



1 engaging in acts or are attempting to engage practices constituting violations of the California  
2 Business and Professions Code ("Code") and/or Title 10, California Code of Regulations  
3 ("Regulations"). Based on the findings of that investigation, set forth below, the Commissioner  
4 hereby issues the following Findings of Fact, Conclusions of Law, and Desist and Refrain Order  
5 under the authority of Section 10086 of the Code.

6 FINDINGS OF FACT

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8 1. CLAUDIO YAMILE ESCOBAR is presently licensed and/or has license  
9 rights under the Real Estate Law, Part 1 of Division 4 of the Code, as a real estate broker.

10 2. TERESA ESTER CONTRERAS is not now, and has never been, licensed by  
11 the Department in any capacity.

12 3. At the time set forth below TERESA ESTER CONTRERAS and CLAUDIO  
13 YAMILE ESCOBAR solicited borrowers and negotiated to do one or more of the following  
14 acts for another or others, for or in expectation of compensation: engaged in the business of,  
15 acted in the capacity of, or advertised a loan modification and negotiation service and advance  
16 fee brokerage soliciting, offering to negotiate or perform loan modification services with respect  
17 to loans which were secured by liens on real property for compensation or in expectation of  
18 compensation and for fees collected in advance of the transaction.

19 4. On or about December 20, 2008, TERESA ESTER CONTRERAS and  
20 CLAUDIO YAMILE ESCOBAR solicited loan modification and negotiation services to  
21 borrower Raul S. in connection with loans secured by real property. TERESA ESTER  
22 CONTRERAS and CLAUDIO YAMILE ESCOBAR charged and collected an advance fee of  
23 \$6,000 from Raul S. TERESA ESTER CONTRERAS and CLAUDIO YAMILE ESCOBAR  
24 failed to provide a copy of any written advance fee agreement to Raul S. for the loan  
25 modification and negotiation services. TERESA ESTER CONTRERAS and CLAUDIO  
26 YAMILE ESCOBAR failed to place the advance fees into a trust fund account and/or provide an  
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1 accounting of trust funds to the borrower. TERESA ESTER CONTRERAS and CLAUDIO  
2 YAMILE ESCOBAR failed to perform the loan modification and negotiation services that had  
3 been promised to Raul S.

4 5. CLAUDIO YAMILE ESCOBAR did not have an advance fee agreement  
5 approved by the Department to charge or collect advance fees within the meaning of Code  
6 Sections 10026 and 10085.

7 6. In or around April of 2009, TERESA ESTER CONTRERAS contacted Raul S.  
8 and charged him an additional \$1,500 advance fees in order to save his properties from  
9 foreclosure. Raul S. paid an advance fee of \$1,500 to S.P.S. & Associates, according to  
10 TERESA ESTER CONTRERAS' instructions. Raul S. did not receive a modification of his  
11 mortgages and his properties were foreclosed by the lender.

12 CONCLUSIONS OF LAW

13 7. Based on the information contained in Paragraphs 1 through 6, above,  
14 CLAUDIO YAMILE ESCOBAR violated Section 10085 of the Code and Regulation 2970, by  
15 not having an approved advance fee agreement on file with the Department.

16 8. Based on the information contained in Paragraphs 1 through 6, above,  
17 TERESA ESTER CONTRERAS violated Section 10130 of the Code by engaging in the  
18 activities without first obtaining a broker license from the Department.

19 DESIST AND REFRAIN ORDER

20 Based upon the FINDINGS OF FACT and CONCLUSIONS OF LAW stated  
21 herein, IT IS HEREBY ORDERED THAT TERESA ESTER CONTRERAS immediately desist  
22 and refrain from: performing any acts within the State of California for which a real estate broker  
23 license is required, unless TERESA ESTER CONTRERAS is so licensed.

24 IT IS FURTHER ORDERED THAT CLAUDIO YAMILE ESCOBAR  
25 immediately desist and refrain from:

- 26 1. charging, demanding, claiming, collecting and/or receiving advance fees, as  
27 that term is TERESA ESTER CONTRERAS and

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conditions, with respect to the performance of loan modification or any other form of mortgage loan forbearance services in connection with loans on residential property containing four or fewer dwelling units (Code Section 10085.6).

2. charging, demanding, claiming, collecting and/or receiving advance fees, as that term is defined in Section 10026 of the Code, for any of the other real estate related services offered to others, unless and until CLAUDIO YAMILE ESCOBAR demonstrates and provides evidence satisfactory to the Commissioner he:

- (a) has an advance fee agreement which has been submitted to the Department and which is in compliance with Section 10085 of the Code and Section 2970 of the Regulations;
- (b) has placed all previously collected advance fees into a trust account for that purpose and is in compliance with Section 10146 of the Code; and
- (c) has provided an accounting to trust fund owner-beneficiaries from whom advance fees have previously been collected in compliance with Section 10146 of the Code and Section 2972 of the Regulations.

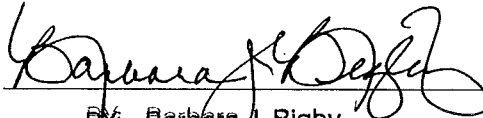
IT IS FURTHER ORDERED THAT TERESA ESTER CONTRERAS and CLAUDIO YAMILE ESCOBAR immediately desist and refrain from:

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

1 2. charging, demanding, claiming, collecting and/or receiving advance fees, as  
2 that term is defined in Section 10026 of the Code, for any other real estate  
3 related services offered by them to others.

4 DATED: 2/23, 2010.

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6 JEFF DAVI  
Real Estate Commissioner

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9 BY: Barbara J. Bigby  
10 Chief Deputy Commissioner

11 **Notice:** Business and Professions Code Section 10139 provides that "Any person acting as a  
12 real estate broker or real estate salesperson without a license or who advertises using words  
13 indicating that he or she is a real estate broker without being so licensed shall be guilty of a  
14 public offense punishable by a fine not exceeding twenty thousand dollars (\$20,000), or by  
15 imprisonment in the county jail for a term not to exceed six months, or by both fine and  
16 imprisonment; or if a corporation, be punished by a fine not exceeding sixty thousand dollars  
17 (\$60,000)."

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