Department of Real Estate 320 West Fourth Street, Ste. 350 Los Angeles, California 90013

(213) 576-6982

FEB 0 6 2008

DEPARTMENT OF REAL ESTATE

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STATE OF CALIFORNIA

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To:

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No. H-34699 LA

ORDER TO DESIST AND REFRAIN

NEWPORT CAPITAL GROUP INC., and JASON JOSEPH MCAFEE, individually, and as designated officer of Newport Capital Group Inc.,

The Real Estate Commissioner of the State of California has caused an investigation to be made of your activities as a real estate broker, and based on the findings of that investigation is of the opinion that NEWPORT CAPITAL GROUP INC., and JASON JOSEPH MCAFEE, individually, and as designated officer of Newport Capital Group Inc., have violated Sections 10235 and 17533.6 of the Business and Professions Code (hereinafter "Code") as well as Section 2848 subdivisions (2) and (12) of Chapter 6, Title 10, California Code of Regulations (hereinafter "Regulations").

At all times mentioned herein, you, NEWPORT CAPITAL

GROUP INC., were licensed by the Department of Real Estate of the State of California (hereinafter "Department") as a corporate real estate broker with Respondent JASON JOSEPH MCAFEE as the designated officer.

2.

At all times mentioned herein, you, JASON JOSEPH MCAFEE, individually, and as designated officer of Newport Capital Group Inc., were licensed by the Department as a real estate broker.

3.

You, NEWPORT CAPITAL GROUP INC. and JASON JOSEPH MCAFEE, knowingly advertised, printed, displayed, published, distributed, or caused or permitted to be advertised, printed, displayed, published, distributed, statements or representations with regard to the rates, terms, or conditions for making, purchasing, or negotiating loans on real property which were false, misleading, or deceptive.

Your conduct, as alleged in Paragraph 3, above, is in violation of Code Section 10235 and Section 2848(2) of the Regulations.

You, NEWPORT CAPITAL GROUP INC. and JASON JOSEPH MCAFEE, made solicitations for the making or arranging of a loan that contained a term or symbol that reasonably could be interpreted or construed as implying a state or local government connection, approval, or endorsement, which failed to bear the

following: With respect to the face of the solicitation, the (a) language: "THIS PRODUCT OR SERVICE HAS NOT BEEN APPROVED OR 3 ENDORSED BY ANY GOVERNMENT AGENCY, AND THIS OFFER IS NOT BEING 5 MADE BY AN AGENCY OF THE GOVERNMENT, " and, 6 In the case of a mailed solicitation, an envelope 7 or outside cover or wrapper bearing the notice: "THIS IS NOT A 8 GOVERNMENT DOCUMENT." 5. 9 10 Your conduct, as alleged in Paragraph 4, above, is in violation of Code Section 17533.6 and Section 2848(12) of the 11 12 Regulations. 13 NOW, THEREFORE, YOU, NEWPORT CAPITAL GROUP INC. and 14 JASON JOSEPH MCAFEE, ARE ORDERED TO DESIST AND REFRAIN from 15 performing any and all activities for which a real estate broker 16 license is required until you comply with all provisions of the 17 Real Estate Law as discussed in this Order. ~ **3**0 2008. 18 DATED: 19 JEFF DAVI Real Estate Commissioner 20 21 22 2.3 24 cc: Newport Capital Group Inc.

4340 Von Karman Avenue #150

Newport Beach, California 92660

Jason Joseph McAfee 21358 Cieza Circle

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Huntington Beach, California 92648