DEPARTMENT OF REAL ESTATE
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FILED
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DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE

To:	
HAKIMULLAH SARPAS, dba STATEWIDE FINANCIAL GROUP, INC., US HOMEOWNER ASSISTANCE, INC., and/or any other names or fictitious names used by HAKIMULLAH SARPAS; and to KYLE PHILIPS.	NO. H-36164 LA ORDER TO DESIST AND REFRAIN (B&P Code Section 10086)

The Commissioner (Commissioner) of the California Department of Real Estate (Department) caused an investigation to be made of the activities of HAKIMULLAH SARPAS (SARPAS) and KYLE PHILIPS (PHILIPS). Based on that investigation, the Commissioner has determined that SARPAS and PHILLIPS have engaged in, are engaging in, or are attempting to engage in, acts or practices constituting violations of the California Business and Professions Code (Code) and/or Title 10, Chapter 6, California Code of Regulations (Regulations), including the business of, acting in the capacity of, and/or advertising or assuming to act as, a real estate broker in the State of California within the meaning of Section 10131(d) (performing services for borrowers in connection with loans secured by real property) of the Code. Furthermore, based on

the investigation, the Commissioner hereby issues the following Findings of Fact, Conclusions of Law, and Desist and Refrain Order under the authority of Section 10086 of the Code.

Whenever acts referred to below are attributed to SARPAS, those acts are alleged to have been done by SARPAS, acting by himself, or by and/or through one or more agents, associates, affiliates, and/or co-conspirators, including, but not limited to PHILIPS, and using the names "US Homeowners Assistance, Inc.", "Statewide Financial Group, Inc.", or other names or fictitious names unknown at this time.

FINDINGS OF FACT

1. SARPAS has been licensed by the Department as a real estate salesperson since May 17, 2007, and his license expires on May 16, 2011. During the time SARPAS has been licensed as a real estate salesperson, he has performed activities requiring that he be employed by a real estate broker and that he be acting under the supervision and control of the real estate broker to whom he is licensed, when in fact, SARPAS has not been employed by a real estate broker.

2. PHILIPS is not now, and has never been, licensed by the Department in any capacity.

3. During the period of time set out below, SARPAS solicited borrowers and negotiated to do one or more of the following acts for another or others, for or in expectation of compensation: negotiate one or more loans for, or perform services for, borrowers and/or lenders in connection with loans secured directly or collaterally by one or more liens on real property; and charge, demand or collect an advance fee for any of the services offered.

4. For an unknown period of time beginning no later than April 2008, and continuing to the present time, SARPAS (and/or PHILIPS) advertised, and continue(s) to advertise, his services under one or more business names including, but not limited to, "Statewide Financial Group, Inc." and "US Homeowners Assistance" in various print and electronic media, including a website located at **http://www.savehomeowners.com**. Those advertisements solicited, and continue to solicit, borrowers, offering loan modification services.

Sherry Cole's transaction

5. In approximately April 2008, SARPAS solicited Sherry Cole (Cole) in order to provide loan modification services to save Cole's home from being lost in foreclosure.

6. In furtherance of SARPAS' plan and scheme to provide loan modification services to Cole, SARPAS requested an advance fee of $5,000 from Cole. In reliance on SARPAS' representations, Cole delivered three (3) checks to SARPAS; one for $1,500.00 on or near the date of the original solicitation in April 2008; a second one for $1,500.00 on or about May 1, 2008; and a third for $2,000.00 on or about May 15, 2008.

7. After Cole delivered the checks mentioned above to SARPAS, she received no further communications or services of any type from SARPAS, or from anyone connected in any way with Statewide Financial Group, Inc. or US Homeowners Assistance.

Patricia Onnela's transaction

8. In approximately April 2008, SARPAS solicited Patricia Onnela (Onnela) in order to provide loan modification services to save Onnella's home from being lost in foreclosure.

9. In furtherance of SARPAS' plan and scheme to provide loan modification services to Onnela, SARPAS requested an advance fee of $3,500 from Onnela. In reliance on SARPAS' representations, Onnela delivered two (2) checks to SARPAS, one for $1,000.00 on or about April 7, 2008; and another for $2,500.00 on or about May 1, 2008.

