Bureau of Real Estate
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Los Angeles, CA 90013

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FILED

FEB 25 2014

BUREAU OF REAL ESTATE

By

BEFORE THE BUREAU OF REAL ESTATE

STATE OF CALIFORNIA

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To: RAJESH MADANDAS MANGHANI ; SHLC HOLDINGS LLC, dba Secure Horizons Investment Counselors, SHIC and Secure Horizons Law Counsel; and UNIVERSAL RELIEF ADVOCACY ORGANIZATION LLC.	No. H-4592 SD ORDER TO DESIST AND REFRAIN (B&P Code Section 10086)

The Real Estate Commissioner of the State of California ("Commissioner") has caused an investigation to be made of the activities of RAJESH MADANDAS MANGHANI; SHLC HOLDINGS LLC, dba Secure Horizons Investment Counselors, dba SHIC and dba Secure Horizons Law Counsel; and UNIVERSAL RELIEF ADVOCACY ORGANIZATION LLC. Based on that investigation, the Commissioner has determined that the above named individuals and entities have engaged in, are engaging in, or are attempting to engage in, acts or practices constituting violations of the California Business and Professions Code ("Code"), including acting in the capacity of, advertising and/or assuming to act as real estate brokers in the State of California within the meaning of Code Sections 10131(d) (advertising, soliciting borrowers or lenders for or negotiating loans, or collecting payments or performing services for

borrowers or lenders or note owners in connection with loans secured directly or collaterally by liens on real property) and 10131.2 (collecting advance fees in connection with those services) without being properly licensed. In addition, the Commissioner is of the opinion that the individuals and entities named above have violated Sections 10140, 10235, 17500, 10085.5 and 10137 of the Code, and Civil Code Section 2944.7.

Based on that investigation, the Commissioner hereby issues the following Findings of Fact, Conclusions of Law, and Desist and Refrain Order under the authority of Section 10086 of the Code.

FINDINGS OF FACT

1. RAJESH MADANDAS MANGHANI ("MANGHANI") is licensed by the Department of Consumer Affairs, Bureau of Real Estate ("Bureau") as a real estate salesperson. MANGHANI is not currently affiliated with an employing broker of record and his real estate salesperson license is therefore not active.

(a) Between May 25, 2010 and June 15, 2012, MANGHANI was affiliated with Cstone Mortgage, Inc. as his employing broker of record.

(b) Between June 16, 2012 and November 5, 2012, MANGHANI was not affiliated with an employing broker of record, and his license was inactive.

(c) Between November 6, 2012 and May 29, 2013, MANGHANI was affiliated with AAA Mortgage & Real Estate, Inc. as his employing broker of record.

(d) MANGHANI has not been affiliated with an employing broker of record since May 29, 2013.

(e) MANGHANI's address of record with the Bureau is 13879 Carriage Road, Poway, CA 92064.

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2. SHLC HOLDINGS LLC (SHLC HOLDINGS) is a limited liability company owned by MANGHANI. SHLC HOLDINGS does business as Secure Horizons Investment Counselors, as SHIC, and as Secure Horizons Law. Neither SHLC nor any of its fictitious business names is licensed by the Bureau in any capacity. SHLC HOLDING's business addresses include 14288 Danielson St. #101, Poway, CA 92064 and 13475 Danielson St. #250, Poway, CA 92064.

3. UNIVERSAL RELIEF ADVOCACY ORGANIZATION, LLC (URAO) is a limited liability company owned by MANGHANI. URAO is not licensed by the Bureau in any capacity. URAO's business address is 14288 Danielson St. #101, Poway, CA 92064. MANGHANI is licensed in Secreatary of State records as URAO's agent for service of process, with an address of 13879 Carriage Road, Poway, CA 92064.

4. Additional limited liability companies managed by MANGHANI include, but are not limited to, OMG Raj Productions ☺ LLC, with a business address on record with the Secretary of State of 14288 Danielson St. #101, Poway, CA 92064; and Organic Networks, LLC, with a business address of 13879 Carriage Rd., Poway, CA 92064. Neither of these entities is licensed by the Bureau in any capacity.

5. The individual and entities listed in Paragraphs 1 through 4 above have also operated out of the following internet websites:

(a) http://usahoa.org

(b) http://eshic.com

(c) http://uraorg.org

6. All further references to MANGHANI and affiliated entities listed in Paragraphs 1 through 4 above, include MANGHANI and those entities themselves, as well as the officers, agents and employees of the MANGHANI and the affiliated entities.

