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DEPARTMENT OF REAL ESTATE

By R. Henry

8 STATE OF CALIFORNIA

9 DEPARTMENT OF REAL ESTATE

11 To:)	
)	NO. H-2568 FR
12 HOME DEFENSE GROUP, INC.,)	
13 JOHN BALCORTA, ISMAEL MOYERS,)	ORDER TO DESIST AND
14 WILLIAM RODRIQUES, JOSE FARIAS,)	REFRAIN
15 CEDRIC TRONCOSO,)	
FREDDIE VERNON VEGA)	
and JAMES CURTIS IV)	(B&P Code Section 10086)
)	

17 The Commissioner (Commissioner) of the California Department of Real Estate
18 (Department) caused an investigation to be made of the activities of HOME DEFENSE GROUP,
19 INC., ("HDG"), ISMAEL MOYERS ("MOYERS"), WILLIAM RODRIQUES
20 ("RODRIQUES"), JOHN BALCORTA ("BALCORTA"), JOSE FARIAS ("FARIAS"),
21 CEDRIC TRONCOSO ("TRONCOSO"), FREDDIE VERNON VEGA ("VEGA") and JAMES
22 CURTIS IV ("CURTIS") doing business as James Curtis & Associates ("JCA"). Based on the
23 investigation, the Commissioner has determined that HDG, MOYERS, RODRIQUES, FARIAS,
24 TRONCOSO, JCA, VEGA, and BALCORTA have engaged in, are engaging in, or are
25 attempting to engage in, acts or practices constituting violations of the California Business and
26 Professions Code (Code) and/or Title 10, Chapter 6, California Code of Regulations
27 (Regulations), including the business of, acting in the capacity of, and/or advertising or assuming

1 to act as, a real estate broker in the State of California within the meaning of Section 10131(d)
2 (performing services for borrowers in connection with loans secured by real property) of the
3 Code. Furthermore, based on the investigation, the Commissioner hereby issues the following
4 Findings of Fact, Conclusions of Law, and Desist and Refrain Order under the authority of
5 Section 10086 of the Code.

6 Whenever acts referred to below are attributed to HDG and/or MOYERS, RODRIQUES,
7 FARIAS, TRONCOSO, JCA, VEGA, and BALCORTA, those acts are alleged to have been done
8 by MOYERS, RODRIQUES, FARIAS, TRONCOSO, JCA, VEGA, and/or BALCORTA, acting
9 by themselves, or by and/or through one or more agents, associates, affiliates, and/or co-
10 conspirators, and using the name HDG, or other names or fictitious names unknown at this time.

11 FINDINGS OF FACT

12 1. At no time herein mentioned has JAMES CURTIS IV, HDG, MOYERS,
13 RODRIQUES, FARIAS and/or BALCORTA been licensed by the Department in any capacity.

14 2. MOYERS purportedly is the President of HDG and RODRIQUES purportedly is
15 a "Partner" in HDG. FARIAS purportedly is an "Account Executive" for HDG.

16 3 At no time mentioned herein was JCA licensed by the Department in any capacity.
17 At all times relevant herein, CURTIS was and is licensed by the State Bar of California as an
18 attorney at law (SBN 140709).

19 4. At all times relevant herein TRONCOSO held a real estate broker license
20 (REB # 00527817), issued by the Department, which expired on July 28, 2009 and has not been
21 renewed. At all times relevant herein TRONCOSO was and is licensed by the State Bar of
22 California as an attorney at law (SBN 86625). At no time relevant herein was HDG a registered
23 fictitious business name of TRONCOSO nor was TRONCOSO the Designated Officer/Broker
24 for HDG.

25 5. On or about January 28, 2010, VEGA was issued a real estate broker license
26 (REB # 01861622). However, at no time prior to January 28, 2010 was VEGA licensed by the
27 Department in any capacity. At all times relevant herein VEGA was and is licensed by the State

1 Bar of California as an attorney at law (SBN 237191). However, at no time relevant herein was
2 HDG a registered fictitious business name of VEGA nor was VEGA the Designated
3 Officer/Broker for HDG.

