

1 LAURENCE D. HAVESON, Counsel (SBN 152631)
2 Department of Real Estate
3 320 West 4th Street, Suite 350
4 Los Angeles, California 90013-1105
5 Telephone: (213) 559-5990
6 Direct: (213) 559-5699
7 Fax: (213) 576-6917
8 Email: Laurence.Haveson@dre.ca.gov
9 Attorney for Complainant

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of:

DRE Case No. H-43042-LA

MODERN MORTGAGE LENDING, INC.,
JASON WILLIAM HARPER, individually and
as designated officer of Modern Mortgage
Lending, Inc., and BRIAN JOSEPH DECKER,

ACCUSATION

Respondents.

The Complainant, Veronica Kilpatrick, a Supervising Special Investigator for the Department of Real Estate ("Department" or "DRE") of the State of California, for cause of Accusation against MODERN MORTGAGE LENDING, INC. ("MMLI"), JASON WILLIAM HARPER ("HARPER"), individually and as designated officer of Modern Mortgage Lending, Inc., and BRIAN JOSEPH DECKER ("DECKER"), collectively "Respondents," is informed and alleges in her official capacity as follows:

1. The Complainant, Veronica Kilpatrick, acting in her official capacity as a Supervising Special Investigator, makes this Accusation against Respondents.

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

LICENSE HISTORY

3. Respondent MMLI has been licensed by the DRE as a real estate corporation ("REC"), DRE license identification number ("License ID") 02095733.

1 a. According to DRE records, MMLI has been licensed from on or about July
2 29, 2019, to on or about July 28, 2023, and from on or about September 21, 2023, through
3 the present, with MMLI license scheduled to expire on September 30, 2027, unless renewed.
4 MMLI is currently licensed by and through HARPER's real estate broker ("REB") license,
5 License ID 01295882, and HARPER has always been MMLI's designated officer ("D.O.")

6 b. According to DRE records, MMLI's REC license was expired from on or
7 about July 29, 2023, to on or about September 20, 2023.

8 c. HARPER was also previously the D.O. for MMLI from July 29, 2019, to on
9 or about July 28, 2023, and HARPER became the D.O. for MMLI again, effective on
10 September 21, 2023, when MMLI's license was renewed.

11 d. MMLI also has a Mortgage Loan Originator ("MLO") license endorsement
12 with the DRE, National Mortgage Licensing System and Registry ("NMLS") ID 1865339.

13 e. As of October 1, 2024, four (4) real estate salespersons and two (2) broker
14 associates were affiliated with and licensed to MMLI, and MMLI had no branch offices.

15 f. According to DRE records to date, MMLI maintains two fictitious business
16 names ("dbas") licensed by the DRE, as follows:

- 17 (1) "Modern Lending," active as of June 16, 2021; and
18 (2) "Modern Lending Team," active as of July 29, 2019.

19 g. MMLI was incorporated in the State of California and articles of
20 incorporation were filed with the California Secretary of State on May 20, 2019.

21 h. As of June 5, 2021:

- 22 (1) MMLI had three (3) owners, and MMLI's corporate structure was as
23 follows:

Name	Title	License Status	Owner %
DECKER	Chief Executive Officer/Partner	RES	65%
Taylor Lee Loop ("Loop")	Vice President/Partner	REB, License ID 02089746	25%
Itzel Hernandez ("Hernandez")	Operations Manager/Partner	Unlicensed	10%

- 27 (2) A corporate resolution adopted by MMLI listed HARPER as
28 Broker/Compliance Manager.

1 i. On July 9, 2019, the DRE received a Corporation License Application, DRE
2 Form RE 201, from MMLI, listing HARPER as the broker-officer with the corporate title of
3 Vice President. However, HARPER confirmed that the titles assigned as of June 5, 2021,
4 did not change prior to or any time after June 5, 2021.

5 j. As of April 16, 2024, according to the corporate Statement of Information
6 filed with the California Secretary of State's Office by MMLI, DECKER was MMLI's chief
7 executive officer ("CEO") and the sole director of MMLI, and Loop was MMLI's chief
8 financial officer ("CFO") and secretary.

9 k. As of December 5, 2024, DECKER still owned 65% of MMLI, Loop still
10 owned 25% of MMLI, and Hernandez still owned 10% of MMLI.

11 l. As of February 7, 2025, according to the corporate Statement of Information
12 filed with the California Secretary of State's Office by MMLI, DECKER was MMLI's CEO
13 and a director, Loop was MMLI's CFO, secretary and a director, and Hernandez was a
14 partner and director for MMLI.

15 m. As of April 28, 2025, according to the corporate Statement of Information
16 filed with the California Secretary of State's Office by MMLI, Loop was MMLI's CEO,
17 CFO, secretary, and a director, and Hernandez was a partner and director.

18 4. Respondent HARPER has been licensed by the DRE as an REB, License ID
19 01295882, from on or about October 30, 2018 to the present, with HARPER's license scheduled to
20 expire on October 29, 2026, unless renewed. Besides being the D.O. for MMLI, HARPER is the
21 D.O. for REC Harper, Inc., License ID 02201072. HARPER also has an MLO license endorsement
22 with the DRE with NMLS ID 1713192, and HARPER is authorized to represent MMLI and Harper,
23 Inc. HARPER was previously licensed as a real estate salesperson ("RES") from on or about
24 September 9, 2000, until on or about October 29, 2018.

25 5. Respondent DECKER was previously licensed by the DRE as an RES License ID
26 02091733, from February 5, 2020, to February 4, 2024, when his RES license expired. The DRE
27 maintains jurisdiction pursuant to Code section 10103. DECKER's RES license was previously
28 affiliated with and licensed to MMLI from on or about July 16, 2020, to on or about July 28, 2023,

1 and from on or about September 22, 2023, to on or about February 4, 2024. DECKER previously
2 had an MLO license endorsement with the DRE with NMLS ID 319790, and was authorized to
3 represent MMLI until on or about February 4, 2024, however DECKER's MLO license endorsement
4 also expired on or about February 4, 2024, at which time he was not authorized to represent MMLI.