7. At all times relevant herein, MANGHANI and affiliated entities listed in Paragraphs 1 though 5 above engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers in the State of California within the meaning of Code Sections 10131(d) and 10131.2. These activities included soliciting borrowers to provide mortgage loan and loan modification services, and claiming, demanding, charging, receiving, collecting or contracting for the collection of advance fees within the meaning of Code Sections 10026 and 10085. These activities also included advertising in the form of direct mail solicitation of borrowers for loans secured by deeds of trust and related foreclosure avoidance services.

8. Beginning on or before April 20, 2012, and continuing to the present time, MANGHANI and affiliated entities SHLC HOLDINGS and URAO, mailed advertisements soliciting distressed borrowers seeking loan modification and foreclosure avoidance services, which advertisements were false, misleading or deceptive, and/or which otherwise created the false impression that the recipients were preapproved for reduction of their mortgage loan payments. Specifically, MANGHANI and affiliated entities SHLC HOLDINGS and URAO, mailed out "Payment Reduction Notifications," stating that specific recipients were, "prequalified for an Economic Advantage Payment and/or Principal Reduction Program," designed to bring house payments current for less than amounts owed and/or reductions in principal balance. The mailers also contained large print headings, including "FORM 009-S ECONOMIC STIMULUS NOTIFICATION," that gave the misleading impression the solicitation was affiliated with or from a government agency, when it was not.

9. On or before October 17, 2012, consumer Graydon K. ("Consumer") received a Payment Reduction Notification from MANGHANI and affiliated entities. Upon contacting the phone number in the solicitation, Consumer entered into an agreement with SHLC

HOLDINGS to provide loan modification and related foreclosure avoidance services in exchange for the payment of fees, including advance fees. On October 17, 2012, Consumer signed a "Third Party Authorization," allowing SHLC HOLDINGS agents Kim Kendrick, Jamie Johnson, Joe Carlini, Ann Marie Meingast, Lorraine Aguilar, Karla Briseno, Bob Fox, Shannon Hayes, Greg Davidson, "et al," to receive information for payments or repayment plans and loan modification.

10. Consumer agreed to pay SHLC HOLDINGS an initial fee of $795.00, and monthly fees of $695.00 ach month thereafter. On October 17, 2012, Consumer paid SHLC HOLDINGS $795.00, and on November 16, 2012, Consumer paid SHLC HOLDINGS $695.00. In January of 2013, Consumer's payment of $695.00 was returned by the bank due to insufficient funds. SHLC HOLDINGS representatives contacted Consumer and told him that his case would be suspended unless he made further payments. Consumer did not make any further payments. SHLC did not provide any services and did not refund Consumer's money. He was able to obtain assistance through a free program sponsored by the Employment Development Department.

11. On February 5, 2013, URAO, a company solely owned by MANGHANI, advertised and solicited distressed borrowers, offering foreclosure relief services for a fee through its website located at http://uraorg.org. Neither URAO nor its principal MANGHANI were licensed by the Bureau as real estate brokers, and neither was operating under the supervision of an employing broker of record or as the licensed fictitious business name of a broker.

12. At the time that MANGHANI and his affiliated companies collected fees, including advance fees, for loan modification and foreclosure avoidance services, MANGHANI was not licensed as a real estate broker and was not operating under the supervision of an

employing broker of record. His affiliated companies were not licensed a real estate brokers, and were not licensed as fictitious business names of real estate brokers.

13. At the time they mailed advertisements soliciting loan modifications, MANGHANI was not active under the supervision of an employing broker of record. None of his affiliated companies were licensed by the Bureau in any capacity. They therefore unlawfully engaged in activities requiring a real estate broker license.

14. At the time that MANGHANI and SHLC HOLDINGS collected advance fees from distressed borrowers, it was unlawful to do so under Business and Professions Code Sections 10085.5 and 10085.6, and Civl Code Section 2944.7.

CONCLUSIONS OF LAW

1. The conduct, acts and/or omissions of RAJESH MADANDAS MANGHANI, SHLC HOLDINGS LLC, and UNIVERSAL RELIEF ADVOCACY ORGANIZATION LLC, as set forth in the Findings of Fact above, when not licensed by the Bureau as real estate brokers or as salespersons employed by a licensed real estate broker, as defined in Business and Professions Code Sections 10131(d), and 10131.2, was and is in violation of Business and Professions Code Sections 10085.5 and 10130, and Civil Code Section 2944.7.

2. The conduct, acts and/or omissions of MANGHANI, SHLC HOLDINGS LLC and UNIVERSAL RELIEF ADVOCACY ORGANIZATION LLC in making misleading, false and/or deceptive representations and/or representations which constitute unfair and unlawful business practices, was in violation of Code Sections 10140, 10235, 17500, and 17533.6(a).

