



NEWS RELEASE

FOR IMMEDIATE RELEASE: December 8, 2010

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State Department of Real Estate is Looking into the Activities and Operations of Blanca Maciel Sanchez Arrested Yesterday ***Consumers warned to check out licensees***

SACRAMENTO – California Real Estate Commissioner Jeff Davi is warning consumers to check out the license status of those who represent themselves to be licensed real estate broker or mortgage broker.

The announcement comes on the heels of the arrest of Blanca Maciel Sanchez by the Salinas Police Department. Sanchez, who is not a licensed real estate broker, allegedly swindled thousands of dollars by falsely representing herself as a mortgage broker who could help victims with a loan modification.

Generally, loan modification services can only be offered by licensed real estate broker or attorneys. And in no event may a person, including real estate brokers and attorneys, collect an upfront fee in exchange for loan modification services.

While the California State Department of Real Estate (DRE), whose mission is to safeguard and promote the public interests in real estate matters, is looking into the unlicensed activity of Sanchez, it is critical that consumers take a few simple steps in order to keep from falling prey to unscrupulous operators.

In response to the increase of loan modification scams perpetrated by unlicensed con artists, DRE issued a Fraud Warning for California Homeowners on how consumers can protect themselves. "The Consumer Alert educates consumers and help homeowners avoid becoming victims to loan modification scams," stated Davi. Consumer alerts can be found at the DRE web site at http://www.dre.ca.gov/cons_alerts.html.

While visiting the DRE web site, consumers should heed advice of the Real Estate Commissioner. "Go to the DRE website and Log on, Look 'em up, and Check 'em out," added Davi. If you cannot verify that a person has a license in good standing, that is a huge red flag. Consumers should also exercise due diligence by asking questions, lots of questions, and check prospective agents out through the Better Business Bureau and through a search on the Internet to get a more complete picture of the person's qualification and background.

Signals of Fraud

- No verifiable license
- Demand of Upfront Fees
- Guarantees of Success, such as "We can Save Your Home" no such guarantees are possible.
- Too good to be true testimonials
- Claims that a loan modification company is "attorney backed", especially when no attorney name is mentioned

And finally, no person is required to pay a third party for a loan modification. A consumer can simply call his or her lender or use the services of a nonprofit housing counselor.



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For more information about DRE and its programs visit www.dre.ca.gov.

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