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FILED

JUL 30 2009

DEPARTMENT OF REAL ESTATE

By *K. Contreras*

8 BEFORE THE
9 DEPARTMENT OF REAL ESTATE
10 STATE OF CALIFORNIA

11 * * *

12 In the Matter of the Accusation of)
13)
14 SCOTT WOODS, and) NO. H- 5250 SAC
15 GINA RODRIGUEZ,) ACCUSATION
16)
17 Respondents.)

18 The Complainant, JOE M. CARRILLO, a Deputy Real Estate Commissioner of
19 the State of California, for Accusation against SCOTT WOODS (herein "WOODS") and
20 GINA RODRIGUEZ (herein "RODRIGUEZ") (herein collectively "Respondents") is informed
21 and alleges as follows:

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23 Complainant makes this Accusation against Respondents in his official capacity.

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25 At all times herein mentioned, Respondents were and now are licensed and/or
26 have license rights under the Real Estate Law (Part 1 of Division 4 of the Business and
27 Professions Code) (herein "the Code").

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2 At all times mentioned herein, Respondent WOODS was and now is licensed
3 by the Department of Real Estate (herein "Department") as a real estate broker. Further,
4 Respondent WOODS is the managing member of KI Systems, LLC (herein "KI"), dba Loan
5 Redux, referred to in Paragraph 10, below.

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7 At all times mentioned herein, Respondent RODRIGUEZ was and now is
8 licensed by the Department as a real estate salesperson. Respondent RODRIGUEZ has been in
9 the employ of Respondent WOODS, as of February 27, 2009; between about August 23, 2006
10 and December 30, 2008, Respondent RODRIGUEZ was employed by Norcal Gold, Inc.

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12 At all times mentioned herein, Respondent WOODS engaged in the business of,
13 acted in the capacity of, advertised, or assumed to act as a real estate broker within the State of
14 California within the meaning of Section 10131(d) of the Code, including the operation and
15 conduct of a mortgage loan brokerage with the public wherein, on behalf of others, for
16 compensation or in expectation of compensation, Respondent WOODS solicited lenders or
17 borrowers for or negotiated loans or collected payments or performed services for borrowers or
18 lenders or note owners in connection with loans secured directly or collaterally by liens on real
19 property or on a business opportunity.

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21 At all times mentioned herein, Respondent RODRIGUEZ, solicited borrowers
22 and negotiated to do one or more of the following acts for another or others, for or in
23 expectation of compensation: negotiate one or more loans for, or perform services for,
24 borrowers and/or lenders in connection with loans secured directly or collaterally by one or
25 more liens on real property; and charge, demand or collect advanced fees for any of the services
26 offered.

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2 On about October 9, 2008, Respondent RODRIGUEZ, representing KI, solicited
3 Sarah and David Picton (the Picton's) in order to provide loan modification services to save the
4 Picton's three (3) properties, as set out below, from being lost in foreclosure:

- 5 a) 8060 Stallion Way Sacramento, 95830;
6 b) 4816 17th Ave., Sacramento, CA 95820; and,
7 c) 42 Moonlit Circle, Sacramento, CA 95831,

8 in violation of Sections 10130 and 10137 of the Code.

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10 On about October 9, 2008, Respondent RODRIGUEZ represented to the
11 Picton's that she would reduce the principal balance on their home or the Picton's would receive
12 100 percent of their money back, when, in fact, no loan modification was ever performed or
13 completed and no funds were ever reimbursed to the Picton's, in violation of Sections 10176(a),
14 (b), (i) and/or 10177(g) and/or (j) of the Code.

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16 On about October 9, 2008, in furtherance of Respondents' plan and scheme to
17 provide loan modification services to the Picton's, Respondent RODRIGUEZ requested advance
18 fees from the Picton's in the amount of about \$3,600.00, which represented \$1,200.00 for each
19 property, in violation of Section 10085.5 of the Code.

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21 On about October 9, 2008, three (3) Negotiation Contracts, one for each property,
22 were entered into between David Picton and "Loan Redux A Division of KI Systems, LLC" as
23 described in Paragraph 7, above, wherein Loan Redux would provide loan modification services
24 in exchange for a fee of \$2,500.00, which included a "processing & packaging" fee of \$1,250.00,
25 the remaining \$1,250.00 to be paid "on completion." Said contracts were entered into prior to
26 Respondents having received a "no objection" letter from the Department, in violation of Section
27 10085 of the Code.

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2 On about October 9, 2008, in reliance on Respondent RODRIGUEZ'
3 representations, the Picton's delivered three (3) checks made out to Loan Redux, each for
4 \$1,200.00, to Respondent RODRIGUEZ, in violation of Section 10185.5 of the Code.

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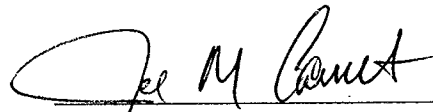
6 After the Picton's delivered the checks to Respondent RODRIGUEZ, as
7 mentioned in Paragraph 11, above, the Picton's received no further communication or services
8 of any type from Respondents, in violation of Sections 10176(i) and/or 10177(g) and/or (j).

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10 The facts alleged above are grounds for the suspension or revocation of the license
11 and license rights of Respondents WOOD and RODRIGUEZ under the following provisions of
12 the Code:

- 13 (a) as to Paragraph 7 and Respondents WOOD and RODRIGUEZ under
14 Sections 10130 and 10137 of the Code in conjunction with Section
15 10177(d) of the Code;
- 16 (b) as to Paragraph 8 and Respondent RODRIGUEZ, under Sections
17 10176(a), (b), (i) and/or 10177(g) and/or (j) of the Code;
- 18 (c) as to Paragraph 9 and Respondent RODRIGUEZ, under Section
19 10085.5 in conjunction with Section 10177(d) of the Code;
- 20 (d) as to Paragraph 10 and Respondents WOOD and RODRIGUEZ under
21 Section 10085 of the Code in conjunction with Section 10177(d) of the
22 Code;
- 23 (e) as to Paragraph 11 and Respondents WOOD and RODRIGUEZ under
24 Section 10085.5 in conjunction with Section 10177(d) of the Code;
25 and,
- 26 (f) as to Paragraph 12 and Respondents WOOD and RODRIGUEZ under
27 Sections 10176(i) and/or 10177(g) and/or (j).

1 WHEREFORE, Complainant prays that a hearing be conducted on the allegations
2 of this Accusation and that upon proof thereof a decision be rendered imposing disciplinary
3 action against all licenses and license rights of Respondents under the Real Estate Law (Part 1 of
4 Division 4 of the Business and Professions Code) and for such other and further relief as may be
5 proper under other applicable provisions of law.
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9 JOE M. CARRILLO
10 Deputy Real Estate Commissioner
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12 Dated at Sacramento, California
13 this 12 day of June, 2009
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