

Sachs

1 DEPARTMENT OF REAL ESTATE
320 West Fourth Street, Ste. 350
2 Los Angeles, California 90013
(213) 576-6982

FILED

MAR - 3 2020

DEPT. OF REAL ESTATE
By *[Signature]*

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 To:
12
13 ROGELIO LARA, doing business as
LUXURY LIFE STYLES and HARD CASH
14 USA,
15 Respondent.

DRE No. H-41622 LA

ORDER TO DESIST & REFRAIN
(B&P Code § 10086)

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18 The Commissioner ("Commissioner") of the California Department of Real Estate
19 ("Department") caused an investigation to be made of the activities of ROGELIO LARA, doing
20 business as Luxury Life Styles and Hard Cash USA. Based on that investigation, the
21 Commissioner has determined that Respondent ROGELIO LARA has engaged in, is engaging
22 in, or is attempting to engage in, acts or practices constituting violations of the California
23 Business and Professions Code ("Code"), including engaging in the business of, acting in the
24 capacity of, and/or advertising or assuming to act as a real estate broker in the State of
25 California within the meaning of Code section 10131, subdivision (d) (performing services for
26 borrowers in connection with loans secured by real property); engaging in the business of,
27 acting in the capacity of, and/or advertising or assuming to act as a mortgage loan originator

1 (“MLO”) in the State of California within the meaning of Code section 10166.01, subdivision
2 (b)(1) (MLO definition) and Code section 10166.02, subdivision b (unlicensed MLO activity);
3 and charging and collecting advance fees for services in connection with activities that require
4 a real estate broker license and/or MLO license endorsement, within the meaning of Code
5 section 10131.2 (advance fee handling) and Code section 10085.5 (charging advance fees for
6 loans secured by real property). Furthermore, based on the investigation, the Commissioner
7 hereby issues the following Findings of Fact, Conclusions of Law, and Desist and Refrain
8 Order under the authority of Section 10086 of the Code.

9 Whenever acts referred to below are attributed to Respondent, those acts are alleged to
10 have been done by Respondent, acting by himself, or by and/or through one or more agents,
11 associates, affiliates, and/or co-conspirators.

12 FINDINGS OF FACT

13 1. Respondent ROGELIO LARA aka Rogelio M. Lara and Roger Lara
14 (“Respondent”) has never been licensed by the Department in any capacity.

15 2. Respondent does not hold a MLO license endorsement.

16 3. Respondent owns, operates, and does business as Hard Cash USA and Luxury Life
17 Styles, aka Luxury Lifestyles and Luxury Life Styles Lara and Company Corp.

18 4. For a period of time that includes the previous three years, Respondent operated a
19 website at <http://www.hardcashusa.com>, through which Respondent for compensation, or in
20 expectation of compensation, solicited one or more of the following acts for others: offered to
21 perform services for borrowers and/or lenders in connection with loans secured directly or
22 collaterally by one or more liens on real property and charged, demanded or collected advance
23 fees for any of the services offered.

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1 National Trails Property Transaction

2 5. On or about November 15, 2016, Respondent, for compensation or in expectation of
3 compensation, solicited and offered to perform services for K.P.A.¹, president of Asahi USA,
4 LLC ("Asahi") in connection with a loan intended for the purchase of real property or a
5 business opportunity.

6 6. On or about March 8, 2017, K.P.A., acting on behalf of buyer - Asahi, executed an
7 agreement to purchase real property located at 41352 National Trails Highway, Newberry
8 Springs, California 92365 ("National Trails property"). An escrow for Asahi's purchase of the
9 National Trails property was opened on or about March 28, 2017. Asahi paid an earnest money
10 deposit of \$500.00 to escrow company, North American Title Company.

11 7. On or about April 12, 2017, K.P.A. paid advance fees of \$550.00 to Respondent's
12 company, Luxury Life Styles, to be used for appraisal services in connection with obtaining a
13 loan to purchase the National Trails property. Respondent also requested a voided check from
14 K.P.A.'s bank account and obtained other financial information from K.P.A. for the Asahi loan.

15 8. On or about April 14, 2017, Respondent created a check no. 1004, for \$550.00 from
16 Asahi's bank account. The check was made payable to Luxury Life Styles. Respondent
17 deposited the check into his account, No. XXXX5927. K.P.A. was not aware of this advance
18 payment and had not authorized the check payment to Respondent.

19 9. On or about April 18, 2017, Respondent collected another advance fee for \$5,950.00
20 from K.P.A. for services in connection with obtaining a loan for the purchase the National
21 Trails property.

22 10. Respondent collected advance fees totaling \$7,050.00 from K.P.A. and Asahi for
23 services in connection with obtaining a loan to purchase the National Trails property.

