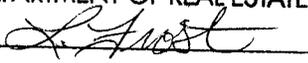


1 DEPARTMENT OF REAL ESTATE
2 P. O. Box 187007
3 Sacramento, CA 95818-7007
4 Telephone: (916) 227-0791

FILED

AUG 25 2009

DEPARTMENT OF REAL ESTATE
By 

8 STATE OF CALIFORNIA
9 DEPARTMENT OF REAL ESTATE

10 * * *

11 TO:)
12) NO. H-10759 SF
13 HOUSING ASSISTANCE LAW CENTER, P. A.,) ORDER TO DESIST AND REFRAIN
14 a Florida corporation, and KAREN GRUN) (B&P Code Section 10086)
15)
16)

15 The Commissioner (hereinafter "Commissioner") of the California Department
16 of Real Estate (hereinafter "Department") caused an investigation to be made of the activities of
17 HOUSING ASSISTANCE LAW CENTER, P. A., a Florida corporation, and KAREN GRUN.
18 Based on that investigation, the Commissioner has determined that HOUSING ASSISTANCE
19 LAW CENTER, P. A., and KAREN GRUN have engaged in, are engaging in, or are attempting
20 to engage in, acts or practices constituting violations of the California Business and Professions
21 Code (hereinafter "Code") and/or Title 10, California Code of Regulations (hereinafter
22 "Regulations"), including engaging in the business of, acting in the capacity of, advertising, or
23 assuming to act as, a real estate broker in the State of California within the meaning of Section
24 10131(d) (performing services for borrowers and lenders in connection with loans secured by
25 real property) of the Code. Based on the findings of that investigation, as set forth below, the
26 Commissioner hereby issues the following Findings of Fact, Conclusions of Law, and Desist
27 and Refrain Order under authority of Section 10086 of the Code.

1 FINDINGS OF FACT

2 1. At no time herein mentioned have HOUSING ASSISTANCE LAW
3 CENTER, P. A., and KAREN GRUN been licensed by the Department in any capacity.

4 2. At all times herein mentioned, KAREN GRUN is and was a director
5 and/or an officer of HOUSING ASSISTANCE LAW CENTER, P. A.

6 3. Whenever reference is made in this Desist and Refrain Order to an act or
7 omission of HOUSING ASSISTANCE LAW CENTER, P. A., such reference shall be deemed to
8 mean that the owners, officers, directors, employees, agents, and real estate licensees employed
9 by or associated with said entity committed such act or omission while engaged in the
10 furtherance of the business or operations of said entity and while acting within the course and
11 scope of their corporate authority and employment.

12 4. For an unknown period of time prior to April 20, 2009, until and
13 including June 10, 2009, and at all times herein mentioned, HOUSING ASSISTANCE LAW
14 CENTER, P. A., and KAREN GRUN solicited borrowers and lenders within the State of
15 California and negotiated to do one or more of the following acts for another or others, for or in
16 expectation of compensation, within the meaning of Section 10131(d) of the Code: negotiate
17 one or more loans for borrowers and lenders in connection with loans secured or to be secured
18 directly or collaterally by one or more liens on real property, or perform services for borrowers
19 and/or lenders in connection with loans secured or to be secured directly or collaterally by one
20 or more liens on real property.

21 5. HOUSING ASSISTANCE LAW CENTER, P. A., and KAREN GRUN,
22 violated Section 10130 of the Code by engaging in the activities described in Paragraph 4,
23 above, without first obtaining a real estate broker license from the Department.

24 6. Beginning on or about April 20, 2009, and at all times herein mentioned,
25 for or in expectation of compensation, HOUSING ASSISTANCE LAW CENTER, P. A., and
26 KAREN GRUN solicited Alexander Valdez as borrower to negotiate the modification of, to
27 obtain an extension of the maturity date of, to change the interest rate of, and/or to lower the

1 monthly payments of loans secured by the borrower's real properties commonly known as 769
2 4th Street in Gilroy, Santa Clara County, California, and 269 S. 31st Street in San Jose, Santa
3 Clara County, California, within the meaning of Section 10131(d) of the Code.

4 7. On or about April 21, 2009, HOUSING ASSISTANCE LAW CENTER,
5 P. A., and KAREN GRUN, for or in expectation of compensation, within the meaning of
6 Section 10131(d) of the Code, solicited Alexander Valdez as borrower for the purpose of
7 negotiating the modification of, obtaining an extension of the maturity date of, changing the
8 interest rate of, and/or of lowering the monthly payments of loans secured by the borrower's real
9 properties commonly known as 769 4th Street in Gilroy, Santa Clara County, California, and
10 269 S. 31st Street in San Jose, Santa Clara County, California, negotiated for, demanded and
11 collected from said borrower advance fees totaling \$5,000.00 pursuant to a written agreement
12 with said borrower without first obtaining approval of an advance fee agreement from the
13 Commissioner in accordance with Sections 10085 and 10085.5 of the Code.

14 8. HOUSING ASSISTANCE LAW CENTER, P. A., and KAREN GRUN
15 violated Sections 10130 of the Code by engaging in the activities described in Paragraphs 6 and
16 7, above, without first obtaining a real estate broker license from the Department, and violated
17 Section 10085.5 of the Code by engaging in the activities described in Paragraph 7, above.

18 CONCLUSIONS OF LAW

19 9. Based on the information contained in paragraphs 1 through 8, HOUSING
20 ASSISTANCE LAW CENTER, P. A., and KAREN GRUN solicited borrowers and lenders,
21 negotiated loans, and/or performed services for those borrowers and/or those borrower's lenders
22 in connection with loans secured or to be secured directly or collaterally by one or more liens on
23 real property, which requires a real estate license under Section 10131(d) of the Code, during a
24 period of time when HOUSING ASSISTANCE LAW CENTER, P. A., and KAREN GRUN,
25 did not have a broker and were not licensed by the Department in any capacity, and demanded
26 and collected advance fees without first obtaining approval of an advance fee agreement from
27 the Commissioner in accordance with Sections 10085 and 10085.5 of the Code.

1 respect to loan modification, loan refinance, principal reduction, foreclosure abatement or short
2 sale services, unless and until you demonstrate and provide evidence satisfactory to the
3 Commissioner that you have:

4 (i) An advance fee agreement which has been submitted to the Department
5 and which is in compliance with Sections 2970 and 2972 of the Regulations:

6 (ii) Placed all previously collected advance fees into a trust account for that
7 purpose and are in compliance with Section 10146 of the Code; and,

8 (iii) Provided an accounting to trust fund owner-beneficiaries pursuant to
9 Section 2972 of the Regulations.

10 DATED: 6-26-09

11 JEFF DAVI
12 Real Estate Commissioner

13 By 
14 BARBARA BIGBY
15 Chief Deputy Commissioner

16 **-NOTICE-**

17 Business and Professions Code Section 10139 provides that "Any person acting
18 as a real estate broker or real estate salesperson without a license or who advertises using words
19 indicating that he or she is a real estate broker without being so licensed shall be guilty of a
20 public offense punishable by a fine not exceeding twenty thousand dollars (\$20,000), or by
21 imprisonment in the county jail for a term not to exceed six months, or by both fine and
22 imprisonment; or if a corporation, be punished by a fine not exceeding sixty thousand dollars
23 (\$60,000). . . ."

24
25 cc: HOUSING ASSISTANCE LAW CENTER, P. A.
26 Agent for Service of Process
27 KAREN GRUN
1239 E. Newport Center Drive, Suite 101
Deerfield Beach, FL 33442

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