5 **ACTIVITIES REQUIRING A REAL ESTATE LICENSE AND MLO ENDORSEMENT**

6 6. At all times mentioned herein, in Riverside County, California, MMLI, HARPER,
7 and DECKER engaged in the performance of activities requiring a real estate license pursuant to
8 Code section 10130, and acted, ordered, caused, authorized and/or participated in licensed activities
9 for compensation or in expectation of compensation within the meaning of Code section 10131(d):
10 soliciting borrowers or lenders for or negotiating loans or performing services for borrowers or
11 lenders or note owners in connection with loans secured directly or collaterally by liens on real
12 property. At all times mentioned herein, in Riverside County, California, MMLI, HARPER, and
13 DECKER also engaged in the performance of activities requiring an MLO license endorsement
14 pursuant to Code sections 10166.01(b) and 10166.02(b). At all times alleged herein, MMLI acted
15 by and through HARPER as its D.O. pursuant to Code section 10159.2, and HARPER was
16 responsible for ensuring compliance with the Real Estate Law.

17 **FACTS DISCOVERED BY DRE**

18 7. On July 5, 2024, the DRE received an anonymous complaint against DECKER, that
19 was forwarded to the DRE by the California Department of Financial Protection and Innovation
20 ("DFPI").^{1/} The complaint alleged that DECKER, his team, and social media were advertising
21 DECKER as a "crypto expert, financial advisor, creator of new 'crypto tokens'—which are used to
22 buy into 'his beach house project," and that DECKER was also "giving unsolicited tax advice on
23 solar credits, tax savings, and tax structuring."

24 8. On or about August 23, 2023, the DRE received an Officer Renewal Application,
25 DRE Form RE 207, from MMLI, certified under penalty of perjury by HARPER, in which HARPER
26 stated as follows:

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28 ^{1/} The DFPI originally received the anonymous complaint on or about June 9, 2024, determined that it did not have jurisdiction, and that the DRE could better address the issues raised.

1 a. Under the heading "Mortgage Loan Brokering":

2 (1) Question 6 asked "Did you/your corporation, for compensation in
3 the past 12 months, make or arrange (broker) loans secured by real property or sell
4 existing notes secured by deeds of trust?" In response, HARPER marked the box for
5 "Yes."

6 (2) Question 6(a) asked: "How many loans were made with funds of
7 private lenders and secured by commercial property?" In response, HARPER marked
8 the box for "None."

9 b. Under section C and the heading, "SUPERVISION/AFFILIATION,"
10 question 4 asked:

11 Have you and all your salespersons and/or broker associates who are
12 affiliated with you/your corporation who make, arrange, or service
13 mortgage loans secured by 1-4 unit residential property under a DRE license
submitted a Mortgage Loan Activity Notification (RE 866) to the
Department as required?

14 In response, HARPER marked the box for "Yes."

15 9. However, based on DRE records as of January 7, 2025:

16 a. No mortgage loan activity notifications have been submitted to the DRE by
17 MMLI or HARPER as required by Code section 10166.02.

18 b. No business activity reports have been submitted to the DRE by MMLI or
19 HARPER as required by Code section 10166.07.

20 10. Between on or about March 1, 2024, and May 9, 2024, DECKER originated and
21 closed five (5) loans after his RES license expired. The table below shows these five loans DECKER
22 originated and closed after his license expired by the addresses of the properties involved, the
23 borrowers, the application dates, funding dates, and the loan numbers:

Property Address	Borrower	Application Date	Date Funded	Loan Number
996 Dahlia Ct., Hemet, CA	A.R. ^{2/}	03/06/2024	03/07/2024	1524030220
25198 Greythorne Dr., Menifee, CA	M.B.	03/28/2024	03/29/2024	1002420611
29578 Yorkton Rd., Murrieta, CA	B.H.	04/11/2024	04/12/2024	800043775
31179 Lahontan St., Temecula, CA	T.H. and P.H.	04/16/2024	04/18/2024	800044405
30960 Laelia Cir., Murrieta, CA	S.B.	05/08/2024	05/09/2024	800045207

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28 ^{2/} Initials are used in place of an individual's full name to protect their privacy. Documents containing individuals' full names will be provided during the discovery phase of this case to Respondents and/or their attorney(s), after service of a timely and proper request for discovery on Complainant's counsel.

11. Regarding DECKER's expired RES license, HARPER explained as follows:

a. DECKER believed he had renewed his RES license, however, DECKER further claimed that in May 2024, he received a written communication from the DRE requesting additional documentation to renew his license, at which point DECKER ceased all loan origination in California.

b. DECKER had recently relocated to Arizona, and the DRE sent DECKER's RES renewal notice to his previous address.

12. According to DRE records to date, the DRE has never received a license renewal from DECKER, and the DRE also has never sent any written communications to DECKER requesting additional documentation to renew his RES license.

13. On or about July 23, 2024, the DRE requested that MMLI provide a copy of its broker-salesperson employment agreement with DECKER.

14. On or about August 4, 2024, HARPER responded on behalf of MMLI, stating in part that DECKER "is the CEO and majority owner (65%) of [MMLI]. Our understanding is that an owner is not required to have an employment agreement in place."

15. On or about September 25, 2024, the DRE requested that MMLI provide copies of its independent contractor agreements ("ICA") for its licensed agents.

