

1 Department of Real Estate  
320 West 4th Street, Ste. 350  
2 Los Angeles, California 90013-1105

3 Telephone: (213) 576-6982

**FILED**

JUN - 2 2009

DEPARTMENT OF REAL ESTATE

BY: *[Signature]*

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \*

11 TO:

12 LOAN PROCESSING CENTER INC. doing )  
13 business as Applyloanmod.com, )  
14 iloanmod.com and LPC; and )  
15 MASHEED S. GHAZI, individually )  
and as designated officer of )  
16 Loan Processing Center Inc. )

No. H-36015 LA

ORDER TO DESIST

AND REFRAIN

17 The Real Estate Commissioner of the State of California  
18 has caused an investigation to be made of your activities as a  
19 real estate broker, and based on the findings of that  
20 investigation is of the opinion that you, LOAN PROCESSING CENTER  
21 INC. dba Applyloanmod.com, iloanmod.com and LPC, and you, MASHEED  
22 S. GHAZI, have violated Sections 10140, 10145, 10176(a), 10176(i)  
23 and 10235 of the California Business and Professions Code  
24 (hereinafter Code), as well as Regulations 2832.1 and 2848 (all  
25 references herein to Regulations refer to the California Code of  
26 Regulations, Title 10, Chapter 6).  
27

1. 1.

2 A. At all times herein mentioned, you, LOAN PROCESSING  
3 CENTER INC. and you MASHEED S. GHAZI, were licensed by the  
4 Department of Real Estate of the State of California (hereinafter  
5 Department) as a real estate broker.

6 B. Loan modification services were conducted by LOAN  
7 PROCESSING CENTER INC. (LPCI) and MASHEED S. GHAZI (GHAZI) from  
8 the beginning of the audit period on September 11, 2007 to  
9 February 27, 2009.

10 LOAN MODIFICATION AND ADVANCE FEE BROKERAGE

11 2.

12 At all times mentioned, in City of Irvine, County of  
13 Orange, you LPCI and you GHAZI acted as real estate brokers and  
14 conducted licensed activities within the meaning of:

15 A. Code Section 10131(d). LPCI and GHAZI engaged in  
16 the business of a mortgage and loan brokerage. Respondents  
17 engaged in activities with the public wherein lenders and  
18 borrowers were solicited for loans secured directly or  
19 collaterally by liens on real property, wherein such loans were  
20 arranged, negotiated, processed and consummated on behalf of  
21 others for compensation or in expectation of compensation and for  
22 fees often collected in advance as well as at the conclusion of  
23 transactions; and  
24

25 B. Code Section 10131.2. LPCI and GHAZI engaged in  
26 the business of a loan modification and an advance fee brokerage  
27

1 dba Applyloanmod.com, iloanmod.com and LPC. Respondents  
2 solicited distressed homeowners seeking adjustments of the terms  
3 of their home loans, interest and/or principal reduction,  
4 foreclosure abatement, loan restructuring, and/or short sale  
5 services, and offered to negotiate with lenders on behalf of the  
6 homeowners for a fee payable in advance.

7 FIRST CAUSE OF ACTION  
8 (Audit of Loan Modification Activities)

9 3.

10 On April 7, 2009, the Department has completed an  
11 interim audit report of the Department's ongoing audit  
12 examination of your books and records LPCI pertaining to the  
13 mortgage loan, loan modification for advance fee activities  
14 described in Paragraph 2 that require a real estate license, as a  
15 result of the false website advertisement set forth below in  
16 Paragraph 5(b). The audit examination covers a period of time  
17 beginning on September 11, 2007 to February 27, 2009. The  
18 interim audit examination revealed violations of the Code and the  
19 Regulations as set forth in the following Paragraphs, and more  
20 fully discussed in Audit Report LA 080168 and the exhibits and  
21 work papers attached to said audit report.

22 TRUST ACCOUNT

23 4.

