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February 17, 2012

DEPARTMENT OF REAL ESTATE

By *L. Jove*

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

11 * * *

12 TO:

13 CRIS P. VILLANUEVA, CPA, INC.,
14 CRISOSTOMO VILLANUEVA, an individual,
15 MARILU SHIEH, an individual,
16 ROSITA VALLEJO ARRIAGA, an individual,
and JENNIFER TINSLEY, an individual

No. H-5783 SAC

ORDER TO DESIST AND REFRAIN
(B&P Code Section 10086)

17 The Commissioner of the California Department of Real Estate ("Commissioner")
18 caused an investigation to be made of the activities of CRIS P. VILLANUEVA, CPA, INC., a
19 California Professional Corporation and doing business as Comprehensive Financial Services
20 Division ("CVCI"), CRISOSTOMO VILLANUEVA ("VILLANUEVA"), JENNIFER
21 TINSLEY ("TINSLEY"), MARILU SHIEH ("SHIEH"), and ROSITA VALLEJO ARRIAGA
22 ("ARRIAGA"). Based on the investigation, the Commissioner has determined CVCI,
23 VILLANUEVA, SHIEH, TINSLEY, and ARRIAGA have engaged in, are engaging in, or are
24 attempting to engage in, acts or practices constituting violations of the California Business and
25 Professions Code ("Code") and/or Title 10, Chapter 6, California Code of Regulations
26 ("Regulations"), including the business of, acting in the capacity of, and/or advertising or
27 assuming to act as, a real estate broker in the State of California within the meaning of Section

1 10131(d) (Performing Services for Borrowers in Connection with Loans Secured by Real
2 Property) of the Code. Furthermore, based on the investigation, the Commissioner hereby issues
3 the following Findings of Fact, Conclusions of Law, and Desist and Refrain Order under the
4 authority of Section 10086 of the Code.

5 Whenever acts referred to below are attributed to CVCI, those acts are alleged to
6 have been done by VILLANUEVA, acting by himself, the alter ego of CRIS P. VILLANUEVA,
7 CPA, INC., or by and/or through one or more agents, associates, affiliates, and/or co-
8 conspirators.

9 FINDINGS OF FACT

10 1. At no times mentioned herein, have CVCI, TINSLEY, or CRIS P.
11 VILLANUEVA, CPA, INC., been licensed in any capacity by the California Department of Real
12 Estate ("Department").

13 2. At all times mentioned herein, TINSLEY was acting in the capacity of
14 CVCI's Office Manager and was assigned to and did oversee and supervise CVCI's loan
15 modification operations.

16 3. At all times mentioned herein, SHIEH and ARRIAGA were and now are
17 each licensed by the Department as a real estate salesperson. Although employed by a
18 supervising broker, at no time relevant herein were SHIEH or ARRIAGA acting within the
19 course and scope of their employment with their supervising brokers, but were working on
20 behalf of and under the direction and control of CVCI and VILLANUEVA, which included
21 acting as translators on behalf of CVCI, clerical staff of CVCI, and CVCI loan modification
22 processors.

23 4. During the period of time set out below, CVCI, VILLANUEVA, SHIEH
24 ARRIAGA, TINSLEY, and/or other agents, associates, affiliates, and/or co-conspirators solicited
25 one or more borrowers and negotiated to do one or more of the following acts for another or
26 others, for or in expectation of compensation: negotiate one or more loans for, or perform
27 services for, borrowers and/or lenders in connection with loans secured directly or collaterally by

1 one or more liens on real property; charged or demanded a fee for any of the services offered, in
2 violation of Section 10130 (Real Estate Broker License Required to Perform Certain Acts) and
3 Section 10139 (Criminal Penalties for Unlicensed Activity) of the Code.

4 5. On or about December 8, 2008, SHIEH, on behalf of CVCI and/or
5 VILLANUEVA, met with Soledad V. ("Borrower") to provide Borrower with information
6 concerning a possible residential loan modification for Borrower's home located on Liberty
7 Street, San Leandro, California ("Subject Property").

8 6. On or about December 9, 2008, Borrower paid CVCI an advance fee of
9 \$2,000.00 to undertake a loan modification on the Subject Property. SHIEH informed Borrower
10 that CVCI and/or VILLANUEVA may charge additional fees during the loan modification
11 process.

12 7. On March 6, 2008, Borrower paid to CVCI an additional advance fee of
13 \$1,995.00.

