FILED
MAR 30 2009
DEPARTMENT OF REAL ESTATE
By [signature]

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation of AMERIPROP ENTERPRISES, INC., and CARLOS FREDERICO GUZMAN, individually and as designated Broker-officer of Ameriprop Enterprises, Inc., Respondents.	No. H-35411 LA

DECISION

This Decision is being issued in accordance with the provisions of Section 11520 of the Government Code, on evidence of compliance with Section 11505 of the Government Code and pursuant to the Order of Default filed on January 27, 2009, and the findings of fact set forth herein are based on one or more of the following: (1) Respondent's express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

1.

On or about October 22, 2008, Robin Trujillo made the Accusation in her official capacity as a Deputy Real Estate Commissioner of the State of California. The Accusation, Statement to Respondent, and Notice of Defense were mailed, by certified mail, return receipt requested, to Respondent CARLOS FREDERICO GUZMAN at his last known mailing address on file with the Department at 305 W. Olive Ave. #4, Redlands, CA 92373, and returned by the post office marked, "Unclaimed," and "Notify Sender of New Address, 2200 W. Wilson St. SPC 14, Banning, CA 92220-3952." On November 19, 2008, the Accusation

and related documents set forth above were mailed to Respondent at the address in Banning provided by the post office. No Notice of Defense has been received from Respondent CARLOS FREDERICO GUZMAN.

On January 27, 2009, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondent GUZMAN's default was entered herein.

2.

On or about October 22, 2008, Robin Trujillo made the Accusation in her official capacity as a Deputy Real Estate Commissioner of the State of California. The Accusation, Statement to Respondent, and Notice of Defense were mailed, by certified mail, return receipt requested, to Respondent AMERIPROP ENTERPRISES INC. at its last known mailing address on file with the Department at 5325 Holt Blvd., Montclair, CA 91763. This mailing was returned by the post office as undeliverable. No Notice of Defense has been received from Respondent AMERIPROP ENTERPRISES INC.

On January 27, 2009, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondent AMERIPROP ENTERPRISES INC.'s default was entered herein.

3.

Respondent AMERIPROP ENTERPRISES INC., dba American Lending & Associates (hereinafter "AMERIPROP"), is presently licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereinafter "Code") as a corporate real estate broker. Respondent AMERIPROP has been licensed by the Department of Real Estate of the State of California (hereinafter "Department") as a corporate real estate broker since on or about April 29, 2002. Respondent AMERIPROP is a California corporation. Lourdes Barahona is the President of AMERIPROP, and William Barahona is the agent for service of process on file with the Secretary of State's office.

4.

From on or about April 29, 2002, and continuing through on or about August 27, 2007, Respondent AMERIPROP was authorized to act by and through Respondent CARLOS FREDERICO

GUZMAN as the designated officer and broker responsible, pursuant to the provisions of Code Section 10159.2, for the supervision and control of the activities conducted on behalf of AMERIPROP by AMERIPROP's officers and employees. Beginning on or about February 13, 2007, and continuing through on or about June 19, 2007, Respondent AMERIPROP was also authorized to act by and through Respondent Robert L. Ortiz as its designated broker-officer. AMERIPROP does not currently have a licensed designated broker-officer.

5.

Respondent CARLOS FREDERICO GUZMAN (hereinafter "GUZMAN"), is licensed under the Code as a restricted salesperson. Beginning on or about January 4, 1973 and continuing through on or about August 27, 2007, Respondent GUZMAN was licensed as a real estate broker. Between on or about April 29, 2002 and August 27, 2007, Respondent GUZMAN was the broker-officer designated pursuant to Business and Professions Code Section 10159.2 to be responsible for the supervision and control of the activities conducted on behalf of AMERIPROP by AMERIPROP's officers and employees.

6.

Effective on or about August 27, 2007, pursuant to the Commissioner's Order in Department Case No. H-32732 LA, Respondent GUZMAN's real estate broker license was revoked, and a restricted salesperson license was issued.

7.