3. The conduct, acts and/or omissions of RAJESH MADANDAS MANGHANI, in being employed by and/or accepting compensation from any person other than the broker under whom was licensed, was in violation of Business and Professions Code Section 10137.

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DESIST AND REFRAIN ORDER

Based on the Findings of Fact and Conclusions of Law stated herein, the following orders are made:

1. It is hereby ordered that RAJESH MADANDAS MANGHANI, SHLC HOLDINGS LLC and UNIVERSAL RELIEF ADVOCACY ORGANIZATION LLC, whether doing business under their own names, or any other names, or any fictitious names, ARE HEREBY ORDERED TO immediately desist and refrain from performing any acts within the State of California for which a real estate broker license is required. In particular, each of them is ORDERED TO DESIST AND REFRAIN from:

(a) soliciting borrowers and/or performing services for borrowers or lenders in connection with loans secured directly or collaterally by one or more liens on real property and

(b) charging, demanding, claiming, collecting and/or receiving a fee for any of the services offered by them to others, unless and until they obtain a real estate broker license issued by the Bureau, and until they demonstrate and provide evidence satisfactory to the Commissioner that they are in full compliance with all of the requirements of the Code and Commissioner's Regulations relating to charging, collecting and accounting for fees.

2. It is hereby ordered that RAJESH MADANDAS MANGHANI, SHLC HOLDINGS LLC and UNIVERSAL RELIEF ADVOCACY ORGANIZATION LLC, whether doing business under their own names, or any other names, or any fictitious names, ARE HEREBY ORDERED TO immediately desist and refrain from making misleading, false and/or deceptive statements in advertisements, and otherwise desist and refrain from engaging in deceptive business practices.

3. RAJESH MADANDAS MANGHANI, whether conducting activities requiring a real estate license under his own name, or any other names, or fictitious names, IS

HEREBY ORDERED to immediately desist and refrain from being employed by or accepting compensation from any person other than the broker through whom he is at the time licensed.

DATED: February 14, 2014

REAL ESTATE COMMISSIONER

By: JEFFREY MASON
Chief Deputy Commissioner

Notice: 1. **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)."

2. **Business and Professions Code Section 10085.5** provides, in pertinent part, that it is, "unlawful for any person to claim, demand, charge, receive, collect, or contract for an advance fee (1) for soliciting lenders on behalf of borrowers or performing services for borrowers in connection with loans to be secured directly or collaterally by a lien on real property, before the borrower becomes obligated to complete the loan, or, (2) for performing any other activities for which a license is required, unless the person is a licensed real estate broker and has complied with the provisions of this part...A violation of this section by a natural person who is a licensee is a public offense punishable by a fine not exceeding ten thousand dollars ($10,000), by imprisonment in the county jail for a term not to exceed one year, or by both that fine and imprisonment, or if by a corporation, the violation is punishable by a fine not exceeding fifty thousand dollars ($50,000). The penalties are cumulative to any other remedies or penalties provided by law."

3. **Civil Code Section 2944.7** provides, in pertinent part, that it is, "unlawful for any person who negotiates, attempts to negotiate, arranges, attempts to arrange, or otherwise offers to perform a mortgage loan modification or other form of mortgage loan forbearance for a fee or other compensation paid by the borrowers, to, "...claim, demand, charge, collect, or receive any compensation until after the person has fully performed each and every service the person contracted to perform or represented that he or she would perform...A violation of this section by a natural person is a public offense punishable by a fine not exceeding ten thousand dollars ($10,000), by imprisonment in the county jail for a term not to exceed one year, or by both that fine and imprisonment, or if by a business entity, the fine not exceeding fifty thousand dollars ($50,000). These penalties are cumulative to any other remedies or penalties provided by law.

STATE OF CALIFORNIA

BUREAU OF REAL ESTATE
LEGAL

SERVICE NOTICE

RE 576 (Rev. 7/13)

This notice is required by California Civil Procedure (C.C.P.) §412.30.

TO THE PERSON SERVED:

MICHAEL G. WASTVEDT, Agent for Service of Process

(Name of individual being served)

SHLC HOLDINGS LLC

(Name of corporation or unincorporated association)

You are hereby served the attached Order on behalf of the corporation or unincorporated association named above as a person upon whom a copy of the Order may be delivered to effect service on said party under the provisions of:

- [x] C.C.P. §416.10 *(Corporation)*
- [ ] C.C.P. §416.40 *(Unincorporated association, including partnership)*
- [ ] C.C.P. §

- [ ] Service is being made on you as an individual *as well* as on behalf of the corporation or the unincorporated association.
- [x] Service is being made on you on behalf of the corporation or the unincorporated association, *not* as an individual.