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BUREAU OF REAL ESTATE

By John Quint

BEFORE THE BUREAU OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation of)	
)	NO. H-39552 LA
<u>BALBOA CREDIT GROUP INC.;</u>)	
ADELA C. OLIVARES, individually)	
and as Designated Officer of Balboa)	
Credit Group Inc.; and JOHN STEVEN)	
GOLIATH, individually and as)	
Designated Officer of Balboa Credit)	
Group Inc.,)	
)	
Respondents.)	
_____)	

DECISION

This Decision is being issued in accordance with the provisions of Section 11520 of the Government Code, on evidence of compliance with Section 11505 of the Government Code and pursuant to the Order of Default filed on October 31, 2014, as to Respondent BALBOA CREDIT GROUP INC. and the findings of fact set forth herein are based on one or more of the following: (1) Respondent's express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

1.

On July 23, 2014, Robin Trujillo made the Accusation in her official capacity as a Deputy Real Estate Commissioner of the State of California. The Accusation, Statement to Respondent, and Notice of Defense were mailed by certified mail, return receipt requested, to Respondent at its address of record on July 25, 2014, and by regular mail on August 18, 2014.

On October 31, 2014, no Notice of Defense having been filed herein on behalf of Respondent BALBOA CREDIT GROUP INC. ("BCGI") within the time prescribed by Section 11506 of the Government Code, BCGI's default was entered herein.

2.

BCGI is presently licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code ("Code"), as a corporate real estate broker. BCGI was originally issued a corporate real estate broker license by the Bureau on November 29, 2012, and that license is due to expire on November 28, 2016.

3.

At all times herein mentioned, BCGI engaged in the business of, acted in the capacity of, advertised or assumed to act as a real estate broker in the State of California within the meaning of Code Sections 10026, 10131(b), 10131.2 and 10167. Its activities included soliciting listings of places for rent, soliciting for prospective tenants, and/or supplying prospective tenants with listings of residential real properties for tenancy in exchange for a fee. BCGI operated as a Prepaid Rental Listing Service ("PRLS").

4.

On March 12, 2014, the Bureau completed an audit examination of the books and records of BCGI pertaining to the real estate sales activities described in paragraph 3, above. The audit examination covered the period of time from November 29, 2012, to December 31, 2013. The audit examination revealed numerous violations of the Real Estate Law (Part I of Division 4 of the Business and Professions Code) as set forth in Audit Report LA 130105 and the exhibits and work papers attached to said audit report. Specifically, BCGI was found to have violated Code Sections 10145, 10148, 10162, 10167.9, 10167.10, 10176(e), 10177(d), and 10177(g), and Sections 2831, 2831.1, 2834, and 2915 of Title 10, Chapter 6, California Code of Regulations ("Regulations").

5.

In addition, in connection with its PRLS activities, BCGI collected advance fees, used a contract that had not been approved by the Bureau, provided useless lists of rental properties to prospective tenants, and failed to provide refunds to its customers, the prospective tenants, all in violation of Code Sections 10167.9, 10167.10, 10167.11, 10176(a), 10177(d), and 10177(g).

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DETERMINATION OF ISSUES

1.

Cause for disciplinary action against Respondent BALBOA CREDIT GROUP INC. exists pursuant to Business and Professions Code Sections 10145, 10148, 10162, 10167.9, 10167.10, 10167.11, 10176(a), 10176(e), 10177(d), 10177(g), and Sections 2831, 2831.1, 2834, and 2915 of Title 10, Chapter 6, California Code of Regulations ("Regulations").

2.

The standard of proof applied was clear and convincing proof to a reasonable certainty.

ORDER

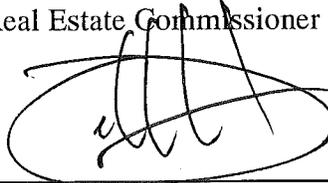
The license and license rights of Respondent BALBOA CREDIT GROUP INC., under the provisions of Part I of Division 4 of the Business and Professions Code are revoked.

This Decision shall become effective at 12 o'clock noon on

January 6, 2015.

DATED: NOV 24 2014

Real Estate Commissioner

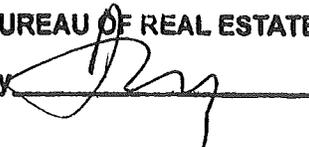


By: JEFFREY MASON
Chief Deputy Commissioner

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BUREAU OF REAL ESTATE

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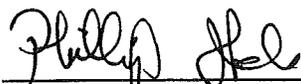
DEFAULT ORDER

Respondents.

Respondent, BALBOA CREDIT GROUP INC., having failed to file a Notice of
Defense within the time required by Section 11506 of the Government Code, is now in default. It
is, therefore, ordered that a default be entered on the record in this matter.

IT IS SO ORDERED OCTOBER 31, 2014.

Real Estate Commissioner


By: PHILLIP HDE
Regional Manager