At all times material herein, Respondents 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 Section 10131(d), for another or others in expectation of compensation. Said activity included representing borrowers and lenders of loans secured by real property, and performing loan servicing and escrow activities in relation to those loans pursuant to the exemption set forth in Financial Code Section 17006(a)(4).

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8.

All further references to "Respondents" include the individuals and entities listed in Findings 3 though 7 above, and also include the employees, agents and real estate licensees employed by or associated with each Respondent, who at all times material herein were engaged in the furtherance of the business or operations of said parties and who were acting within the course and scope of their authority, agency or employment.

9.

During the period between June 1, 2005 and May 31, 2007, in connection with the aforesaid real estate mortgage loan activities, Respondents accepted or received funds, including funds in trust (hereinafter "trust funds") from or on behalf of actual and prospective lenders and borrowers on loans secured by real property, and made deposits and/or disbursements of such funds. In connection with the mortgage loan brokering activities, Respondents did not maintain a trust account during the audit period.

10.

On or about August 7, 2007, the Department completed its examination of Respondent AMERIPROP's books and records pertaining to the real estate activities described in Findings 7 and 9 above, covering a period from approximately June 1, 2005 to May 31, 2007. The primary purpose of the examination was to determine Respondent's compliance with the Real Estate Law. The examination, Audit No. LA 060309, revealed violations of the Code, and of Title 10, Chapter 6, California Code of Regulations (hereinafter "Regulations"), as set forth below and as more specifically set forth in the Audit Report and Exhibits attached thereto.

11.

In the course of activities described in FIndings 7 and 9 above, and during the examination period described in Finding 10, Respondents acted in violation of the Code and the Regulations in that:

a) Respondents collected trust funds in the form of credit report fees from lenders on behalf of the borrowers and deposited such funds into the general account, then made payments to the service providers from the general account. In

four sampled transactions, Respondents charged the borrowers for credit report fees in excess of the amount billed by the credit reporting company and there was no evidence that Respondents disclosed the extra fees to the borrowers. The following are examples:

Borrower	Date Rec'd	Credit Rept. Fees Collected	Invoice Amt.	Amt. Over
Jorge Lopez	5/5/06	$ 30.66	$ 23.33	$ 7.33
G. Gonzalez	8/29/05	$ 17.00	$ 14.60	$ 2.40
Rosa Ramirez	10/14/05	$ 17.00	$ 14.60	$ 2.40
Carlos Garcia	7/11/05	$ 17.00	$ 15.20	$ 1.80
E. Gonzalez	6/20/05	$ 17.00	$ 14.60	$ 2.40
J. Nunez	1/31/06	$375.00	$350.00	$25.00
		$473.66	$432.00	$41.33

Commingling of trust funds with general funds was in violation of Code Sections 10145 and 10176(e) and Regulation 2832. Failure to disclose the amount of fees collected in excess of what was charged constituted a secret profit or undisclosed compensation, in violation of Code Section 10176(g).

b) Respondents received appraisal fees from escrow companies that were charged to the borrowers. Said appraisal fees were deposited into Respondent AMERIPROP's business account and commingled with AMERIPROP's funds. AMERIPROP could not provide any records during the examination to show the payments were made to the appraisers or that funds were returned to the borrowers. The following loan transactions are examples:

Borrower	Amt. Collected	Date Deposited into AMERIPROP Acct.
J. Ramirez	$ 600.00	11/06/06
G. Gonzalez	$ 375.00	08/29/05
J. Flores	$ 375.00	07/21/06
	$1,350.00	

Commingling of trust funds with general funds was in violation of Code Sections 10145 and 10176(e) and Regulation

2832. Misappropriating trust funds for personal use is in violation of Code Section 10176(i).

c) Respondents did not maintain a columnar record for the credit report and appraisal fees that were collected from escrow companies, in violation of Code Section 10145 and Regulation 2831.

d) Respondents did not maintain a separate record for each loan transaction for the credit report and appraisal fees that were collected from escrow companies, in violation of Code Section 10145 and Regulation 2831.1.

e) In files in which the MLDS was provided, Respondents failed to disclose the corporate real estate broker license number, in violation of Code Section 10236.4.

