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DEPT. OF REAL ESTATE

By 

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8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of	No. H-42485-LA
12 KIMBERLY CAMILLA HERRERA,	<u>ACCUSATION</u>
13 Respondent.	

14
15 The Complainant, Veronica Kilpatrick, a Supervising Special Investigator for the
16 Department of Real Estate ("Department" or "DRE") of the State of California, for cause of
17 Accusation against KIMBERLY CAMILLA HERRERA ("Respondent"), is informed and alleges
18 as follows:

- 19 1. The Complainant, Veronica Kilpatrick, acting in her official capacity as a
20 Supervising Special Investigator, makes this Accusation against Respondent.
- 21 2. All references to the "Code" are to the California Business and Professions Code
22 and all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

23 **LICENSE HISTORY**

- 24 3. Respondent has been licensed and/or has license rights under the Code, as a real
25 estate salesperson ("RES") with DRE license ID 02024404 from on or about March 17, 2017
26 through the present. Respondent's license is scheduled to expire on or about March 16, 2025,
27 unless renewed. Respondent has been employed by real estate corporation ("REC"), Stigler
28 Mortgage, DRE license ID 02024033, from on or about February 12, 2021 through the present.

1 Respondent was previously employed by REC M Power Mortgage Inc., DRE license ID
2 01846362, from on or about February 27, 2020 through on or about February 11, 2021.

3 4. Respondent currently holds an individual Mortgage Loan Originator (“MLO”)
4 license endorsement with the Department with National Mortgage Licensing System and Registry
5 (“NMLS”) No. 1712835. Respondent is currently authorized to represent Stigler Mortgage, which
6 has a company MLO license endorsement, NMLS No. 2087519.

7 STATEMENT OF FACTS

8 5. Respondent violated the NMLS student Rules of Conduct (“ROC”) by using the
9 services of Danny Yen dba Real Estate Educational Services (“REES”) to complete Respondent’s
10 NMLS-approved continuing education (“CE”) courses, which constitutes a violation of the
11 licensing requirements of this state and under federal law. Specifically, Respondent used and
12 compensated REES to obtain credit through an in-person fraud scheme. Under the in-person fraud
13 scheme, Respondent used REES to report completion of an in-person CE course for the year 2020.
14 REES did not teach the in-person course and Respondent never attended the in-person course nor
15 completed the required exam or course work to receive course credit.

16 NMLS Pre-Licensing and Continuing Education

17 6. The State Regulatory Registry LLC (“SRR”), which owns and operates the NMLS,
18 administers pre-licensing education (“PE”) and CE and Uniform State Test protocols. Title V of
19 Public Law 110-289, the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (“the
20 SAFE Act”), requires that state-licensed MLOs complete PE prior to initial licensure and annual
21 CE thereafter. (See Code section 10166.06.)

22 7. In order to meet PE requirements contemplated under the SAFE Act, state-licensed
23 MLOs must complete 20 hours of NMLS-approved education. (Code section 10166.06(a).)

24 8. In order to meet CE requirements contemplated under the SAFE Act, state-licensed
25 MLOs must complete eight hours of NMLS-approved education. (Code section 10166.10(a).)

26 REES

27 9. REES, with NMLS course provider number 1405046, was an NMLS-approved
28 course provider during the years 2017 to 2020.

1 course credit. It was determined that Respondent had used REES to obtain one (1) year of course
2 credits in 2020 in violation of the ROC under the in-person fraud scheme.

3 19. The ROC provide in relevant part:

4 ROC 3: I understand that the SAFE Act and state laws require me to spend
5 a specific amount of time in specific subject areas. Accordingly, I will not attempt
6 to circumvent the requirements of any NMLS approved course.

7 ROC 5: I will not seek or attempt to seek outside assistance to complete
8 the course.

9 ROC 8: I will not engage in any capacity that would be contrary to good
10 character or reputation, or engage in any behavior that would cause the public to
11 believe that I would not operate in the mortgage loan business lawfully, honestly
12 or fairly.

13 ROC 9: I will not engage in any conduct that is dishonest, fraudulent, or
14 would adversely impact the integrity of the course(s) I am completing and the
15 conditions for which I am seeking licensure or renewal of licensure.

16 20. By using the services of another to complete his CE and receiving fraudulent
17 course credits through a non-existent course, Respondent violated ROC 3, 5, 8, and 9, and
18 engaged in conduct that was dishonest, fraudulent, and that adversely impacted the integrity of the
19 courses he completed and the conditions and qualifications for which Respondent sought licensure
20 or renewal of licensure.

21 Financial Responsibility, Character, and General Fitness

22 21. Pursuant to Code section 10166.05(c), the Commissioner must deny a MLO license
23 endorsement if the licensee fails to meet the minimum criteria for licensure, which includes a
24 requirement that the applicant “has demonstrated such financial responsibility, character and
25 general fitness as to command the confidence of the community and to warrant a determination
26 that the [MLO] will operate honestly, fairly, and efficiently within the purposes of this division.”

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1 for the administration and enforcement of the Real Estate Law and
2 Chapter 1 (commencing with Section 11000) of Part 2.

3
4 (g) Demonstrated negligence or incompetence in performing an act for
5 which the officer, director, or person is required to hold a license.

6
7 (j) Engaged in any other conduct, whether of the same or of a different
8 character than specified in this section, that constitutes fraud or dishonest
9 dealing.

10 **COSTS**

11 (COSTS OF INVESTIGATION AND ENFORCEMENT)

12 27. **Code section 10106** provides in pertinent part that in any order issued in resolution
13 of a disciplinary proceeding before the Department of Real Estate, the Commissioner may request
14 the administrative law judge to direct a licensee found to have committed a violation of this part to
15 pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

16 WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this
17 Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action
18 against all the licenses and license rights of Respondent KIMBERLY CAMILLA HERRERA
19 under the Real Estate Law, for the costs of investigation and enforcement as permitted by law, and
20 for such other and further relief as may be proper under other applicable provisions of law.

21 Dated at San Diego, California this 7 day of November, 2022.

22 Veronica Kilpatrick
23 Veronica Kilpatrick
24 Supervising Special Investigator

25 cc: KIMBERLY CAMILLA HERRERA
26 Stigler Mortgage
27 M Power Mortgage Inc.
28 Veronica Kilpatrick
Sacto.