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Dept. of Real Estate

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FEB 21 2012

1 DEPARTMENT OF REAL ESTATE
2 320 West Fourth Street, Ste. 350
3 Los Angeles, California 90013

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Department of Real Estate
ADMINISTRATION - SACRAMENTO

(213) 576-6982

FEB 17 2012

DEPARTMENT OF REAL ESTATE

BY: 

STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE

To:

FERNANDO J. ESPINOZA

Respondent.

)
) NO. H- 37890 LA
)
)
) ORDER TO DESIST AND
) REFRAIN
) (B&P Code Section 10086)
)
)
)

17 The Commissioner ("Commissioner") of the California Department of Real Estate
18 ("Department") caused an investigation to be made of the activities of FERNANDO J.
19 ESPINOZA. Based on that investigation, the Commissioner has determined that ESPINOZA, or
20 any other fictitious business names used by ESPINOZA, has engaged in, is engaging in, or is
21 attempting to engage in, acts or practices constituting violations of the California Business and
22 Professions Code ("Code") , including the business of, acting in the capacity of, and/or
23 advertising or assuming to act as, a real estate broker in the State of California within the
24 meaning of Code Section 10131(d) (performing services for borrowers in connection with loans
25 secured by real property) and 10131.2 (advance fee handling) of the Code. Based on the findings
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1 of that investigation, set forth below, the Commissioner hereby issues the following Findings of
2 Fact, Conclusions of Law, and Desist and Refrain Order under the authority of Section 10086 of
3 the Code.

4 Whenever acts referred to below are attributed to ESPINOZA, those acts are alleged to
5 have been done by himself, or by and/or through one or more agents, associates, affiliates,
6 and/or co-conspirators, or other names or fictitious names unknown at this time.

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8 FINDINGS OF FACT

9 1. ESPINOZA has been licensed under the Real Estate Law as a real estate salesperson
10 since June 19, 2003.

11 2. On or about February 2, 2009, Ricardo S. paid to ESPINOZA an advance fee of \$35.00
12 by check number 3555 for loan modification services. On or about February 3, 2009, Ricardo
13 S. paid to ESPINOZA a second installment of advance fees for loan modification services in the
14 amount \$1,500.00 by check number 3560. ESPINOZA gave Ricardo S. a handwritten list of
15 items he needed in order to initiate the loan modification process, signed it with "Fernando" and
16 the telephone number (909)559-1922, and represented that the process would take approximately
17 45 days once begun. On or about February 18, 2009, Ricardo S. learned that his bank,
18 Countrywide Home Loans, had received an authorization request from "Paramount Estate
19 Realty" and that ESPINOZA was authorized to discuss Ricardo S.' loan information pertaining
20 to the property located at XXX63 Sherwood Court in Fontana, California.. Subsequent to the
21 February 18, 2009 notice from Countrywide Home Loans, Ricardo S.' loan has received no
22 further attention or modification from Ricardo S. or "Paramount Estate(s) Realty."
23

24 3. On or about January 22, 2009, Jorge T. paid to ESPINOZA an advance fee of \$1,000.00
25 by check number 1123 for loan modification services. Jorge T. signed an undated letter
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1 addressed to Indymac Federal Bank authorizing ESPINOZA "from Paramount Estates Realty" to
2 discuss refinance options pertaining to the property located at XXX64 Sherwood Court in
3 Fontana, California . Subsequent to paying the \$1,000.00 and signing the letter to Indymac
4 Federal Bank, Jorge T.'s loan received no further attention or modification services from Ricardo
5 S. or "Paramount Estates Realty." Upon making payment to ESPINOZA, Jorge T. received a
6 business card from ESPINOZA that listed "Fernando Espinoza" with Times Realty, 1600 E. Holt
7 Blvd., K-29, Pomona, California 91767.

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9 4. In a letter dated May 16, 2009 and addressed to ESPINOZA, Ricardo S. and Jorge T.
10 collectively requested a refund, within 72 hours of \$3,000.00 in advance fees paid to
11 ESPINOZA. The letter further indicated that legal action would be taken if no reimbursement
12 was received before May 21, 2009.

13 5. Ricardo S. spoke with ESPINOZA on or about May 30, 2009 and asked for a refund of
14 the money paid to him for loan modification services. ESPINOZA refused this request and
15 refused to return Ricardo S.' documents.