12.

During the period between June 1, 2005 and May 31, 2007, in connection with the aforesaid real estate escrow activities, Respondents accepted or received funds, including trust funds from or on behalf of actual and prospective lenders and borrowers on loans secured by real property, and made deposits and/or disbursements of such funds. From time to time herein mentioned, said trust funds were deposited into an account maintained by Respondents at Comerica Bank, located at 2321 Rosecrans Ave., Ste. 5000, El Segundo, CA 90245-4537, identified as: Account No. 1891983684, entitled, "Ameriprop Enterprises Inc., dba America Lending and Associates, Escrow Division Trust Account. Inc." (hereinafter referred to as "Trust Account"). During the audit period, this account was maintained for the receipts and disbursements of trust funds received in connection with Respondents' escrow activity. There were three signatories on the account, Respondent GUZMAN, Lourdes Barahona and William Barahona. One signature was required to withdraw or disburse funds from this account.

13.

On or about August 29, 2007, the Department completed its examination of Respondents' books and records pertaining to the real estate activities described in Findings 7 and 12 above, covering a period from approximately June 1, 2005 to May 31, 2007. The primary purpose of the examination was to determine Respondents' compliance with the Real Estate Law. The examination, Audit No. LA 070009, revealed violations of the

Code and Regulations, as set forth below and as more specifically set forth in the Audit Reports and Exhibits attached thereto.

14.

In the course of activities described in Findings 7 and 12 above, and during the examination period described in Finding 13, Respondents acted in violation of the Code and the Regulations in that unlicensed individuals, Lourdes Barahona and William Barahona, were authorized to sign trust account checks without fidelity bond coverage.

DETERMINATION OF ISSUES

1.

The standard of proof applied was clear and convincing proof to a reasonable certainty.

2.

The conduct, acts and/or omissions of Respondents AMERIPROP and GUZMAN, as described in Finding 11 above, violated the Code and Regulations in the following ways:

FINDINGS	PROVISIONS VIOLATED
11(a)	Code Sections 10145, 10176(e) and 10176(g); and Regulation 2832.
11(b)	Code Sections 10145, 10176(e), and 10176(i); and Regulation 2832.
11(c)	Code Section 10145 and Regulation 2831.
11(d)	Code Section 10145 and Regulation 2831.1.
11(e)	Code Section 10236.4.

The foregoing violations constitute cause for the suspension or revocation of the real estate licenses and license rights of Respondent AMERIPROP and Respondent GUZMAN under the provisions of Code Sections 10177(d), 10176(e), 10176(g), 10176(i) and 10177(g).

3.

The violations set forth above in Finding 11 constitute cause for the suspension or revocation of Respondent GUZMAN's real estate license and/or license rights, as the broker-officer of Respondent AMERIPROP, for failing to supervise the activities of the corporation, in violation of Code Sections 10159.2, in conjunction with 10177(h), 10177(d) and 10177(g).

4.

The conduct, acts and/or omissions of Respondents AMERIPROP and GUZMAN, as set forth in Finding 14 above, violated Code Section 10145 and Regulations 2834 and 2951, and therefore grounds exist to discipline each Respondents' licenses and/or license rights pursuant to Business and Professions Code Section 10177(d), 10176(e), 10176(g) and/or 10177(g).

5.

The conduct, acts and/or omissions set forth in Finding 14 constitute grounds to discipline the licenses and license rights of Respondent GUZMAN for failure to supervise the activities of AMERIPROP to ensure compliance with the real estate laws, pursuant to Code Sections 10159.2, 10177(h) and/or 10177(g).

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ORDERS

1.

All licenses and license rights of Respondent AMERIPROP CORP under the provisions of Part I of Division 4 of the Business and Professions Code are revoked.

2.

All licenses and license rights of Respondent CARLOS FREDERICO GUZMAN under the provisions of Part I of Division 4 of the Business and Professions Code are revoked.

This Decision shall become effective at 12 o'clock noon on APR 20 2009.

