



1 2.

2 Respondents are presently licensed and/or have license  
3 rights under the Real Estate Law (Part 1 of Division 4 of the  
4 California Business and Professions Code, "Code").

5 3.

6 From April 22, 2009, through the present, Respondent  
7 SOLUTIONS NOW LOAN MODIFICATIONS INC. ("SOLUTIONS NOW") has been  
8 licensed by the Department of Real Estate ("Department") as a  
9 real estate corporation, Department ID 01862791.

10 4.

11 From April 29, 2008, through April 28, 2012,  
12 Respondent ZEINAB SALIM DONNER, aka Zeinab Salim Elachkar  
13 ("DONNER") was licensed by the Department as a real estate  
14 broker, Department ID 01836407. Respondent's license expired on  
15 April 28, 2012. The Department retains jurisdiction pursuant to  
16 Code Section 10103. From April 22, 2009, through December 14,  
17 2009, Respondent SOLUTIONS NOW was authorized to act by and  
18 through Respondent DONNER as its broker designated pursuant to  
19 Code Section 10159.2 to be responsible for ensuring compliance  
20 with the Real Estate Law. From December 15, 2009, through the  
21 present, Respondent SOLUTIONS NOW has been licensed "NBA" (no  
22 broker affiliation) which precludes Respondent SOLUTIONS NOW  
23 from engaging in activities that require a real estate license.

24 5.

25 At no time mentioned herein, have Mahmoud S. Elachkar  
26 aka Michael Elachkar ("Elachkar"), Matthew James Solum, Joe  
27 Kahn, Efrain Zavala, or R&E Document Processing Corp., ever been  
28

1 licensed by the Department in any capacity.

2 6.

3 Respondent SOLUTIONS NOW is a California corporation.  
4 At all times relevant herein, Respondent DONNER and Elachker  
5 were officers or directors of SOLUTIONS NOW.

6 FIRST CAUSE OF ACCUSATION

7 7.

8 Code Section 10132 defines a real estate salesperson  
9 as a person who, for compensation or in expectation of  
10 compensation, is employed by a licensed real estate broker to do  
11 one or more of the acts set forth in Code Sections 10131,  
12 10131.1, 10131.2, 10131.3, 10131.4, and 10131.6. Code Section  
13 10131 defines a real estate broker as a person who: (d) solicits  
14 borrowers, negotiate loans, collects payments or perform  
15 services for borrowers in connection with loans secured directly  
16 or collaterally by liens on real property.

17 8.

18 Code Section 10026, in pertinent part, defines an  
19 advance fee as a fee that is claimed, demanded, charged,  
20 received, or collected by a licensee for services requiring a  
21 license. A person who proposes to collect an advance fee as  
22 defined in Code Section 10026 must submit to the Commissioner  
23 not less than ten calendar days before publication or other use,  
24 all materials to be used in advertising, promoting, soliciting  
25 and negotiating an agreement calling for the payment of an  
26 advance fee including the form of advance fee agreement proposed  
27 for use, pursuant to Code Section 2970, Regulations of the Real  
28

1 Estate Commissioner, Title 10, Chapter 6, Code of Regulations  
2 ("Regulations"). Code Section 10085 also allows the  
3 Commissioner to require that any and all materials used in  
4 obtaining advance fee agreements, including contract forms, be  
5 submitted at least 10 calendar days before they are used.

6 9.

7 On or about May 15, 2009, Respondent SOLUTIONS NOW  
8 submitted an advance fee agreement and accounting format to the  
9 Department for approval. On April 28, 2009, the Department  
10 issued a "no objection" letter of approval of the advance fee  
11 agreement and accounting format submitted by Respondent  
12 SOLUTIONS NOW. Said advance fee agreement included a provision  
13 that if the principal cancelled the agreement before the agreed  
14 completion date or before the agreed upon services are  
15 completed, all unearned advance fees would be refunded to the  
16 principal. In addition, where the broker [SOLUTIONS NOW] failed  
17 to perform any or all of the specified services, the principal  
18 is entitled to a full refund of any and all fees not earned by  
19 the broker within 5 business days of request.  
20

21 10.

22 On October 11, 2009, then Governor Arnold  
23 Schwarzenegger signed Senate Bill 94 (Calderon), and the  
24 legislation took effect immediately upon his signature. Thus,  
25 California law prohibited any person, including real estate  
26 licensees and attorneys, from demanding or collecting an advance  
27 fee from a consumer for loan modification or mortgage loan  
28 forbearance services affecting 1 - 4 unit residential dwellings.

11.