10. After Onnela delivered the checks mentioned above to SARPAS, she received no further communications or services of any type from SARPAS, or from anyone connected in any way with Statewide Financial Group, Inc. or US Homeowners Assistance.

Valerie Walden's transaction

11. In approximately May 2008, SARPAS solicited Valerie Walden (Walden) in order to provide loan modification services to save Walden's home from being lost in foreclosure.

12. In furtherance of SARPAS' plan and scheme to provide loan modification services to Walden, SARPAS requested an advance fee of $1,800 from Walden. In reliance on SARPAS' representations, Walden delivered a check to SARPAS for $1,800 some time in May 2008.

13. After Walden delivered her check mentioned above to SARPAS, she received no further communications or services of any type from SARPAS, or from anyone connected in any way with Statewide Financial Group, Inc. or US Homeowners Assistance.

CONCLUSIONS OF LAW

14. Based on the findings of fact contained in paragraphs 1 through 13, SARPAS, acting by himself, or by and/or through one or more agents, associates, affiliates, and/or co-conspirators, including, but not limited to PHILIPS, and using the names "US Homeowners Assistance, Inc.", "Statewide Financial Group, Inc.", or other names or fictitious names unknown at this time, solicited borrowers and performed services for those borrowers and/or those borrowers' lenders in connection with loans secured directly or collaterally by one or more liens on real property, and charged, demanded or collected advance fees for the services to be provided, which acts require a real estate broker license under Sections 10131(d) and 10131.2 of the Code, during a period of time when SARPAS was not licensed by the Department as a real estate broker.

15. Based on the findings of fact contained in paragraphs 1 through 13, PHILIPS, acting by himself, or by and/or through one or more agents, associates, affiliates, and/or co-conspirators, including, but not limited to SARPAS, and using the names "US Homeowners Assistance, Inc.", "Statewide Financial Group, Inc.", or other names or fictitious names unknown at this time, solicited borrowers and performed services for those borrowers and/or those borrowers' lenders in connection with loans secured directly or collaterally by one or more liens on real property, and charged, demanded or collected advance fees for the services to be provided, which requires a real estate broker license under Sections 10131(d) and 10131.2 of the Code, during a period of time when PHILIPS was not licensed by the Department as a real estate broker.

DESIST AND REFRAIN ORDER

Based on the Findings of Fact and Conclusions of Law stated herein, you,

HAKIMULLAH SARPAS and KYLE PHILIPS, whether doing business under your own names, or any other names or fictitious names, ARE HEREBY ORDERED to

1. immediately desist and refrain from performing any acts within the State of California for which a real estate broker license is required. In particular, you are ordered to desist and refrain from:

(i) soliciting borrowers and/or performing services for borrowers or lenders in connection with loans secured directly or collaterally by one or more liens on real property, and

(ii) from charging, demanding, or collecting an advance fee for any of the services you offer to others, unless and until you obtain a real estate broker license issued by the Department, and until you demonstrate and provide evidence satisfactory to the Commissioner that you are in full compliance with all of the requirements of the Code and Regulations relating to charging, collecting, and accounting for advance fees.

2. immediately desist and refrain from collecting advance fees, as that term in defined in Section 10026 of the Code, in any form and particularly with respect to loan modification, loan refinance, principal reduction, foreclosure abatement or short sale services, unless and until you demonstrate and provide evidence satisfactory to the Commissioner that you have:

(i) an advance fee agreement which has been submitted to the Department and which is in compliance with Sections 2970 and 2972 of the Regulations;

(ii) placed all previously collected advance fees into a trust account for that purpose and are in compliance with Section 10146 of the Code; and

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(iii) provided an accounting to trust fund owner-beneficiaries pursuant to Section 2972 of the Regulations.

DATED: 4/13, 2009

JEFF DAVI
Real Estate Commissioner

By

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

cc: Hakimullah Sarpas
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