16. On or about October 1, 2024, HARPER responded on behalf of MMLI, providing copies of MMLI's agreements with the following licensees:

a. RES Issac Maurice Cabral ("Cabral"), License ID 02231176.

b. RES Daniel Joseph Garcia ("Garcia"), License ID 02161930.

c. RES Jose Alonso Lerma ("Lerma"), License ID 02020467.

d. RES Sean Albert Parsons ("Parsons"), License ID 02113622.

17. On or about December 3, 2024, HARPER again responded on behalf of MMLI, providing a copy of MMLI's agreement with REB Dillon Edward Hall ("Hall"), License ID 02038786.

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1 18. On behalf of MMLI, HARPER provided copies of agreements for licensees affiliated
2 with MMLI, and/or explained the absence of agreements. Based on the documents reviewed, and
3 the DRE's investigation, the DRE discovered the following:

4 a. HARPER explained that MMLI does not have written agreements with the
5 other owners of MMLI, REB Taylor Lee Loop ("Loop"), License ID 02089746, and
6 Hernandez, based on MMLI's understanding that owners do not need agreements.

7 (1) Loop's REB license has been affiliated as a broker associate with
8 MMLI from on or about December 9, 2021, to on or about July 28, 2023, and from
9 on or about September 22, 2023, through the present. Loop also has an MLO license
10 endorsement with the DRE with NMLS ID 1179433, and Loop has been authorized
11 to represent MMLI from on or about April 18, 2022, through the present. Loop has
12 also been the D.O. for REC Simply Lending, Inc., License ID 02198857, from on or
13 about September 21, 2022, through the present.

14 (2) Hernandez is not licensed by the DRE, but she holds an NMLS
15 license, primarily oversees MMLI's operations, and does not originate loans.
16 According to the NMLS website, Hernandez was issued an MLO license in Utah on
17 November 2, 2021, NMLS ID 312376, however this license expired on or about
18 March 1, 2023.

19 b. HARPER explained that MMLI employs RES Christopher Joseph Decker
20 ("C.J. Decker"), License ID 02134475, and RES Jennifer C. Potts ("Potts"), License ID
21 02193576 as "W-2 employees"—and their RES licenses are affiliated with MMLI—MMLI
22 does not have ICAs with these salespersons.

23 c. For REB Hall, MMLI entered into an employment agreement with Hall
24 ("Hall agreement") dated December 22, 2022, signed on December 23, 2022, by Hall on
25 behalf of himself, and by DECKER on behalf of MMLI.

26 (1) The Hall agreement states that Hall was hired as an outside sales loan
27 officer reporting to DECKER, President of MMLI. The Hall agreement does not refer
28 to MMLI's designated officer. The job description includes the following duties, in

1 part: approving loans; analyzing applicants' financial status, credit, and property
2 evaluations to determine the feasibility of granting loans; reviewing loan agreements;
3 and operating in compliance with laws and regulations.

4 (2) Hall's REB license has been affiliated with MMLI as a broker
5 associate from on or about April 27, 2023, to on or about July 28, 2023, and from
6 September 22, 2023, through the present.

7 (3) Hall does not have an MLO license endorsement from the DRE.

8 d. For RES Cabral, MMLI entered into a consulting agreement dated January
9 17, 2024, with Blu Pyramid Inc. ("BPI" the "Consultant") a corporation controlled by
10 Cabral. This consulting agreement ("BPI agreement") was signed by Cabral on behalf of
11 BPI, and by DECKER on behalf of MMLI (the "Company"). The terms of the BPI agreement
12 provided in relevant part: "The Company agrees that Consultant has the right to control the
13 means and manner by which the Services are performed and shall not be supervised by any
14 Company personnel"; and BPI agreed to perform services for MMLI including, but not
15 limited to, "all day to day tasks associated with funding loans, issuing loan documents, and
16 complying with lending regulations." The BPI agreement also provided: "The manner and
17 means that Consultant [BPI] chooses to complete the Services are in Consultant's sole
18 discretion and control"

19 (1) Cabral's RES license was affiliated with MMLI from on or about
20 January 17, 2024, to on or about October 14, 2024. Cabral also has an MLO license
21 endorsement with the DRE with NMLS ID 2236011, and Cabral was previously
22 authorized to represent MMLI from on or about February 29, 2024, until on or about
23 October 14, 2024.

24 (2) BPI is not now and has never been licensed by the DRE as an REC or
25 a dba, and does not have an MLO license endorsement.

26 e. For RES Garcia, MMLI entered into an ICA dated January 7, 2022, with
27 D&C Enterprises Inc ("DCEI"), a corporation controlled by Garcia. This ICA was signed by
28 Garcia on behalf of DCEI, and by DECKER on behalf of MMLI.

1 (1) Garcia's RES license has been affiliated with MMLI from on or about
2 October 13, 2021, to on or about July 28, 2023, and from September 22, 2023,
3 through the present. Garcia also has an MLO license endorsement with the DRE with
4 NMLS ID 1716634, and Garcia has been authorized to represent MMLI from on or
5 about January 15, 2022, through the present.

6 (2) DCEI is not now and has never been licensed by the DRE as an REC
7 or a dba, and does not have an MLO license endorsement.

8 f. For RES Lerma, MMLI entered into an ICA dated July 1, 2021, with Lerma.
9 Lerma signed the ICA on behalf of himself, and DECKER signed on behalf of MMLI.
10 Lerma's RES license has been affiliated with MMLI from on or about December 14, 2020,
11 to on or about March 10, 2021, from on or about May 3, 2021, to on or about July 28, 2023,
12 and from on or about September 22, 2023, to the present. Lerma also has an MLO license
13 endorsement with the DRE with NMLS ID 1767669, and Lerma has been authorized to
14 represent MMLI from on or about May 13, 2021, through the present.