24 At all times mentioned, in connection with the  
25 activities described in Paragraph 3, above, you LPCI accepted or  
26 received funds including funds in trust (hereinafter "trust  
27

1 funds") from or on behalf of actual or prospective parties,  
2 including lenders, borrowers and homeowners, to mortgage loan  
3 transactions handled by LPCI and thereafter made deposits and or  
4 disbursements of such funds. From time to time herein mentioned  
5 during the audit period, said trust funds were deposited and/or  
6 maintained by LPCI in the bank account as follows:

7 "Loan Processing Center Inc.  
8 Account No. 29346-03807"  
9 Bank of America (bank account)  
San Francisco, CA 91437-0176

10  
11 AUDIT EXAMINATION

12 VIOLATIONS OF THE REAL ESTATE LAW

13 5.

14 In the course of activities described in Paragraphs 2  
15 and 4, above, and during the examination period described in  
16 Paragraph 3, you LPCI and you GHAZI, acted in violation of the  
17 Code and the Regulations in that you:

18 (a) Permitted, allowed or caused the disbursement of  
19 trust funds from the LPCI's bank account used for the deposit of  
20 trust funds, where the disbursement of funds reduced the total of  
21 aggregate funds in LPCI's bank account, to an amount which, on  
22 February 27, 2009, was \$21,331.00, less than the existing  
23 aggregate trust fund liability of LPCI to every principal who was  
24 an owner of said funds, without first obtaining the prior written  
25  
26  
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1 consent of the owners of said funds, as required by Code Section  
2 10145 and Regulation 2832.1.

3 (b) Placed a false, deceitful and misleading  
4 advertisement on LPCI's website which represented that the  
5 Department of Real Estate conducted an audit on LPCI and  
6 determined that LPCI was in compliance with the Real Estate Laws  
7 and Regulations. In truth and in fact, the Department's audit  
8 was ongoing and found, as of the audit report date of April 7,  
9 2009 found a substantial trust fund violation, to wit, a  
10 \$21,331.00 shortage in LPCI's bank account used to deposit trust  
11 funds received from homeowners, herein mentioned above. In  
12 addition said audit found violations of Code Sections 10140,  
13 10176(a), 10176(i) and 10235 and Regulation 2848.

14 6.

15 You, LOAN PROCESSING CENTER INC. and MASHEED S. GHAZI  
16 violated Code Sections 10140, 10145, 10176(a), 10176(i) and 10235  
17 and Regulations 2832.1 and 2848.

18 NOW, THEREFORE, YOU, LOAN PROCESSING CENTER INC. and  
19 you MASHEED S. GHAZI, ARE ORDERED TO DESIST AND REFRAIN from  
20 performing any and all activities for which a real estate broker  
21 license is required unless and until you are in compliance with  
22 the Real Estate Law as set forth in this Order.  
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1 AND FURTHERMORE, YOU, LOAN PROCESSING CENTER INC. and  
2 YOU, MASHEED S. GHAZI, ARE ORDERED TO DESIST AND REFRAIN from  
3 collecting advance fees as that terms in defined in Code Section  
4 10085, in any form particularly with respect to loan  
5 modification, loan restructuring, foreclosure abatement or short  
6 sale services, unless and until you provide evidence satisfactory  
7 to the Real Estate Commissioner and demonstrate that you have:

8 (1) a pre-approved advance fee agreement from the  
9 Department of Real Estate pursuant to Regulation 2970;

10 (2) placed all previously collected advance fees into a  
11 trust account for that purpose pursuant to Code Section 10146;  
12 and

13 (3) provided an accounting to trust fund owner-  
14 beneficiaries pursuant to Regulation 2972.  
15

16  
17 DATED: 5-6, 2009.

18 JEFF DAVI  
19 Real Estate Commissioner  
20  
21  
22  
23  
24

25 cc: Loan Processing Center Inc.  
26 Masheed S. Ghazi D.O.  
27 5440 Trabuco Road #200  
Irvine, Ca 92620