16
17 6. Jorge T. travelled o the address listed in the Times Realty business card (1600 E. Holt
18 Blvd, K-29, Pomona, California 91767) that ESPINOZA provided and located ESPINOZA at a
19 swapmeet. ESPINOZA offered Jorge T. a refund of \$500.00 instead of the \$1,000.00 that Jorge
20 T. originally paid. ESPINOZA also provided Jorge T. another business card that listed
21 "Fernando Espinoza, Realtor" with Republic Realty, 458 W. Arrow Hwy, Suite C, San Dimas,
22 California 91773.

23
24 7. On or about September 21, 2009, in the Superior Court of the State of California, in the
25 County of San Bernardino, in Case No. SMCFS901764, Ricardo S. and Jorge T. filed a Small
26 Claims Complaint against ESPINOZA and Paramount Estate(s) Realty Corp.

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2 8. Respondent performed and/or participated in loan modification, solicitation, and
3 negotiation activities which require a real estate broker license under the provisions of Code
4 Section 10131(d) and 10131.2 when he was not licensed by the Department as a real estate
5 broker nor employed by a real estate broker on whose behalf the activities were performed.

6 CONCLUSIONS OF LAW
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8 9. Based on the findings of fact contained in paragraphs 1 through 8, ESPINOZA, acting
9 by itself, or by and/or through agents, associates, representatives, and/or co-conspirators, , and
10 using the names "Paramount Estates Realty Corp." "Paramount Estate Realty Corp," "Times
11 Realty," "Republic Realty," or other names or fictitious names unknown at this time, solicited
12 borrowers and performed services for those borrowers and/or those borrowers' lenders in
13 connection with loans secured directly or collaterally by one or more liens on real property, and
14 charged, demanded or collected advance fees for the services to be provided, which acts require
15 a real estate broker license under Sections 10131(d) and 10131.2 of the Code, during a period of
16 time when ESPINOZA was not licensed by the Department as a real estate broker, in violation of
17 Section 10130 of the Code.

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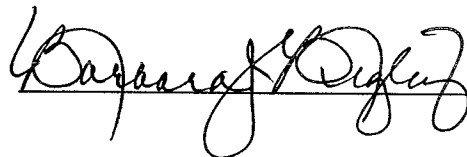
DESIST AND REFRAIN ORDER:

Based upon the Findings of Fact and Conclusions of Law stated herein, it is hereby ordered that FERNANDO J. ESPINOZA, whether doing business under your own name or any other name(s) or fictitious name(s), ARE HEREBY ORDERED to immediately desist and refrain from performing any acts within the State of California for which a real estate broker license is required, unless you are so licensed. In particular you are ORDERED TO DESIST AND REFRAIN from:

1. charging, demanding, claiming, collecting and/or receiving advance fees, as that term is defined in Section 10026 of the Code, in any form, and under any conditions, with respect to the performance of loan modifications or any other form of mortgage loan forbearance service in connection with loans on residential property containing four or fewer dwelling units (Code Section 10085.6); and
2. charging, demanding, claiming, collecting and/or receiving advance fees, as that term is defined in Section 10026 of the Code, for any other real estate related services offered by them to others.

DATED: 2/10 2012

BARBARA J. BIGBY
Acting Real Estate Commissioner



1 **Notice:** Business and Professions Code Section 10139 provides that “Any person acting as a real estate
2 broker or real estate salesperson without a license or who advertises using words indicating that he or she
3 is a real estate broker without being so licensed shall be guilty of a public offense punishable by a fine not
4 exceeding twenty thousand dollars (\$20,000), or by imprisonment in the county jail for a term not to
5 exceed six months, or by both fine and imprisonment; or if a corporation, be punished by a fine not
6 exceeding sixty thousand dollars (\$60,000).”
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10 cc: FERNANDO J. ESPINOZA
11 8042 Archibald Ave.
12 Rancho Cucamonga, CA 91730

13 FERNANDO J. ESPINOZA
14 1600 E. Holt Blvd., K-29
15 Pomona, California 91767

16 FERNANDO J. ESPINOZA
17 458 W. Arrow Hwy, Suite C
18 San Dimas, California 91773.
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