DATED: 3/24/09

JEFF DAVI
Real Estate Commissioner

Department of Real Estate
320 West Fourth Street, Suite 350
Los Angeles, CA 90013

(213) 576-6982

FILED
JAN 27 2009
DEPARTMENT OF REAL ESTATE
By Lenna B. Dean

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation of AMERIPROP ENTERPRISES INC., and CARLOS FREDERICO GUZMAN, individually and as designated broker-officer of Ameriprop Enterprises Inc. Respondents.	NO. H-35411 LA DEFAULT ORDER

Respondents AMERIPROP ENTERPRISES INC., and CARLOS FREDERICO GUZMAN, having failed to file a Notice of Defense within the time required by Section 11506 of the Government Code, are now in default. It is, therefore, ordered that a default be entered on the record in this matter.

IT IS SO ORDERED January 27, 2009

JEFF DAVI
Real Estate Commissioner

By: Dolores Weeks
DOLORES WEEKS
Regional Manager

Sacto Lab

MARTHA J. ROSETT, Counsel(SBN 142072)
Department of Real Estate
320 West Fourth St., #350
Los Angeles, CA 90013

(213) 576-6982
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FILED
OCT 23 2008
DEPARTMENT OF REAL ESTATE
By Laura B. Olson

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation of AMERIPROP ENTERPRISES INC., and CARLOS FREDERICO GUZMAN, individually And as designated broker-officer of Ameriprop Enterprises Inc., Respondents.	No. H-35411 LA A C C U S A T I O N

The Complainant, Robin Trujillo, a Deputy Real Estate Commissioner, for cause of Accusation against AMERIPROP ENTERPRISES INC., dba American Lending & Associates, and CARLOS FREDERICO GUZMAN, individually and as designated broker-officer of Ameriprop Enterprises Inc., is informed and alleges as follows:

1.

The Complainant, Robin Trujillo, a Deputy Real Estate Commissioner of the State of California, makes this Accusation in her official capacity.

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2.

Respondent AMERIPROP ENTERPRISES INC., dba American Lending & Associates (hereinafter "AMERIPROP"), is presently licensed and at all times relevant herein was licensed under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code (hereinafter "Code") as a corporate real estate broker. Respondent AMERIPROP has been licensed by the Department of Real Estate of the State of California (hereinafter "Department") as a corporate real estate broker since on or about April 29, 2002. Lourdes Barahona is the President of AMERIPROP and William Barahona is the agent for service of process on file with the Secretary of State's office.

3.

From on or about April 29, 2002, and continuing through on or about August 27, 2007, Respondent AMERIPROP was authorized to act by and through Respondent CARLOS FREDERICO GUZMAN as the designated officer and broker responsible, pursuant to the provisions of Code Section 10159.2 for the supervision and control of the activities conducted on behalf of AMERIPROP by AMERIPROP's officers and employees. Beginning on or about February 13, 2007 and continuing through on or about June 19, 2007, Respondent AMERIPROP was also authorized to act by and through Respondent Robert L. Ortiz as its designated broker-officer. AMERIPROP does not currently have a licensed designated broker-officer.

4.

Respondent CARLOS FREDERICO GUZMAN (hereinafter "GUZMAN"), is licensed under the Code as a restricted salesperson. Beginning on or about January 4, 1973 and continuing through on or about August 27, 2007, Respondent GUZMAN was licensed as a real estate broker. Between on or about April 29, 2002 and August 27, 2007, Respondent GUZMAN was the broker-officer designated pursuant to Business and Professions Code Section 10159.2 to be responsible for the supervision and control of the activities conducted on behalf of AMERIPROP by AMERIPROP's officers and employees.

5.

Effective on or about August 27, 2007, pursuant to the Commissioner's Order in Department Case No. H-32732 LA, Respondent GUZMAN's real estate broker license was revoked, and a restricted salesperson license was issued.

6.

At all times material herein, Respondents 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 Section 10131(d), for another or others in expectation of compensation. Said activity included representing borrowers and lenders of loans secured by real property and performing loan servicing and escrow activities in relation to those loans pursuant to the exemption set forth in Financial Code

Section 17006(a)(4).

