CU-  
18 BC-CJC, a default final judgment of \$50,494.00 (comprised of \$50,000.00 principal and \$494.00  
19 costs) was entered against Vu based on a complaint that alleged breach of contract continuing  
20 guaranty/personal guarantee.  
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BRE MLO Endorsement Application of August 5, 2014 (MU1-2)

In MU1-2, submitted by Lien, under the section for Resident/Registered Agent, Incorp Services, Inc. (Christina Nasr) is listed as the Registered Agent and BoonRate (Lien) is listed as the President.

a. At the section regarding Criminal Disclosure, Question (A), to wit: "Has the entity or a control affiliate ever: (2) been charged with any felony?" Lien answered "No" and did not disclose the information described above in Paragraph 3e.

b. At the section regarding Regulatory Action Disclosure, Question (C), to wit: "In the past 10 years, has any State or federal regulatory agency or foreign financial regulatory authority or self-regulatory organization (SRO) ever (1) found the entity or a control affiliate to have made a false statement or omission or been dishonest, unfair or unethical?" Lien answered "No" and did not disclose the information described above in Paragraph 6.

c. At the section regarding Regulatory Action Disclosure, Question (C), to wit: "In the past 10 years, has any State or federal regulatory agency or foreign financial regulatory authority or self-regulatory organization (SRO) ever (2) found the entity or a control affiliate to have been involved in a violation of a financial services-related regulation(s) or statute(s)?" Lien answered "No" and did not disclose the information described above in Paragraph 6.

d. At the section regarding Regulatory Action Disclosure, Question (C), to wit: "In the past 10 years, has any State or federal regulatory agency or foreign financial regulatory authority or self-regulatory organization (SRO) ever (3) found the entity or a control affiliate to have been a cause of a financial services-related business having its authorization to do business denied, suspended, revoked or restricted?" Lien answered "No" and did not disclose the information described above in Paragraph 6.

e. At the section regarding Regulatory Action Disclosure, Question (C), to wit: "In the past 10 years, has any State or federal regulatory agency or foreign financial regulatory

1 authority or self-regulatory organization (SRO) ever (4) entered an order against the entity or a  
2 control affiliate's registration or license or otherwise, by order, prevented it from associating  
3 with a financial services-related business or restricted its activities?" Lien answered "No" and  
4 did not disclose the information described above in Paragraph 6.  
5

6 f. At the section regarding Regulatory Action Disclosure, Question (C), to wit: "In  
7 the past 10 years, has any State or federal regulatory agency or foreign financial regulatory  
8 authority or self-regulatory organization (SRO) ever (5) denied, suspended, or revoked the  
9 entity's or a control affiliates' registration or license or otherwise, by order, prevented it from  
10 associating with a financial services-related business or restricted its activities?" Lien answered  
11 "No" and did not disclose the information described above in Paragraph 6.

12 8.

13 BRE MLO Endorsement Application of August 11, 2014 (MU1-3)

14 In MU1-3, submitted by Vu, under the section for Resident/Registered Agent,  
15 Incorp Services, Inc. (Christina Nasr) is listed as the Registered Agent and BoonRate (Lien) is  
16 listed as the President.

17 a. At the section regarding Regulatory Action Disclosure, Question (C), to wit:  
18 "In the past 10 years, has any State or federal regulatory agency or foreign financial regulatory  
19 authority or self-regulatory organization (SRO) ever (1) found the entity or a control affiliate to  
20 have made a false statement or omission or been dishonest, unfair or unethical?" Vu answered  
21 "No" and did not disclose the information described above in Paragraph 6.  
22

23 b. At the section regarding Regulatory Action Disclosure, Question (C), to wit:  
24 "In the past 10 years, has any State or federal regulatory agency or foreign financial regulatory  
25 authority or self-regulatory organization (SRO) ever (2) found the entity or a control affiliate to  
26 have been involved in a violation of a financial services-related regulation(s) or statute(s)?" Vu  
27 answered "No" and did not disclose the information described above in Paragraph 6.  
28

1 c. At the section regarding Regulatory Action Disclosure, Question (C), to wit:  
2 "In the past 10 years, has any State or federal regulatory agency or foreign financial regulatory  
3 authority or self-regulatory organization (SRO) ever (3) found the entity or a control affiliate to  
4 have been a cause of a financial services-related business having its authorization to do business  
5 denied, suspended, revoked or restricted?" Vu answered "No" and did not disclose the  
6 information described above in Paragraph 6.  
7

8 d. At the section regarding Regulatory Action Disclosure, Question (C), to wit:  
9 "In the past 10 years, has any State or federal regulatory agency or foreign financial regulatory  
10 authority or self-regulatory organization (SRO) ever (4) entered an order against the entity or a  
11 control affiliate's registration or license or otherwise, by order, prevented it from associating  
12 with a financial services-related business or restricted its activities?" Vu answered "No" and did  
13 not disclose the information described above in Paragraph 6.  
14

15 e. At the section regarding Regulatory Action Disclosure, Question (C), to wit:  
16 "In the past 10 years, has any State or federal regulatory agency or foreign financial regulatory  
17 authority or self-regulatory organization (SRO) ever (5) denied, suspended, or revoked the  
18 entity's or a control affiliates' registration or license or otherwise, by order, prevented it from  
19 associating with a financial services-related business or restricted its activities?" Vu answered  
20 "No" and did not disclose the information described above in Paragraph 6.  
21

#### 22 GROUND FOR LICENSE ENDORSEMENT DENIAL BY THE BRE

23 (Lack of Evidence of Financial Responsibility, Character and General Fitness)

24 9.

25 The Commissioner may deny a mortgage loan originator license endorsement if  
26 an applicant fails to demonstrate such financial responsibility, character, and general fitness as to  
27 command the confidence of the community and warrant a determination that the mortgage loan  
28 originator will operate honestly, fairly, and efficiently. The facts alleged in Paragraphs 3 through



1 6, above, constitute cause for denial of Respondent BOONRATE's MLO license endorsement  
2 application pursuant to **Code Section 10166.05(C) and Regulation 2758.3(A), Title 10,**  
3 **Chapter 6, Code of Regulations.**

4  
5 (Failure to Disclose)

6 10.

7 The Commissioner may deny a mortgage loan originator license endorsement if  
8 an applicant withholds information or makes a material misstatement in an application for a  
9 license endorsement or license endorsement renewal pursuant to Code section 10166.051(B).  
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11 The facts alleged in Paragraphs 7 and 8 above, constitute cause for denial of Respondent's  
12 application for a license endorsement under **Code Sections 10166.051(B) and 10166.05(C).** .

13 These proceedings are brought under the provisions of Section 10100, Division 4  
14 of the Business and Professions Code of the State of California and sections 11500 through  
15 11528 of the California Government Code.  
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1                   WHEREFORE, Complainant prays that a hearing be conducted on the allegations  
2 of this Statement of Issues, and that upon proof thereof, a decision be rendered that the  
3 Commissioner refuse to authorize the issuance of, and deny the issuance of, a mortgage loan  
4 originator license endorsement to Respondent BOONRATE, and for such other and further relief  
5 as may be proper under the provisions of law.  
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7 Dated at Sacramento, California

8 this 13<sup>th</sup> day of January, 2017.  
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13 Chika Sunquist  
14 Supervising Special Investigator  
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21 cc: BoonRate  
22 Chika Sunquist  
23 Sacto.  
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