15 g. For RES Parsons, MMLI entered into an ICA dated July 1, 2021, with
16 Parsons. Parsons signed the ICA on behalf of himself, and DECKER signed on behalf of
17 MMLI. Parsons's RES license was affiliated with MMLI from on or about December 8,
18 2020, to on or about July 28, 2023, and from on or about September 22, 2023, to on or about
19 July 10, 2025. Parsons also has an MLO license endorsement with the DRE with NMLS ID
20 1513181, and Parsons was previously authorized to represent MMLI from on or about April
21 28, 2022, through on or about July 8, 2025.

22 19. On or about November 25, 2024, on MMLI's website located at
23 <https://modernloans.com/>, MMLI advertised for mortgage loans and refinancing, and solicited
24 borrowers. On MMLI's "Our Team" webpage, located at <https://modernloans.com/our-team/>, the
25 following licensees were listed: DECKER, Loop, Parsons, C.J. Decker, Lerma, Cabral, and Potts.
26 No DRE license numbers or NMLS numbers were disclosed for any of these licensees. HARPER
27 was not listed on this webpage or anywhere else on MMLI's website.

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1 **VIOLATIONS OF THE REAL ESTATE LAW – CAUSES FOR DISCIPLINE**

2 20. Complainant realleges and incorporates by reference all of the allegations contained
3 in the previous paragraphs as though fully set forth herein.

4 21. In the course of the activities described above in Paragraph 6, and based on the facts
5 discovered by the DRE, as described in Paragraphs 1 through 19 above, Respondents acted in
6 violation of the Real Estate Law as follows.

7 **First Cause of Accusation against MMLI**

8 **Code Sections 10166.02, 10166.07, and 10177(a): Failure to File Notices and Reports; Material**
9 **Misstatement of Fact in Application for Officer License Renewal**

10 22. Complainant realleges and incorporates by reference all of the allegations contained
11 in the previous paragraphs as though fully set forth herein.

12 23. Code section 10166.02(a) provides in relevant part:

13 A real estate broker who acts pursuant to Section 10131.1 or subdivision (d)
14 or (e) of Section 10131, and who makes, arranges, or services loans secured
15 by real property containing one to four residential units, and any salesperson
16 who acts in a similar capacity under the supervision of that broker, shall
notify the department . . . within 30 days of commencing that activity
The notification shall be made in writing, as directed, on a form that is
acceptable to the commissioner.

17 24. Code section 10166.07 provides in relevant part:

18 A real estate broker who acts pursuant to Section 10131.1 or subdivision (d)
19 or (e) of Section 10131, and who makes, arranges, or services one or more
20 loans in a calendar year that are secured by real property containing one to
21 four residential units, shall annually file a business activities report, within
90 days after the end of the broker's fiscal year or within any additional
time as the commissioner may allow for filing for good cause.

22 25. Code section 10177(a) provides in relevant part:

23 The commissioner may suspend or revoke the license of a real estate
24 licensee . . . who has done any of the following . . . :

25 (a) Procured, or attempted to procure, a real estate license or license
26 renewal, for themselves . . . by making a material misstatement of fact
in an application for . . . license renewal

27 26. As alleged in further detail above in Paragraph 8, on or about August 23, 2023, the
28 DRE received MMLI's Officer Renewal Application, certified by HARPER, stating that: MMLI

1 made or arranged loans secured by real property or sold existing notes secured by deeds of trust
2 within the previous 12 months for compensation; MMLI and all of its salespersons and/or broker
3 associates who made, arranged, or serviced mortgage loans secured by 1-4 unit residential property
4 submitted mortgage loan activity notifications.

5 27. As alleged in further detail above in Paragraph 9, based on DRE records as of January
6 7, 2025, the DRE has received no mortgage loan activity notifications from MMLI or HARPER,
7 and the DRE has received no business activity reports from MMLI or HARPER.

8 28. MMLI's acts and/or omissions in failing to notify the DRE in writing of making,
9 arranging, or servicing loans secured by real property containing one to four residential units within
10 30 days of commencing that activity, and in failing to annually file business activities reports, within
11 90 days after the end of MMLI's fiscal year, were in violation of **Code sections 10166.02(a) and**
12 **10166.07**, and constitute cause to suspend or revoke the real estate licenses, license rights, and MLO
13 license endorsements of MMLI pursuant to **Code sections 10166.051(a), 10166.051(b), 10177(d)**
14 **and/or 10177(g).**

15 29. MMLI's acts and/or omissions in submitting an Officer Renewal Application in
16 which it stated that MMLI and all of its salespersons and/or broker associates who made, arranged,
17 or serviced mortgage loans secured by 1-4 unit residential property submitted mortgage loan activity
18 notifications, when in fact no such mortgage loan activity notifications have been received by the
19 DRE, were in violation of **Code section 10177(a)** and constitute cause to suspend or revoke the real
20 estate licenses and license rights of MMLI pursuant to **Code sections 10177(a), and 10177(d)**
21 **and/or 10177(g).**

22 **Second Cause of Accusation against Decker**

23 **Code Sections 10130 and 10211: Broker and Designated Officer Licenses Required**

24 30. Complainant realleges and incorporates by reference all of the allegations contained
25 in the previous paragraphs as though fully set forth herein.

26 31. Code section 10130 provides in relevant part:

27 It is unlawful for any person to engage in the business of, act in the capacity
28 of, advertise as, or assume to act as a real estate broker or a real estate
salesperson within this state without first obtaining a real estate license from

1 the department, or to engage in the business of, act in the capacity of,
2 advertise as, or assume to act as a mortgage loan originator within this state
without having obtained a license endorsement.

3 32. Pursuant to Code section 10016, a licensed RES who is retained by an REC may only
4 act on behalf of the REC when performing one or more of the acts set forth in Code sections 10131,
5 10131.1, 10131.2, 10131.3, 10131.4, and 10131.6. None of these code sections authorize an RES to
6 execute broker-salesperson or broker-associate agreements on behalf of or in the name of the REC.