The following notice was prominently featured on the Department's website as of October 11, 2009:

"IF YOU ARE A REAL ESTATE BROKER, OR THE DESIGNATED OFFICER OF A LICENSED CORPORATION, WHO HAS BEEN ISSUED A "NO OBJECTION" LETTER BY THE DEPARTMENT OF REAL ESTATE FOR LOAN MODIFICATION OR OTHER MORTGAGE LOAN FORBEARANCE SERVICES, YOU CAN NO LONGER ENTER INTO THESE AGREEMENTS EFFECTIVE AS OF OCTOBER 11, 2009, NOR CAN YOU COLLECT ANY ADVANCE FEES FOR SUCH SERVICES. Agreements entered into and advance fees collected prior to October 11, 2009 are not affected. Advance fees inadvertently collected after October 11, 2009 must be fully refunded. All real estate licensees should become familiar with the provisions of SB94 as there are substantial administrative and criminal penalties for violations."

12.

Tom Romero

On or about October 25, 2009, Joe Kahn solicited and offered to assist borrower Tom Romero ("Romero") with loan modification and negotiation services on behalf of Respondent SOLUTIONS NOW. Romero entered into a written advance fee agreement with Respondent SOLUTIONS NOW for loan modification and negotiation services in connection with a loan secured by a lien on real property. On November 18, 2009, Respondent SOLUTIONS NOW charged an advance fee of \$1,850.00 to Romero's credit card. Respondent SOLUTIONS NOW failed to perform the loan modification and negotiation services that had been

1 promised to Romero. Romero did not obtain a loan modification  
2 through Respondent SOLUTIONS NOW. Respondent SOLUTIONS NOW  
3 refused Romero's request for a refund of the advance fee paid to  
4 Respondent SOLUTIONS NOW.

5 13.

6 Detric Edwards

7 On or about October 29, 2009, Efrain Zavala solicited  
8 and offered to assist borrower Detric Edwards ("Edwards") with  
9 loan modification and negotiation services on behalf of  
10 Respondent SOLUTIONS NOW. Edwards entered into a written  
11 advance fee agreement with Respondent SOLUTIONS NOW for loan  
12 modification and negotiation services in connection with a loan  
13 secured by a lien on real property. On October 29, 2009,  
14 Respondent SOLUTIONS NOW collected an advance fee of \$2,995.00  
15 from Edwards. Matthew James Solum represented himself to  
16 Edwards as chief negotiator for Respondent SOLUTIONS NOW.  
17 Edwards did not obtain a loan modification through Respondent  
18 SOLUTIONS NOW. Respondent SOLUTIONS NOW refused Edward's  
19 request for a refund of the advance fee paid to Respondent  
20 SOLUTIONS NOW.  
21 SOLUTIONS NOW.

22 Sandra Emerson

23 14.

24 On or about December 12, 2010, Elachkar solicited and  
25 offered to assist borrower Sandra Emerson ("Emerson") with loan  
26 modification and negotiation services on behalf of Respondent  
27 SOLUTIONS NOW. On December 12, 2010, Respondent SOLUTIONS NOW  
28 collected an advance fee of \$395.00 from Emerson.

1 On January 12, 2011, Emerson paid an additional advance fee of  
2 \$300.00. Elachkar instructed Emerson to make the payment to R&E  
3 Document Processing Corp. Emerson did not obtain a loan  
4 modification through Respondent SOLUTIONS NOW or R&E Document  
5 Processing Corp. Respondent SOLUTIONS NOW refused Emerson's  
6 request for a refund of the advance fee paid to Respondent  
7 SOLUTIONS NOW.

8 15.

9 Respondent SOLUTIONS NOW collected the advance fees  
10 described in Paragraphs 12 through 14, above, pursuant to the  
11 provisions of a written agreement which constitutes an advance  
12 fee agreement within the meaning of Code Section 10085.  
13

14 16.

15 The conduct, acts and/or omissions of Respondent  
16 SOLUTIONS NOW as set forth above, are in violation of Code  
17 Sections 10085.5 and 10085.6 and constitutes grounds for the  
18 suspension or revocation of the license and license rights of  
19 Respondent SOLUTIONS NOW pursuant to Code Sections 10177(d) or  
20 10177(g).

21 17.

22 The conduct, acts and/or omissions of Respondent  
23 DONNER, in allowing Respondent SOLUTIONS NOW to violate the Real  
24 Estate Law, as set forth above, constitutes a failure by  
25 Respondent DONNER, as the officer designated by the corporate  
26 broker licensee, to exercise the supervision and control over  
27 the activities of Respondent SOLUTIONS NOW, as required by Code  
28 Section 10159.2 and Regulation 2725, and is cause to suspend or

1 revoke the real estate licenses and license rights of Respondent  
2 DONNER under Code Sections 10177(h), 10177(d) and/or 10177(g).