14 8. On January 25, 2009, TINSLEY and ARRIAGA, on behalf of CVCI and
15 VILLANUEVA, asked Borrower to execute an *Authorization to Release Information* granting
16 CVCI access to Borrower's confidential personal records to be used by CVCI and/or
17 VILLANUEVA in connection with Borrower's Loan Modification.

18 9. On April 7, 2009, "(t)he Staff of Cris P. Villanueva, CPA, Inc.," sent
19 Borrower a letter with an invoice demanding further payment in the amount of \$1,995.00 and
20 threatening that CVCI would cease working upon Borrower's loan modification if CVCI did
21 not receive the additional \$1,995.00.

22 10. CVCI and/or VILLANUEVA never obtained the loan modification
23 promised to Borrower and have yet to provide a refund and accounting of the funds Borrower
24 paid to CVCI and VILLANUEVA.

25 CONCLUSIONS OF LAW

26 11. Based on the findings of fact contained in paragraphs 1 through 10,
27 above, CVCI, acting by and/or through VILLANUEVA, TINSLEY, SHIEH, ARRIAGA or

1 one or more agents, associates, affiliates, and/or co-conspirators, unknown at this time,
2 solicited one or more borrowers and performed services for those borrowers and/or those
3 borrowers' lenders in connection with loans secured directly or collaterally by one or more
4 liens on real property, acts which require a real estate license under Section 10131(d) of the
5 Code, during a period of time when CVCI, VILLANUEVA, and TINSLEY were not licensed
6 by the Department in any capacity.

7 12. TINSLEY, in the capacity of CVCI's Office Manager, was assigned to,
8 and did oversee and supervise, CVCI's loan modification operations under the direction and
9 control of CVCI and VILLANUEVA.

10 13. SHIEH and ARRIAGA, although possessing valid salesperson licenses
11 and employed by licensed real estate brokers, were not associated with CRIS P.
12 VILLANUEVA, CPA, INC., and were working on behalf of and under the direction and
13 control of CVCI and VILLANUEVA.

14 DESIST AND REFRAIN ORDER

15 Based on the Findings of Fact and Conclusions of Law stated herein,
16 CRISOSTOMO VILLANUEVA, individually, and doing business as CRIS P. VILLANUEVA,
17 CPA, INC., a California Professional Corporation, CRIS P. VILLANUEVA, CPA, INC., a
18 California Professional Corporation and doing business as Comprehensive Financial Services
19 Division, JENNIFER TINSLEY, MARILU SHIEH, and ROSITA VALLEJO ARRIAGA
20 whether doing business under your own name, or any other name or fictitious name, or by and/or
21 through any related entity, are HEREBY ORDERED to:

22 1. Immediately desist and refrain from performing any acts within the State
23 of California for which a real estate broker license is required. In particular, they are ordered to
24 desist and refrain from soliciting borrowers and/or performing services for borrowers or lenders
25 in connection with loans secured directly or collaterally by one or more liens on real property,
26 unless and until they obtain appropriate real estate broker licenses issued by the Department.

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1 2. Immediately desist and refrain from charging, demanding, claiming,
2 collecting and/or receiving advance fees, as that term is defined in Section 10026 of the Code,
3 for any of the services they offer to others, unless and until they demonstrate and provide
4 evidence satisfactory to the Commissioner that they are properly licensed by the Department as
5 real estate brokers, and:

6 (a) have an advance fee agreement which has been submitted to the
7 Department and which is in compliance with Sections 2970 and 2972 of the Regulations;

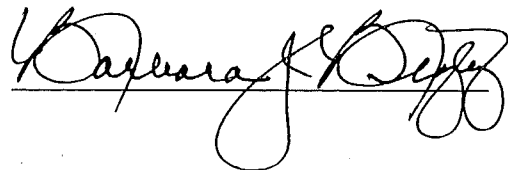
8 (b) have placed all previously collected advance fees into a trust
9 account for that purpose and are in compliance with Section 10146 of the Code;

10 (c) have provided an accounting to trust fund owner-beneficiaries
11 pursuant to Section 2972 of the Regulations; and,

12 (d) are in compliance with California law, as amended effective as of
13 October 11, 2009, with respect to loan modification and/or forbearance services. Under the
14 amended law, they can only collect advance fees for loan modification or other mortgage loan
15 forbearance services related to commercial loans and loans for residential properties containing
16 five or more dwelling units.

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18 DATED: 1/25/12
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20 BARBARA J. BIGBY
21 Acting Real Estate Commissioner

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NOTICE:

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

cc:

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KCE