7 33. DECKER is not now and has never been licensed by the DRE as a real estate broker
8 or as an officer of an REC.

9 34. From on or about July 1, 2021, through the present, DECKER has engaged in a long-
10 term, extended, continuous course of conduct of acting in the capacity of, or assuming to act, as a
11 real estate broker in the State of California without first obtaining a real estate broker license from
12 the DRE, by signing, entering into, and maintaining, on behalf of MMLI, independent contractor,
13 consulting, and/or employment agreements with licensed salespersons and/or broker associates, and
14 by creating or attempting to create, and maintaining or attempting to maintain, contractual and/or
15 agency relationships with those salespersons and/or broker associates who engaged in real estate
16 and mortgage loan activities requiring a real estate license and an MLO license endorsement.

17 35. On or about July 1, 2021, DECKER signed and entered into, on behalf of MMLI, an
18 independent contractor agreement with RES Lerma, creating or attempting to create a broker-
19 salesperson relationship between MMLI and RES Lerma that DECKER has maintained on behalf
20 of MMLI through the present.

21 36. Also, on or about July 1, 2021, DECKER signed and entered into, on behalf of
22 MMLI, an independent contractor agreement with RES Parsons, creating or attempting to create a
23 broker-salesperson relationship between MMLI and RES Parsons that DECKER maintained on
24 behalf of MMLI until on or about July 10, 2025.

25 37. On or about January 7, 2022, DECKER signed and entered into, on behalf of MMLI,
26 an independent contractor agreement with DCEI, a corporation controlled by RES Garcia, creating
27 or attempting to create a broker-salesperson relationship between MMLI and RES Garcia that
28 DECKER has maintained on behalf of MMLI through the present.

1 38. On or about December 22, 2022, DECKER signed and entered into, on behalf of
2 MMLI, an employment agreement with REB Hall, creating or attempting to create a broker-
3 salesperson relationship^{3/} between MMLI and REB Hall that DECKER has maintained on behalf of
4 MMLI through the present.

5 39. On or about January 17, 2024, DECKER signed and entered into, on behalf of
6 MMLI, a consulting agreement with BPI, a corporation controlled by RES Cabral, creating or
7 attempting to create a broker-salesperson relationship between MMLI and RES Cabral that
8 DECKER maintained on behalf of MMLI through on or about October 14, 2024.

9 40. Pursuant to Code sections 10159, 10159.2, and 10211, and Regulation 2740, an REC
10 can only act by and through the REB license of its designated officer. Pursuant to Code sections
11 10032 and 10159.2, and Regulation 2726, an REC must have a written agreement with each of its
12 real estate salespersons signed by the parties. An REC can only enter into a broker-salesperson
13 relationship with an RES or an REB who is a natural person through a written agreement signed by
14 the designated officer for the REC and the respective RES or REB.

15 41. DECKER's acts and/or omissions in signing, entering into, and maintaining, on
16 behalf of MMLI, independent contractor, consulting, and/or employment agreements with licensed
17 salespersons and/or broker associates, and by creating or attempting to create, and maintaining or
18 attempting to maintain, broker-salesperson relationships between MMLI and salespersons and/or
19 broker associates, without first obtaining an REB license from the DRE, and without first obtaining
20 authority to act as MMLI's designated officer, were in violation of **Code sections 10130, 10158,**
21 **10159, 10159.2, and 10211, and Regulation 2740,** and constitute cause to suspend or revoke the
22 real estate licenses and license rights of DECKER pursuant to **Code sections 10177(d) and/or**
23 **10177(g).**

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28 ^{3/} Pursuant to Code sections 10010.5(b)(1) and 10015.3, an REB retained by, affiliated with, and under the supervision of another REB or an REC is a broker associate. Contractual relationships between a responsible broker and a salesperson or between a responsible broker and a broker associate are both referred to herein as "broker-salesperson relationships."

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Fourth Cause of Accusation against MMLI

Invalid Broker-Salesperson Relationship Agreements; Failure to Have Broker-Salesperson Relationship Agreements

48. Complainant realleges and incorporates by reference all of the allegations contained in the previous paragraphs as though fully set forth herein.

49. Civil Code section 1667 provides in relevant part:

That is not lawful which is:

1. Contrary to an express provision of law;

2. Contrary to the policy of express law, though not expressly prohibited

When a statute has been made for the protection of the public, a contract in violation of its provisions is void.

50. Code section 10010.5(b) provides in relevant part:

(1) The Legislature finds and declares that a responsible broker, as defined in Section 10015.1, has the duty to supervise and oversee the licensed acts of each salesperson and broker associate affiliated with and working under his or her supervision

(2) The Legislature finds and declares that, consistent with existing statutory and common law, a responsible broker is liable for the actions or negligence of a salesperson or broker associate retained by the responsible broker to perform acts for which a license is required . . .

51. Code section 10015.1 provides in relevant part:

“Responsible broker” means the real estate broker responsible for the exercise of control and supervision of real estate salespersons under Section 10159.2, or a licensee subject to discipline under subdivision (h) of Section 10177 for failure to supervise activity requiring a real estate license. . . .

52. Code section 10016 provides in relevant part:

“Real estate salesperson” means a natural person licensed as a salesperson . . . and who, for a compensation or in expectation of a compensation, is retained by a real estate broker to do one or more of the acts set forth in [Code sections] 10131, 10131.1, 10131.2, 10131.3, 10131.4, and 10131.6.

53. Code section 10015.3 provides:

“Broker associate” means a broker retained by a responsible broker who has authority to provide services requiring a real estate license on behalf of the responsible broker.

1 54. Code section 10018.01 provides in relevant part:

2 “Retained” means the relationship between a broker and a licensee who is
3 either an independent contractor affiliated with, or an employee of, a broker
4 to perform activities that require a license and are performed under a
5 broker’s supervision.