3 SECOND CAUSE OF ACCUSATION

4 (Unlicensed activity)

5 18.

6 There is hereby incorporated in this Second, separate  
7 Cause of Accusation, all of the allegations contained in  
8 Paragraphs 1 through 17, above, with the same force and effect  
9 as if herein fully set forth.  
10

11 19.

12 The activities described in Paragraphs 12 through 14,  
13 above, require a real estate license under Code Sections  
14 10131(d) and 10131.2. Respondent SOLUTIONS NOW violated Code  
15 Section 10137 by employing and/or compensating individuals who  
16 were not licensed as real estate salespersons or as brokers to  
17 perform activities requiring a license. Respondent SOLUTIONS  
18 NOW employed or compensated Mahmoud S. Elachkar, Matthew James  
19 Solum, Joe Kahn, and Efrain Zavala, to solicit borrowers and  
20 perform some or all of the services alleged in Paragraphs 12  
21 through 14 above, though they were not licensed as real estate  
22 salespeople or brokers.

23 20.

24 The conduct, acts and/or omissions of Respondent  
25 SOLUTIONS NOW as set forth in Paragraph 19, above, violates Code  
26 Section 10137, and are cause for the suspension or revocation of  
27 the licenses and license rights of Respondent SOLUTIONS NOW  
28 pursuant to Code Sections 10137, 10177(d) or 10177(g).



21.

The conduct, acts and/or omissions of Respondent DONNER, in allowing Respondent SOLUTIONS NOW to violate the Real Estate Law, as set forth above, constitutes a failure by Respondent DONNER, as the officer designated by the corporate broker licensee, to exercise the supervision and control over the activities of Respondent SOLUTIONS NOW, as required by Code Section 10159.2 and Regulation 2725, and is cause to suspend or revoke the real estate licenses and license rights of Respondent DONNER under Code Sections 10177(h), 10177(d) and/or 10177(g).

THIRD CAUSE OF ACCUSATION

(Use of Unlicensed Fictitious Business Name)

22.

There is hereby incorporated in this Third, separate Cause of Accusation, all of the allegations contained in Paragraphs 1 through 21, above, with the same force and effect as if herein fully set forth.

23.

Use of a fictitious business name for activities requiring the issuance of a real estate license requires the filing of an application for the use of such name with the Department in accordance with the provisions of Code Section 10159.5 and Regulation 2731.

24.

Respondent SOLUTIONS NOW acted without Department authorization in using the fictitious business name "R&E

1 Document Processing Corp." to engage in activities requiring the  
2 issuance of a real estate license.

3 25.

4 The conduct, acts and/or omissions of Respondent  
5 SOLUTIONS NOW, as set forth in Paragraphs 23 and 24 above,  
6 violate Code Section 10159.5 and Regulation 2731, and are cause  
7 for the suspension or revocation of the licenses and license  
8 rights of Respondent SOLUTIONS NOW pursuant to Code Sections  
9 10177(d) and/or 10177(g).

10 26..

11 Code Section 10106 provides, in pertinent part, that  
12 in any order issued in resolution of a disciplinary proceeding  
13 before the Department of Real Estate, the Commissioner may  
14 request the administrative law judge to direct a licensee found  
15 to have committed a violation of this part to pay a sum not to  
16 exceed the reasonable costs of the investigation and enforcement  
17 of the case.

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1           WHEREFORE, Complainant prays that a hearing be  
2 conducted on the allegations of this Accusation and that upon  
3 proof thereof, a decision be rendered imposing disciplinary  
4 action against all licenses and/or license rights of Respondents  
5 SOLUTIONS NOW LOAN MODIFICATIONS INC. and ZEINAB SALIM DONNER,  
6 individually and as former designated officer of Solutions Now  
7 Loan Modifications Inc. under the Real Estate Law (Part 1 of  
8 Division 4 of the Business and Professions Code), for the cost  
9 of investigation and enforcement as permitted by law, and for  
10 such other and further relief as may be proper under other  
11 provisions of law.

12 this 24 day of July, 2012.

13  
14   
15 ROBIN TRUJILLO  
16 Deputy Real Estate Commissioner  
17  
18  
19  
20  
21  
22

23 cc: Solutions Now Loan Modifications Inc.  
24 Zeinab Salim Donner  
25 Robin Trujillo  
26 Sacto.  
27  
28