4 6. During the period of time set out below, HDG, acting by and through MOYERS,
5 RODRIQUES, FARIAS, TRONCOSO, JCA, VEGA, and/or BALCORTA, and/or other agents,
6 associates, affiliates, and/or co-conspirators solicited one or more borrowers and negotiated to do
7 one or more of the following acts for another or others, for or in expectation of compensation:
8 negotiate one or more loans for, or perform services for, borrowers and/or lenders in connection
9 with loans secured directly or collaterally by one or more liens on real property; and charge or
10 demand a fee for any of the services offered, in violation of Sections 10130 (real estate broker
11 license required to perform certain acts), 10139 (criminal penalties for unlicensed activity) of the
12 Code and Section 2770 of the Regulations (Advertising and Dissemination of Information on the
13 Internet).

14 7. On or about June 17, 2009, the Department received a referral from the Federal
15 Bureau of Investigation on the business activities of HDG and BALCORTA. The referral
16 included certain flyers and webpage printouts of HDG and BALCORTA. The flyers were from
17 HDG with BALCORTA as the contact person. The printouts of the websites were page captures
18 of two HDG websites: House Help Force (<http://househelpforce.com>) and Home Defense Group
19 (<http://homedefensegroup.com>). Such services included, but were not limited to, short-sale
20 representation and loan modifications which require the provider to possess a valid California
21 real estate license.

22 8. On or about March 27, 2010, a Deputy Commissioner using the name Diego L.
23 (hereinafter "the undercover deputy") made an undercover call to BALCORTA to verify that
24 HDG and BALCORTA were offering loan modification services. The undercover deputy told
25 BALCORTA that he was interested in hiring BALCORTA and HDG to perform a loan
26 modification. BALCORTA responded that for a \$3,500.00 fee BALCORTA and HDG would
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1 attempt to obtain the loan modification. BALCORTA further informed the undercover deputy
2 that the fee was to be paid in advance of undertaking the loan modification services.

3 9. On or about December 20, 2009, Cherlyn C. met with BALCORTA at
4 BALCORTA's Santa Maria Office wherein she entered into an agreement with BALCORTA
5 acting as an agent for HDG for loan modification services for the mortgage on her Grover Beach,
6 California home. At that time BALCORTA received an advance fee payment from Cherlyn C. in
7 the amount of \$2,500.00 for loan modification services to be provided by or through HDG. In
8 addition, the agreement between HDG and Margarita M. required her to make monthly advance
9 fee payments in the amount of \$1,500.00 to HDG purportedly for attorney's fee which were
10 HDG purportedly would pay VEGA on behalf of Cherlyn C. for legal services associated with
11 the loan modification process. At no time did Cherlyn C. receive an itemized bill from VEGA
12 setting forth any legal fees incurred on her behalf. Cherlyn C. continued to make monthly
13 payments until she filed for bankruptcy protection in May 2009 having paid to HDG and/or JCA,
14 as HDG's assign, the sum of \$11,500.00 in advance fee payments. At no time did Cherlyn C.
15 receive the loan modification; nor has Cherlyn C. ever received a refund of the advance fees paid
16 to HDG.

17 10. On or about December 19, 2008, Margarita M. entered into an agreement with
18 HDG for loan modification services for the mortgage on her San Bernardino home. At that time
19 Margarita M. paid an advance fee in the amount of \$2,600.00 to HDG for the loan modification
20 services. In addition, the agreement between HDG and Margarita M. required he to make
21 monthly advance fee payments in the amount of \$1,350.00 to HDG purportedly for attorney's fee
22 paid to VEGA for legal services associated with the loan modification process. At no time did
23 Margarita M. receive an itemized bill from VEGA setting forth the legal fees incurred by her, but
24 received an invoice from HDG seeking payment of the contract amount which HDG claimed to
25 be for attorney's fees. Margarita M. paid a total of \$6,650.00 before she stopped making
26 payments to HDG. Margarita M. demanded a refund of the advance fees paid to HDG. At no
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1 time did Margarita M. receive the loan modification; nor has Margarita M. received a refund of
2 the advance fees paid to HDG.