7.

All further references to "Respondents" include the individuals listed in Paragraphs 2 through 4 above as well as the employees, agents and real estate licensees employed by or associated with each Respondent, who at all times material herein were engaged in the furtherance of the business or operations of said parties and who were acting within the course and scope of their authority, agency or employment.

FIRST CAUSE OF ACCUSATION

(Audit No. LA 060309)

8.

During the period between June 1, 2005 and May 31, 2007, in connection with the aforesaid real estate mortgage loan activities, Respondents accepted or received funds, including funds in trust (hereinafter "trust funds") from or on behalf of actual and prospective lenders and borrowers on loans secured by real property, and made deposits and/or disbursements of such funds. In connection with the mortgage loan brokering activities, Respondents did not maintain a trust account during the audit period.

9.

On or about August 7, 2007, the Department completed its examination of Respondent AMERIPROP's books and records pertaining to the mortgage lending activities described in

Paragraphs 6 and 8 above, covering a period from approximately June 1, 2005 to May 31, 2007. The primary purpose of the examination was to determine Respondent's compliance with the Real Estate Law. The examination, Audit No. LA 060309, revealed violations of the Code, and of Title 10, Chapter 6, California Code of Regulations (hereinafter "Regulations"), as set forth below and as more specifically set forth in the Audit Report and Exhibits attached thereto.

10.

In the course of activities described in Paragraphs 6 and 8 above, and during the examination period described in Paragraph 9, Respondents acted in violation of the Code and the Regulations in that:

a) Respondents collected trust funds in the form of credit report fees from lenders on behalf of the borrowers and deposited such funds into the general account, then made payments to the service providers from the general account. In four sampled transactions, Respondents charged the borrowers for credit report fees in excess of the amount billed by the credit reporting company and there was no evidence that Respondents disclosed the extra fees to the borrowers. The following are examples:

Borrower	Date Rec'd	Credit Rept. Fees Collected	Invoice Amt.	Amt. Over
Jorge Lopez	5/5/06	$ 30.66	$ 23.33	$ 7.33

G. Gonzalez	8/29/05	$ 17.00	$ 14.60	$ 2.40
Rosa Ramirez	10/14/05	$ 17.00	$ 14.60	$ 2.40
Carlos Garcia	7/11/05	$ 17.00	$ 15.20	$ 1.80
E. Gonzalez	6/20/05	$ 17.00	$ 14.60	$ 2.40
J. Nunez	1/31/06	$375.00	$350.00	$25.00
		$473.66	$432.00	$41.33

Commingling of trust funds with general funds was in violation of Code Sections 10145 and 10176(e) and Regulation 2832. Failure to disclose the amount of fees collected in excess of what was charged constituted a secret profit or undisclosed compensation, in violation of Code Section 10176(g).

b) Respondents received appraisal fees from escrow companies that were charged to the borrowers. Said appraisal fees were deposited into Respondent AMERIPROP's business account and commingled with AMERIPROP's funds. AMERIPROP could not provide any records during the examination to show the payments were made to the appraisers or that funds were returned to the borrowers. The following loan transactions are examples:

Borrower	Amt. Collected	Date Deposited into AMERIPROP Acct.
J. Ramirez	$ 600.00	11/06/06
G. Gonzalez	$ 375.00	08/29/05
J. Flores	$ 375.00	07/21/06
	$1,350.00	

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Commingling of trust funds with general funds was in violation of Code Sections 10145 and 10176(e) and Regulation 2832. Misappropriating trust funds for personal use is in violation of Code Section 10176(i).

c) Respondents did not maintain a columnar record for the credit report and appraisal fees that were collected from escrow companies, in violation of Code Section 10145 and Regulation 2831.

d) Respondents did not maintain a separate record for each loan transaction for the credit report and appraisal fees that were collected from escrow companies, in violation of Code Section 10145 and Regulation 2831.1.

e) In files in which the MLDS was provided, Respondents failed to disclose the corporate real estate broker license number, in violation of Code Section 10236.4.