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26 1 Initials are used in place of individual's full names to protect their privacy. Documents containing individual's
27 full names will be provided during the discovery phase of this case to Respondent and/or his attorney, after service
of a timely and proper request for discovery on Complainant's counsel.

1 11. Respondent failed to perform the services promised to Asahi and K.P.A. including,
2 but not limited to, the following: providing an appraisal report and obtaining a loan for Asahi to
3 purchase the National Trails property.

4 12. Escrow was cancelled on or about June 30, 2017.

5 13. K.P.A. made repeated demands to Respondent for return of the advance fees
6 collected by Respondent. Respondent only returned \$550.00 to K.P.A. Respondent refused
7 and failed to return the remaining \$6,500.00 in advance fees owed to K.P.A. and Asahi.

8 In Aggravation

9 14. The Department of Savings and Mortgage Lending (“DSML”) for the State of
10 Texas initiated an investigation of Respondent after receiving a complaint from borrowers
11 M.G. and O.G. (“borrowers”) against Respondent.

12 15. On or about September 23, 2010, borrowers M.G. and O.G paid Respondent
13 \$9,500.00 in connection with the origination of a residential mortgage loan for purchase of a
14 residence. Respondent was doing business as United Investments and Rainbow Investments.

15 16. Neither Respondent, nor his companies, were licensed or registered as mortgage
16 loan originators with NMLS, Nationwide Multistate Licensing System & Registry.

17 17. Respondent had applied for a mortgage banker loan originator license on or about
18 June 1, 2010. Said application was withdrawn on October 28, 2010.

19 18. At closing, the borrowers were not given full credit for the \$9,600.00. A portion of
20 the money paid by the borrowers was applied for the down payment on the property, but the
21 bulk of the money that the borrowers gave to Respondent was unaccounted for.

22 19. Respondent issued a check for a partial refund of \$1,600.00 to the borrowers but
23 Respondent’s check was returned for insufficient funds.

24 20. On February 10, 2012, Respondent entered into an Agreed Order with DSML,
25 whereby Respondent agreed to cease and desist from any and all residential mortgage loan
26 origination activities and to abide by state and federal mortgage loan originator licensing
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1 requirements. Respondent also agreed to pay an administrative penalty of \$1,500.00 to DSML
2 and restitution of \$6,807.00 to borrowers M.G. and O.G.

3 21. Respondent failed to pay the restitution to the borrowers and the penalty to DSML.

4 CONCLUSIONS OF LAW

5 1. Based on the findings of fact contained in Paragraphs 1 through 21, Respondent
6 ROGELIO LARA acting by himself, or by and/or through one or more agents, associates,
7 affiliates, and/or co-conspirators, including other names or fictitious names unknown at this
8 time, promised to perform services for borrowers and/or those borrowers' lenders in connection
9 with loans secured directly or collaterally by one or more liens on real property. Said acts
10 require a real estate broker license under Code section 10131(d), during a period of time when
11 Respondent was not licensed by the Department as a real estate broker, in violation of Code
12 section 10130.

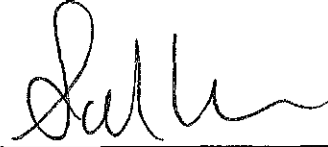
13 2. Based on the findings of fact contained in Paragraphs 1 through 21, Respondent
14 ROGELIO LARA acting by himself, or by and/or through one or more agents, associates,
15 affiliates, and/or co-conspirators, including other names or fictitious names unknown at this
16 time, promised to perform services for borrowers and/or those borrowers' lenders in connection
17 with loans secured directly or collaterally by one or more liens on real property. Said acts
18 require a a MLO license endorsement under Code section 10166.02, during a period of time
19 when Respondent did not have a MLO endorsement, in violation of Code section 10166.02,
20 subdivision (b).

21 3. Based on the findings of fact contained in Paragraphs 1 through 21, Respondent
22 ROGELIO LARA acting by himself, or by and/or through one or more agents, associates,
23 affiliates, and/or co-conspirators, including other names or fictitious names unknown at this
24 time, promised to perform services for borrowers and/or those borrowers' lenders in connection
25 with loans secured directly or collaterally by one or more liens on real property, and charged,
26 demanded or collected advance fees for the services to be provided, in violation of Code
27 section 10131.2 and Code section 10085.5.

1 6. performing any acts within the State of California for which a MLO license
2 endorsement is required, unless Respondent is so licensed.

3 DATED: 2/21/20, 2020.

4 Acting Real Estate Commissioner

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6
7 SANDRA KNAUS

8 **Notice:** Business and Professions Code Section 10139 provides that "Any person acting as a
9 real estate broker, real estate salesperson, or mortgage loan originator without a license or who
10 advertises using words indicating that he or she is a real estate broker, salesperson, or mortgage
11 loan originator, without being so licensed shall be guilty of a public offense punishable by a
12 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)."

13 cc: Rogelio Lara
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