6 55. Code section 10137 provides in relevant part:

7 It is unlawful for any licensed real estate broker to retain. . . any person for
8 performing any of the acts within the scope of this chapter^{4/} who is not a
9 licensed real estate broker, or a real estate salesperson licensed under the
10 responsible broker retaining or compensating him or her

11 56. Code section 10157 provides:

12 No real estate license gives authority to do any act specified in this chapter
13 to any person, other than the person to whom the license is issued.

14 57. Code section 10158 provides in relevant part:

15 When a real estate license is issued to a corporation, if it desires any of its
16 officers other than the officer designated by it pursuant to Section 10211, to
17 act under its license as a real estate broker, it shall procure an additional
18 license to retain each of those additional officers.

19 58. Code section 10159 provides in relevant part:

20 When a corporation wishes to act as a real estate broker, the corporation
21 shall be licensed by the department through qualified broker-officers, who
22 have either passed the broker license examination and are now qualified to
23 obtain a broker license, or who are currently licensed as real estate brokers.

24 59. Code section 10159.2(a) provides:

25 The officer designated by a corporate broker licensee pursuant to Section
26 10211 shall be responsible for the supervision and control of the activities
27 conducted on behalf of the corporation by its officers and employees as
28 necessary to secure full compliance with the provisions of this division,
29 including the supervision of salespersons licensed to the corporation in the
30 performance of acts for which a real estate license is required.

31 60. Code section 10211 provides in relevant part:

32 If the licensee is a corporation, the license issued to it entitles one officer
33 thereof, on behalf of the corporation, to engage in the business of real estate
34 broker without the payment of any further fee, such officer to be designated
35 in the application of the corporation for a license.

^{4/} References to “this chapter” in Code sections 10137 and 10157 are to Division 4, Part 1, Chapter 3 (Real Estate Regulations), of the Code.

1 61. Regulation 2726 provides:

2 Every real estate broker shall have a written agreement with each of his
3 salesmen^{5/}, whether licensed as a salesman or as a broker under a broker-
4 salesman arrangement. The agreement shall be dated and signed by the
5 parties and shall cover material aspects of the relationship between the
6 parties, including supervision of licensed activities, duties and
7 compensation.

8 62. Regulation 2740 Provides:

9 No acts for which a real estate license is required may be performed for, or
10 in the name of, a corporation when there is no officer of the corporation
11 licensed under Section 10158 or 10211.

12 63. Pursuant to Code sections 10010.5(b)(1), 10015.1, 10015.3, 10016, 10018.01,
13 10130, and 10137, and Regulation 2726, a real estate salesperson or broker associate cannot perform
14 acts for which a real estate license is required unless the salesperson or broker associate is retained
15 by or affiliated with, and under the supervision of, a responsible broker, and both the responsible
16 broker and the salesperson or broker associate have signed a broker-salesperson relationship
17 agreement.

18 64. Pursuant to Code sections 10015.3, 10016, 10137, and 10057, and Regulation 2726,
19 an RES and a broker associate, acting within the scope of a broker-salesperson agreement, must be
20 a "natural person," an RES license cannot be issued to a corporation, and neither a licensed RES nor
21 a licensed REB can lend or assign his or her license to an unlicensed person or entity.

22 65. Pursuant to Code sections 10159, 10159.2(a), and 10211, and Regulation 2740, a
23 REC can operate only by and through the license of a designated officer, and acts performed in the
24 name of the REC must be through the designated officer.

25 66. Pursuant to Code section 10016, a licensed RES who is retained by an REC may only
26 act on behalf of the REC when performing one or more of the acts set forth in Code sections 10131,
27 10131.1, 10131.2, 10131.3, 10131.4, and 10131.6. None of these code sections authorize an RES to
28 execute broker-salesperson or broker-associate agreements on behalf of or in the name of the REC.

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^{5/} Pursuant to Code section 10013, whenever the word "salesman" is used in the rules and regulations of the Real Estate Commissioner, it means a licensed real estate salesperson.

67. Pursuant to Civil Code section 1667:

a. A broker-salesperson relationship agreement between an REC and an RES or broker associate that is not signed on behalf of the REC by the REC's designated officer is contrary to the express provisions of law contained in Code sections 10159, 10159.2(a), and 10211, and Regulation 2740, and is void;

b. A broker-salesperson relationship agreement between an REC and an unlicensed corporation is contrary to the express provision of law contained in Code sections 10016, 10137, and 10157, and Regulation 2726, and is void;

c. A broker-salesperson relationship agreement that states that the salesperson shall not be supervised by any personnel of the responsible broker is contrary to the express provision of law and/or the policy of express law contained in Code sections 10010.5(b)(1), 10015.1, 10018.01, and 10159.2(a), and Regulation 2726, and is void.

68. Neither RES DECKER nor REB Loop are currently, nor have they ever been, licensed as officers of MMLI by the DRE.

69. The following licensees have been retained in broker-salesperson or broker-associate relationships by, and their licenses have been affiliated with, MMLI, as shown in the table below:

Name	License	License ID	Relationship with MMLI	Dates Affiliated with MMLI
Hall	REB	02038786	Broker-Associate	04/27/2023 to 07/28/2023 09/22/2023 to Present
Loop	REB	02089746	Broker-Associate	12/09/2021 to 07/28/2023 09/22/2023 to Present
Cabral	RES	02231176	Broker-Salesperson	01/17/2024 to 10/14/2024
DECKER	RES	02091733	Broker-Salesperson	07/16/2020 to 07/28/2023 09/22/2023 to 02/04/2024
C.J. Decker	RES	02134475	Broker-Salesperson	03/18/2021 to 07/28/2023 09/22/2023 to Present
Garcia	RES	02161930	Broker-Salesperson	10/13/2021 to 07/28/2023 09/22/2023 to Present
Lerma	RES	02020467	Broker-Salesperson	12/14/2020 to 03/10/2021 05/03/2021 to 07/28/2023 09/22/2023 to Present
Parsons	RES	02113622	Broker-Salesperson	12/08/2020 to 07/28/2023 09/22/2023 to 07/10/2025
Potts	RES	02193576	Broker-Salesperson	12/19/2022 to 07/28/2023 09/22/2023 to Present

1 70. As alleged above in Paragraphs 14, 18(a), and 18(b), MMLI does not have written
2 broker-salesperson or broker-associate agreements with DECKER, Loop, C.J. Decker, and Potts.

