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DEC 08 2010

1 DEPARTMENT OF REAL ESTATE
2 P. O. Box 187007
3 Sacramento, CA 95818-7007

DEPARTMENT OF REAL ESTATE

4 Telephone: (916) 227-0789

By R. Henry

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Bar Order Against:)	DRE NO. H-2567 FR
)	
12 RAYMOND LORENZO JETER, an individual, and)	<u>NOTICE OF INTENT TO ISSUE</u>
13 WHITFIELD FINANCIAL SERVICES, INC.,)	<u>BAR ORDER; and BAR ORDER</u>
)	
14 Respondents)	(B&P Code § 10087)
)	

15
16 TO: RAYMOND LORENZO JETER (Hereinafter "JETER")
17 2570 N. First Street, Suite 200
San Jose, CA 95131

18 WHITFIELD FINANCIAL SERVICES, INC. (Hereinafter "WFSP")
19 900 E. Hamilton Ave., Suite 100
20 Campbell, CA 95008

21 Pursuant to Section 10087(b) of the California Business and Professions Code
22 (hereinafter "the Code"), you are hereby notified of the intention of the California Real Estate
23 Commissioner (hereinafter "Commissioner") to issue a Bar Order pursuant to Section 10087(a)
24 of the California Business and Professions Code.

25 Pursuant to the authority granted by Section 10087 of the Code, and after review
26 and consideration of the following facts, the Commissioner makes the following:

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FINDINGS OF FACT

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2 1. On or about December 21, 2009, in Department of Real Estate Case
3 Number H-02329 FR, the Commissioner accepted the voluntary surrender of the WFSI corporate
4 real estate broker license and by terms of the surrender WFSI admitted to the allegations
5 contained in the underlying accusation.

6 2. On or about December 21, 2009, in Department of Real Estate Case
7 Number H-02329 FR, the Commissioner accepted the voluntary surrender of the JETER's
8 personal broker license and his designated officer of WFSI and by terms of the surrender JETER
9 admitted to the allegations contained in the underlying accusation.

10 3. The accusation in Department of Real Estate Case Number H-02329 FR
11 alleged that WFSI and JETER were, among other allegations, collecting illegal advance fees for
12 loan modification services.

13 4. Despite surrendering their licenses, WFSI and JETER continued to
14 attempt to collect advanced fees for loan modification services in violation of Sections 10130
15 (Real estate license required) of the California Business and Professions Code (hereinafter the
16 "Code") by the employment of fraud and/or misrepresentation. The attempts included, but are
17 not limited to, the employment of a collection agency as the agent for WFSI and JETER to
18 pressure individuals to pay WSFI and/or JETER illegal advance fees for loan modification
19 services. JETER sent approximately 200 to 300 "client" names to the collection agency for
20 assistance in collecting the illegal advance fees. Despite the surrender of their licenses, WFSI
21 and JETER continued efforts to collect illegal advance fees. Some individuals, including those
22 individuals listed below, were contacted by the collection agency and were threatened with
23 collection lawsuits and/or entries of negative information on their credit reports if they failed to
24 pay.

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Date of Attempted Collection	Individual	Amount Claimed
January 21, 2010	Steven C.	\$5,864.00
January 21, 2010	Tiffany G.	\$2,639.00
January 21, 2010	Albert W.	\$3,354.00
January 21, 2010	Randy H.	\$3,908.00
January 21, 2010	Emil U.	\$1,746.00

5. In addition to those individuals who purportedly had a working relationship with WFSI and/or JETER, attempts were made to collect advance fees from individuals who had requested loan modification information through the WFSI website. These individuals did not employ WFSI and/or JETER to perform loan modifications or any services at all. The attempts to collect fees from these non-clients constitutes the employment of fraud and misrepresentations in an attempt to collect fees for services for which WFSI and/or JETER did not have a contract; nor were any services performed. Some of the individuals invoiced for services not ordered nor delivered are listed below.

Date of Attempted Collection	Individual	Amount Claimed
June 10, 2009	Robert L.	\$1,350.00
June 10, 2009	Chrystal K.	\$1,315.00
January 21, 2010	Kenneth V.	\$3,495.00

6. On or about May 25, 2010 in *Northern California Escrow v. Jeter, et al.*, Santa Clara County Superior Court Case Number 109 CV 149748, Jeter, in a declaration under penalty of perjury, acknowledged to the court that WFSI surrendered its real estate license on December 21, 2009, but failed to acknowledge that he also surrendered his personal broker license. In addition, Jeter went on to state "(a)s part of the settlement with the DRE, all clients who were services could continue until closure of the files." (*sic*). Jeter's sworn declaration

1 constitutes the employment of fraud and/or misrepresentation by representing to the court that
2 the Department permitted WFSI to continue to conduct licensed activities after WFSI and Jeter
3 surrendered their licenses when, in fact, the Department did not entered into an agreement which
4 permitted WFSI to collect illegal advance fees.

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6 CONCLUSIONS OF LAW

Based on the findings set forth above, the Commissioner has determined that:

- 7 (A) A Bar Order is in the public interest;
8 (B) Respondent has knowingly committed violations of the Real Estate
9 Law; and,
10 (C) Respondent's violations of the Real Estate Law have caused material
11 damage to the public.

12 ORDER

13 NOW, THEREFORE, IT IS ORDERED that, pursuant to the authority of Section
14 10087 of the Code, RAYMOND LORENZO JETER and WHITFIELD FINANCIAL
15 SERVICES, INC., are hereby barred and prohibited for a period of thirty-six (36) months from
16 the effective date of this Bar Order, from engaging in any of the following activities in the State
17 of California:

- 18 (A) Holding any position of employment, management, or control in a real
19 estate business;
20 (B) Participating in any business activity of a real estate salesperson or a
21 real estate broker;
22 (C) Engaging in any real estate related business activity on the premises
23 where a real estate salesperson or real estate broker is conducting
24 business; and, Participating in any real estate related business
25 activity of a finance lender, residential mortgage lender, bank,
26 credit union, escrow company, title company, or underwritten
27 title company.

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NOTICE OF RIGHT AND OPPORTUNITY FOR A HEARING

Pursuant to Section 10087 of the Code, you have the right to request a hearing under the California Administrative Procedure Act (Chapter 4.5 – commencing with Section 11400 of the Government Code). If you desire a hearing, you must submit a written request within fifteen (15) days after the mailing or service of this “*PRELIMINARY BAR ORDER; NOTICE OF INTENT TO ISSUE BAR ORDER; and BAR ORDER*” The request may be in any form provided it is in writing, includes your current return address, and indicates that you want a hearing, is signed by you or on your behalf, and is delivered or mailed to the Department of Real Estate, P. O. Box 187007, Sacramento, California, 95818-7007, Attention Legal Section, or is delivered personally to the offices of the Department of Real Estate, 2201 Broadway, Sacramento, California.

If no hearing is requested within said fifteen (15) day time period, your failure to request a hearing shall constitute a waiver of the right to a hearing.

THIS BAR ORDER IS EFFECTIVE IMMEDIATELY.

It is so ordered on 12/7/2010.

JEFF DAVIS
Real Estate Commissioner



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1 RAYMOND JETER

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6 Campbell, CA 95008
(408) 899-3531

7 2570 North First Street, Suite 200
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