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FILED

AUG 30 2010

DEPARTMENT OF REAL ESTATE

By K. Mar

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 To:)
12) NO. H-5457 SAC
13 MAGDALENA SALAS)
14) ORDER TO DESIST AND REFRAIN
15) (B&P Code Section 10086)

16 The Commissioner ("Commissioner") of the California Department of Real Estate
17 ("Department") caused an investigation to be made of the activities of MAGDALENA SALAS
18 ("SALAS"). Based on that investigation, the Commissioner has determined that SALAS, has
19 engaged in, is engaging in, or is attempting to engage in, acts or practices constituting violations
20 of the California Business and Professions Code ("Code") and/or Title 10, Chapter 6, California
21 Code of Regulations ("Regulations"), including acting in the capacity of, advertising or assuming
22 to act as a real estate broker in the State of California within the meaning of Sections 10131(d)
23 (performing services for borrowers and/or lenders in connection with loans secured by real
24 property) of the Code. Furthermore, based on the investigation, the Commissioner hereby issues
25 the following Findings of Fact, Conclusions of Law and Desist and Refrain Order under the
26 authority of Section 10086 of the Code.

27 ///

1 FINDINGS OF FACT

2 1. At no time herein mentioned has SALAS been licensed by the Department in any
3 capacity.

4 2. During the period of time set out below, SALAS performed services for one or
5 more borrowers and negotiated to do one or more of the following acts for another or others, for
6 or in expectation of compensation: negotiate one or more loans for, or perform services for,
7 borrowers and/or lenders with respect to the collection of advance fees and loan modification,
8 loan refinance, principal reduction, foreclosure abatement or short sale services and/or those
9 borrowers' lenders in connection with loans secured directly or collaterally by one or more liens
10 on real property; and charged, demanded or collected an advance fee for any of the services
11 offered.

12 3. At all times mentioned herein, SALAS was and is the President and Secretary of
13 LEGACY HOME LOANS AND REAL ESTATE ("LEGACY HOME LOANS").

14 4. In furtherance of LEGACY HOME LOANS' plan and scheme to solicit advance
15 fees and provide loan modification services to May B. and Robert B., an advance fee of \$2,500
16 was requested by LEGACY HOME LOANS. On or about February 13, 2009, Mary B. and
17 Robert B. paid LEGACY HOME LOANS a \$2,500 advance fee for loan modification services.
18 SALAS was directly involved in working with the Mary B. and Robert B. during the advance fee
19 and loan modification processes. Ultimately, Mary B. and Robert B. did not obtain a loan
20 modification, nor was their advance fee refunded.

21 5. In furtherance of LEGACY HOME LOANS' plan and scheme to solicit advance
22 fees and provide loan modification services to Iqtadar A., an advance fee of \$1,900 was
23 requested. On or about August 21, 2008, Iqtadar A. paid LEGACY HOME LOANS an advance
24 fee of \$950, with the remaining \$950 due at the end of the contract agreement. SALAS was
25 directly involved in working with Iqtadar A. during the advance fee and loan modification
26 processes. In the end, Iqtadar A. did not obtain a loan modification, nor was his advance fee
27 refunded.

1 CONCLUSIONS OF LAW

2 6. Based on the Findings of Fact contained in Paragraphs 1 through 5, above,
3 MAGDALENA SALAS, acting by herself or through one or more agents, associates, affiliates
4 and/or co-conspirators or fictitious names unknown at this time, solicited borrowers and/or
5 performed services for those borrowers with respect to the collection of advance fees and loan
6 modification, loan refinance, principal reduction, foreclosure abatement or short sale services
7 and/or those borrowers' lenders in connection with loans secured directly or collaterally by one
8 or more liens on real property; and charged, demanded or collected advance fees for the services
9 to be provided, which acts require a real estate broker license under Sections 10131(d) and
10 10131.2 (collection of advance fees) of the Code, and prior submission by a licensed real estate
11 broker of an advance fee agreement to the Department for its review under Section 10085 of the
12 Code, so that such acts of MAGDALENA SALAS violate Sections 10085, 10131(d) and 10131.2
13 of the Code.

14 DESIST AND REFRAIN ORDER

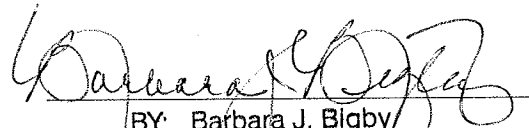
15 Based on the Findings of Fact and Conclusions of Law stated herein, you,
16 MAGDALENA SALAS, whether doing business under your own name, or any other name or
17 fictitious name, or by and/or through any related entity, ARE HEREBY ORDERED to
18 immediately desist and refrain from:

- 19 1. Performing any acts that require a real estate broker license unless and until you
20 are properly licensed by the Department as a real estate broker; and
21 2. Charging, demanding, claiming, collecting and/or receiving advance fees, as that
22 term is defined in Section 10026 of the Code, for any of the services you offer to
23 others, in any form, and particularly with respect to loan modification, loan
24 refinance, principal reduction, foreclosure abatement or short sale services, unless
25 and until you demonstrate and provide evidence satisfactory to the Commissioner
26 that you are properly licensed by the Department as a real estate broker and that
27 you have:

- 1 (a) an advance fee agreement which has been submitted to the Department and
2 which is in compliance with Sections 2970 (submission of advance fee
3 materials) and 2972 (content of verified accounting) of the Regulations;
4 (b) placed all previously collected advance fees into a trust account for that
5 purpose and are in compliance with Section 10146 (deposit of advance fees
6 into trust account) of the Code;
7 (c) provided an accounting to trust fund owner-beneficiaries pursuant to Section
8 2972 of the Regulations; and
9 (d) refunded to May B. and Robert B., and Iqtadar A. any and all advance fees
10 paid to you by them in this matter.

11 DATED: 8/25/2010

12 JEFF DAVI
13 Real Estate Commissioner

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15
16 BY: Barbara J. Bigby
Chief Deputy Commissioner

17 **-NOTICE-**

18 Business and Professions Code Section 10139 provides that, "Any person acting
19 as a real estate broker or real estate salesperson without a license or who advertises using words
20 indicating that he or she is a real estate broker without being so licensed shall be guilty of a
21 public offense punishable by a fine not exceeding twenty thousand dollars (\$20,000), or by
22 imprisonment in the county jail for a term not to exceed six months, or by both fine and
23 imprisonment; or if a corporation, be punished by a fine not exceeding sixty thousand dollars
24 (\$60,000)...."

25
26 cc: Magdalena Salas
27 2027 West March Lane, #6
Stockton, CA 95207