3 71. As alleged above in Paragraphs 18(c) through (g), none of the purported agreements
4 with Hall, Cabral, Garcia, Lerma, or Parsons were signed by HARPER as the designated officer on
5 behalf of MMLI, they were all signed by RES DECKER on behalf of or in the name of MMLI.

6 72. As alleged above in Paragraphs 18(d) and (e), MMLI's purported agreements with
7 Cabral and Garcia were not signed by Cabral and Garcia on their own behalf but instead were signed
8 by Cabral and Garcia on behalf of their unlicensed corporations, BPI and DCEI, respectively.

9 73. To the extent that MMLI's failure to have valid, written broker-salesperson
10 relationship agreements with all salespersons and broker associates retained by MMLI, subjecting
11 them to MMLI's supervision, and whose licenses have been affiliated with MMLI, signed by the
12 designated officer on behalf of MMLI, and signed by the licensees in their own names, was caused
13 by the actions or negligence of DECKER, MMLI is liable for such actions and negligence pursuant
14 to Code section 10010.5(b)(2).

15 74. MMLI's acts and/or omissions in failing to have valid, written broker-salesperson
16 relationship agreements with all salespersons and broker associates retained by MMLI, and whose
17 licenses have been affiliated with MMLI, signed by the designated officer on behalf of MMLI, and
18 signed by the licensees in their own names, were in violation of **Code sections 10159, 10159.2(a),**
19 **and 10211, and Regulations 2726 and 2740,** and constitute cause to suspend or revoke the real
20 estate licenses and license rights of MMLI pursuant to **Code sections 10177(d) and/or 10177(g).**

21 75. MMLI's acts and/or omissions resulting in the creation of broker-salesperson
22 relationship agreements between MMLI and BPI, and between MMLI and DCEI, providing for BPI
23 and DCEI to engage in activities requiring a real estate license and an MLO license endorsement,
24 were in violation of **Code sections 10016, 10137, and 10157, and Regulation 2726,** and constitute
25 cause to suspend or revoke the real estate licenses and license rights of MMLI pursuant to **Code**
26 **sections 10177(d) and/or 10177(g).**

27 76. MMLI's acts and/or omissions resulting in the creation of a broker-salesperson
28 relationship agreement between MMLI and BPI and/or Cabral, providing for BPI and/or Cabral to

1 engage in activities requiring a real estate license and an MLO license endorsement, in which
2 agreement MMLI agreed that Cabral would not be supervised by any of MMLI's personnel, were
3 in violation of **Code sections 10010.5(b)(1), 10015.1, 10018.01, and 10159.2(a), and Regulation**
4 **2726**, and constitute cause to suspend or revoke the real estate licenses and license rights of MMLI
5 pursuant to **Code sections 10177(d) and/or 10177(g).**

6 **Fifth Cause of Accusation against MMLI**

7 **Code sections 10159 and 10211, and Regulation 2740:**

8 **Designated Officer must be Officer of Corporation**

9 77. Complainant realleges and incorporates by reference all of the allegations contained
10 in the previous paragraphs as though fully set forth herein.

11 78. Pursuant to Code sections 10158, 10159, 10159.2, and 10211, and Regulation 2740,
12 the designated officer for an REC must be an officer of the corporation.

13 79. California Corporations Code section 312 governs the identification and appointment
14 of corporate officers and provides in relevant part:

15 (a) A corporation shall have (1) a chairperson of the board [of directors],
16 who may be given the title of chair of the board, chairperson of the board,
17 chairperson, or a president or both, (2) a secretary, (3) a chief financial
18 officer, and (4) such other officers with such titles and duties as shall be
19 stated in the bylaws or determined by the board and as may be necessary to
20 enable it to sign instruments and share certificates. . . .

21 (b) Except as otherwise provided by the articles or bylaws, officers shall be
22 chosen by the board and serve at the pleasure of the board

23 80. On or about July 9, 2019, the DRE received a Corporation License Application, RE
24 Form 201, from MMLI, certified by HARPER under penalty of perjury, stating, among other things,
25 that HARPER's MMLI corporate officer title was "Vice President."

26 81. On or about June 5, 2021, the directors and shareholders of MMLI adopted a
27 corporate resolution which, among other things, designated HARPER as "Broker/Compliance
28 Manager" for MMLI, designated DECKER as CEO/Partner, Loop as Vice President/Partner, and
Hernandez as Operations Manager/Partner.

82. In MMLI's April 16, 2024, Statement of Information filed with the California
Secretary of State's Office, in the section titled Officers, the only officers listed were DECKER as

1 CEO, and Loop as CFO and secretary. In the section titled Additional Officers, none were listed.
2 HARPER was not listed in this Statement of Information.

3 83. On or about January 6, 2025, HARPER confirmed that no changes to the titles
4 assigned in MMLI's June 5, 2021 corporate resolution had taken place since its adoption.