11.

The conduct, acts and/or omissions of Respondents, as described in Paragraph 10, above, violated the Code and Regulations in the following ways:

PARAGRAPH	PROVISIONS VIOLATED
10(a)	Code Sections 10145, 10176(e) and 10176(g); and Regulation 2832.
10(b)	Code Sections 10145, 10176(e),and 10176(i); and Regulation 2832.
10(c)	Code Section 10145 and Regulation 2831.

10(d)	Code Section 10145 and Regulation 2831.1.
10(e)	Code Section 10236.4.

The foregoing violations constitute cause for the suspension or revocation of the real estate licenses and license rights of Respondent AMERIPROP and Respondent GUZMAN under the provisions of Code Sections 10177(d), 10176(g), 10176(e) and 10177(g).

12.

The violations set forth above constitute cause for the suspension or revocation of Respondent GUZMAN's real estate license and/or license rights, as the broker-officer of Respondent Ameriprop, for failing to supervise the activities of the corporation, in violation of Code Sections 10159.2, in conjunction with 10177(h), 10177(d) and 10177(g).

SECOND CAUSE OF ACCUSATION

(Audit No. LA 070009)

13.

During the period between June 1, 2005 and May 31, 2007, in connection with the aforesaid real estate escrow activities, Respondents accepted or received funds, including trust funds from or on behalf of actual and prospective lenders and borrowers on loans secured by real property, and made deposits and/or disbursements of such funds. From time to time herein mentioned, said trust funds were deposited into an account

maintained by Respondents at Comerica Bank, located at 2321 Rosecrans Ave., Ste. 5000, El Segundo, CA 90245-4537, identified as follows:

Account No. 1891983684, entitled, "Ameriprop Engerprises Inc., dba America Lending and Associates, Escrow Division Trust Account. Inc." (hereinafter referred to as "Trust Account"). During the audit period, this account was maintained for the receipts and disbursements of trust funds received in connection with Respondents' escrow activity. There were three signatories on the account, Respondent GUZAMAN, Lourdes Barahona and William Barahona. One signature was required to withdraw or disburse funds from this account.

14.

On or about August 29, 2007, the Department completed its examination of Respondents' books and records pertaining to the real estate activities described in Paragraphs 6 and 13 above, covering a period from approximately June 1, 2005 to May 31, 2007. The primary purpose of the examination was to determine Respondents' compliance with the Real Estate Law. The examination, Audit No. LA 070009, revealed violations of the Code and Regulations, as set forth below and as more specifically set forth in the Audit Reports and Exhibits attached thereto.

15.

In the course of activities described in Paragraphs 6 and 13 above, and during the examination period described in

Paragraph 15, Respondents acted in violation of the Code and the Regulations in that unlicensed individuals, Lourdes Barahona and William Barahona, were authorized to sign trust account checks without fidelity bond coverage.

16.

The conduct, acts and/or omissions of Respondents AMERIPROP and GUZMAN, as set forth in Paragraph 16 above, violated Code Section 10145 and Regulations 2834 and 2951, and therefore grounds exist to discipline each Respondents' licenses and/or license rights pursuant to Business and Professions Code Section 10177(d), 10176(e), 10176(g) and/or 10177(g).

17.

The conduct, acts and/or omissions set forth in Paragraphs 16 constitute grounds to discipline the licenses and license rights of Respondent GUZMAN for failure to supervise the activities of AMERIPROP to ensure compliance with the real estate laws, pursuant to Code Sections 10159.2, 10177(h) and/or 10177(g).

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WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action against all licenses and/or license rights of Respondent AMERIPROP ENTERPRISES INC. and Respondent CARLOS FREDERICO GUZMAN under the Real Estate Law and for such other and further relief as may be proper under applicable provisions of law.

Dated at Los Angeles, California
this 22 day of October, 2008.

Deputy Real Estate Commissioner

cc: Ameriprop Enterprises Inc. Services, Inc.
Carlos Frederico Guzman
Sacto.
Robin Trujillo
L.A. Audits (Kwong)