3 CONCLUSIONS OF LAW

4 11. Based on the findings of fact contained in Paragraphs 1 through 10, above, HOME
5 DEFENSE GROUP, INC., ISMAEL MOYERS, WILLIAM RODRIQUES, JOHN BALCORTA,
6 JOSE FARIAS, CEDRIC TRONCOSO, FREDDIE VERNON VEGA, and JAMES CURTIS IV
7 doing business as JAMES CURTIS & ASSOCIATES, acting by and/or through one or more
8 agents, associates, affiliates, and/or co-conspirators, and using the name, HOME DEFENSE
9 GROUP, INC., or other names or fictitious names unknown at this time, solicited one or more
10 borrowers to perform services for those borrowers and/or those borrowers' lenders in connection
11 with loans secured directly or collaterally by one or more liens on real property located within the
12 State of California, acts which require a real estate license under Section 10131(d) of the Code,
13 during a period of time when HOME DEFENSE GROUP, INC. ISMAEL MOYERS, WILLIAM
14 RODRIQUES, JOHN BALCORTA, JOSE FARIAS, JAMES CURTIS IV doing business as
15 JAMES CURTIS & ASSOCIATES, FREDDIE VERNON VEGA and JOHN BALCORTA were
16 not licensed by the Department in any capacity and during the time when HOME DEFENSE
17 GROUP, INC., was not and is not a d.b.a. registered to CEDRIC TRONCOSO in violation of
18 Section 10130 of the Code.

19 DESIST AND REFRAIN ORDER

20 Based on the Findings of Fact and Conclusions of Law stated herein, HOME DEFENSE
21 GROUP, INC., ISMAEL MOYERS, WILLIAM RODRIQUES, JOHN BALCORTA, JOSE
22 FARIAS, CEDRIC TRONCOSO, FREDDIE VERNON VEGA, and JAMES CURTIS IV doing
23 business as JAMES CURTIS & ASSOCIATES whether doing business under your own name, or
24 any other name or fictitious name, ARE HEREBY ORDERED to:

25 1. Immediately desist and refrain from performing any acts within the State of
26 California for which a real estate broker license is required. In particular, you are ordered to
27 desist and refrain from soliciting borrowers and/or performing services for borrowers or lenders

1 in connection with loans secured directly or collaterally by one or more liens on real property,
2 unless and until you obtain a real estate broker license issued by the Department.

3 2. Immediately desist and refrain from charging, demanding, claiming, collecting
4 and/or receiving advance fees, as that term is defined in Section 10026 of the Code, for any of the
5 services you offer to others, unless and until you demonstrate and provide evidence satisfactory
6 to the Commissioner that you are properly licensed by the Department as a real estate broker, and
7 that HOME DEFENSE GROUP, INC., ISMAEL MOYERS, WILLIAM RODRIQUES, JOHN
8 BALCORTA, JOSE FARIAS, CEDRIC TRONCOSO, FREDDIE VERNON VEGA, and
9 JAMES CURTIS IV doing business as JAMES CURTIS & ASSOCIATES:

10 (A) Have an advance fee agreement which has been submitted to the
11 Department and which is in compliance with Sections 2970 and 2972 of the Regulations;

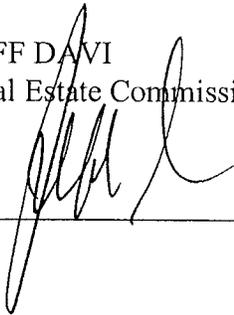
12 (B) Have placed all previously collected advance fees into a trust account for
13 that purpose and are in compliance with Section 10146 of the Code;

14 (C) Have provided an accounting to trust fund owner-beneficiaries pursuant to
15 Section 2972 of the Regulations; and

16 (D) Are in compliance with California law, as amended effective as of October
17 11, 2009, with respect to loan modification and/or forbearance services. Under the amended law,
18 you can only collect advance fees for loan modification or other mortgage loan forbearance
19 services related to commercial loans and loans for residential properties containing five or more
20 dwelling units.

21
22 DATED: 12/7, 2010

23 JEFF DAVI
24 Real Estate Commissioner

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26 By 
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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).”

TO:

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