5 84. In MMLI's February 7, 2025, Statement of Information filed with the California
6 Secretary of State's Office, in the section titled Officers, the only officers listed were DECKER as
7 CEO, and Loop as CFO and secretary. In the section titled Additional Officers, Hernandez was the
8 only officer listed, her position was identified as "Other," and her stated position was identified as
9 "Partner." HARPER was not listed in this Statement of Information.

10 85. In MMLI's April 28, 2025, Statement of Information filed with the California
11 Secretary of State's Office, in the section titled Officers, the only officer listed was Loop as
12 secretary, CEO, and CFO. In the section titled Additional Officers, Hernandez was the only officer
13 listed, her position was identified as "Other," and her stated position was identified as "Partner."
14 HARPER was not listed in this Statement of Information.

15 86. MMLI's acts and/or omissions in failing to appoint HARPER as an officer of the
16 corporation and/or in failing to designate one of its corporate officers as its designated officer for
17 purposes of its REC license, were in violation of Code sections 10159 and 10211, and Regulation
18 2740, and constitute cause to suspend or revoke the real estate licenses and license rights of MMLI
19 pursuant to Code sections 10177(d) and/or 10177(g).

20 **Sixth Cause of Accusation against MMLI**

21 **Code Sections 10140.6 and 10235.5, and Regulation 2773(a):**

22 **Failure to Disclose Required Information in Advertising**

23 87. Complainant realleges and incorporates by reference all of the allegations contained
24 in the previous paragraphs as though fully set forth herein.

25 88. Code section 10140.6(b)(1) provides in relevant part:

26 A real estate licensee shall disclose their name, license identification
27 number and unique identifier assigned to that licensee by the Nationwide
28 Multistate Licensing System and Registry, if that licensee is a mortgage
loan originator, and responsible broker's identity . . . on all solicitation
materials intended to be the first point of contact with consumers . . . when

acting in a manner that requires a real estate license or mortgage loan originator license endorsement in those transactions.

89. Code section 10235.5(a) provides in relevant part:

A real estate licensee or mortgage loan originator shall not place an advertisement disseminated primarily in this state for a loan unless there is disclosed within the printed text of that advertisement . . . the Department of Real Estate number and the unique identifier assigned to that licensee by the Nationwide Multistate Licensing System and Registry under which the loan would be made or arranged.

90. Regulation 2773(a) provides in relevant part:

(a) A real estate broker or salesperson, when engaging in acts for which a license is required, shall disclose its, his or her eight (8) digit real estate license identification number and responsible broker's name as currently licensed . . . on all solicitation materials intended to be the first point of contact with consumers. If the name of more than one licensee appears in the solicitation, the license identification number of each licensee shall be disclosed. The license identification numbers of responsible brokers or corporate brokers whose names, logos or trademarks appear on solicitation materials along with the names and license numbers of salespersons or broker associates do not need to appear on those materials. . . . Solicitation materials intended to be the first point of contact with consumers, and in which a licensee must disclose a license identification number, include the following:

[¶] , , , [¶]

(3) Websites owned, controlled, and/or maintained by the soliciting real estate licensee.

91. On or about November 25, 2024, on MMLI's website located at <https://modernloans.com/>, MMLI advertised for mortgage loans and refinancing, and solicited borrowers. On MMLI's "Our Team" webpage, located at <https://modernloans.com/our-team/>, the following licensees were listed: DECKER, Loop, Parsons, C.J. Decker, Lerma, Cabral, and Potts. No DRE License ID numbers or NMLS numbers were disclosed for any of these licensees.

92. MMLI's acts and/or omissions in failing to disclose the DRE License ID numbers and NMLS numbers of DECKER, Loop, Parsons, C.J. Decker, Lerma, Cabral, and Potts on its webpage located at <https://modernloans.com/our-team/> were in violation of **Code sections 10140.6 and 10235.5, and Regulation 2773(a)**, and constitute cause to suspend or revoke the real estate licenses and license rights of MMLI pursuant to **Code sections 10177(d) and/or 10177(g)**.

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1 **Seventh Cause of Accusation against HARPER**

2 **Code Sections 10159.2 and 10177(h), and Regulation 2725:**

3 **Responsibility of Corporate Officer in Charge; Inadequate Broker Supervision**

4 93. Complainant realleges and incorporates by reference all of the allegations contained
5 in the previous paragraphs as though fully set forth herein.

6 94. Based on the allegations contained in Paragraphs 1 through 92 above, and the First
7 through Sixth Causes of Accusation above, HARPER, as the broker of record and D.O. of MMLI,
8 did not exercise adequate supervision and control over the real estate and mortgage loan activities
9 conducted on behalf of MMLI by its officers, employees, and licensees to ensure compliance with
10 the Real Estate Laws and Regulations. HARPER failed to establish policies, rules and systems to
11 review, oversee, inspect, and manage transactions requiring a real estate license by MMLI's
12 licensees and employees. HARPER's acts and/or omissions were in violation of **Code sections**
13 **10159.2 and 10177(h), and Regulation 2725**, and constitute cause to suspend or revoke the real
14 estate licenses and license rights of HARPER pursuant to **Code sections 10177(h), 10177(d) and/or**
15 **10177(g)**.

16 **Costs**

17 **(Investigation and Enforcement Costs)**

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

22 WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this
23 Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action against
24 all the licenses, license rights, and MLO license endorsements of Respondents MODERN
25 MORTGAGE LENDING, INC., JASON WILLIAM HARPER, and BRIAN JOSEPH DECKER
26 under the Real Estate Law, for the costs of investigation and enforcement as permitted by law, and
27 for such other and further relief as may be proper under other applicable provisions of law.

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1 Dated at San Diego, California October 3, 2025.

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Veronica Kilpatrick
Supervising Special Investigator

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cc: MODERN MORTGAGE LENDING, INC.
JASON WILLIAM HARPER
BRIAN JOSEPH DECKER
Veronica Kilpatrick
Sacto.

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