

**August 18, 2011**

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DEPARTMENT OF REAL ESTATE

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By

*R. Jones*

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6  
7 STATE OF CALIFORNIA

8 DEPARTMENT OF REAL ESTATE

9  
10 To:

11 ARDENWOOD PLUS, INC., and  
12 PALLAVI N. SHAH

No. H-11201 SF

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

13  
14 The Commissioner (hereinafter "Commissioner") of the California Department  
15 of Real Estate (hereinafter "Department") caused an investigation to be made of the activities of  
16 ARDENWOOD PLUS, INC. (hereinafter "ARDENWOOD"), and PALLAVI N. SHAH  
17 (hereinafter "SHAH"). Based on that investigation, the Commissioner has determined that both  
18 ARDENWOOD and SHAH have engaged in, are engaging in, or are attempting to engage in,  
19 acts or practices constituting violations of the California Business and Professions Code  
20 (hereinafter "the Code") and/or Title 10, Chapter 6, California Code of Regulations (hereinafter  
21 "the Regulations"), including the business of, acting in the capacity of, and/or advertising or  
22 assuming to act as, a real estate broker in the State of California within the meaning of Sections  
23 10131(d) (performing services for borrowers and/or lenders in connection with loans secured by  
24 real property) and 10131.2 (real estate broker license required to charge and collect an advance  
25 fee) of the Code. Furthermore, based on the investigation, the Commissioner hereby issues the  
26 following Findings of Fact, Conclusions of Law, and Desist and Refrain Order under the  
27 authority of Section 10086 of the Code.

FINDINGS OF FACT

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2           1.     ARDENWOOD is not a corporation registered with the California  
3 Secretary of State's Office.

4           2.     At no times mentioned was ARDENWOOD licensed by the Department  
5 in any capacity.

6           3.     At all times mentioned SHAH was and is licensed by the Department as a  
7 real estate salesperson. At no time mentioned was Respondent licensed by the Department as a  
8 real estate broker.

9           4.     During the period of time set forth below, SHAH, on behalf of  
10 ARDENWOOD, solicited borrowers and negotiated to do one or more of the following acts for  
11 another or others, for or in expectation of compensation; negotiate one or more loans for, or  
12 perform services for, borrowers and/or lenders in connection with loans secured directly or  
13 collaterally by one or more liens on real property; and charge, demand or collect an advance fee  
14 for any of the services offered.

15           5.     Beginning on or about July 2009, SHAH, on behalf of ARDENWOOD,  
16 solicited Gloria and Thorjus S. (hereinafter "Gloria and Thorjus") in order to provide a loan  
17 modification on behalf of Gloria and Thorjus in connection with a loans secured by real property  
18 located at: 26 and 28 W. Worth Street, Stockton; 5108 Sandmound Blvd, Oakley; and 3069  
19 Bantry Avenue, Oakland. In furtherance of SHAH and ARDENWOOD's plan and scheme to  
20 provide loan modification services to Gloria and Thorjus, SHAH and ARDENWOOD requested  
21 and received an advance fee of \$3,000 from Gloria and Thorjus on August 10, 2009.

CONCLUSIONS OF LAW

22  
23           6.     Based on the findings of fact contained in paragraphs 1 through 5, SHAH  
24 and ARDENWOOD solicited one or more borrowers to perform services for those borrowers  
25 and/or those borrowers' lenders in connection with loans secured directly or collaterally by one  
26 or more liens on real property located within the State of California, and charged, demanded or  
27 collected advance fees for the services to be provided, which acts require a real estate broker

1 license under Sections 10131(d) (real estate license required for enumerated acts) and 10131.2  
2 (real estate broker license required to charge or collect an advance fee) of the Code, in violation  
3 of Code Section 10130.

4 7. Based on the findings of fact contained in paragraphs 1 through 5,  
5 ARDENWOOD used a form of advance fee agreement which had not been provided to the  
6 Department for its prior review and consideration, in violation of Section 10085 of the Code  
7 (prior submission of advance fee materials required) and Section 2970 (details for prior  
8 submission of advance fee materials) of the Regulations.

9 DESIST AND REFRAIN ORDER

10 Based on the Findings of Fact and Conclusions of Law stated herein,  
11 ARDENWOOD and SHAH, whether doing business under your own name, or any other name  
12 or fictitious name, ARE HEREBY ORDERED to:

- 13 1. Immediately desist and refrain from performing any acts within the State of  
14 California for which a real estate broker license is required; and,  
15 2. immediately desist and refrain from charging, demanding, claiming, collecting  
16 and/or receiving advance fees, as that term is defined in Section 10026 of the Code, in any form,  
17 and under any conditions, with respect to the performance of loan modifications or any other  
18 form of mortgage loan forbearance service in connection with loans on residential property  
19 containing four or fewer dwelling units (Code Section 10085.6).

20 DATED: August 11, 2011

21 BARBARA J. BIGBY  
22 Acting Real Estate Commissioner

23 By WILLIAM E. MORAN  
Assistant Commissioner, Enforcement

*William E. Moran*

24 **Notice:** Business and Professions Code Section 10139 provides that, "Any person acting as a  
25 real estate broker or real estate salesperson without a license or who advertises using words  
26 indicating that he or she is a real estate broker without being so licensed shall be guilty of a  
27 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)"