BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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FILED
NOV - 4 2010
DEPARTMENT OF REAL ESTATE
By

In the Matter of the Accusation of CAPITALWIDE FINANCIAL, INC., Respondent.	NO. H-36763 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 October 19, 2010, 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 August 11, 2010, Maria Suarez 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 CAPITALWIDE FINANCIAL, INC.'s last known mailing address on file with the Department on August 12, 2010, and by regular mail on September 14, 2010.

On October 19, 2010, no Notice of Defense having been filed herein within the time prescribed by Section 11506 of the Government Code, Respondent CAPITALWIDE FINANCIAL, INC.'s default was entered herein.

2.

Respondent CAPITALWIDE FINANCIAL, INC. ("CWFI") is presently licensed and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code, hereinafter "Code"), as a real estate corporation.

3.

At all times herein mentioned, Respondent CWFI engaged in the business of an advance fee brokerage, within the definition of Code Sections 10131(d) and 10131.2, in that, for fees received in advance, as well as at the conclusion of transactions, Respondent performed loan negotiation and modification services with respect to loans which were secured by liens on real property including, but not limited to, the following:

a) Between on or about August 25, 2008, and on or about September 5, 2008, CWFI employed an unlicensed individual, Ariel Camas ("Camas"), to obtain clients for CWFI's loan negotiation and modification services.

b) On or about August 25, 2008, Camas entered into an agreement with J. Menendez ("Menendez") in which Menendez would pay CWFI an advance fee for loan negotiation and modification services on Menendez' existing mortgage on his home located in the City of Los Angeles, CA 90044.

c) On or about August 25, 2008, Camas demanded and received an advance fee of $2,000 from Menendez in the form of a check made payable to CWFI. Camas demanded and received an additional $1,500, also in the form of a check made payable to CWFI, on or about September 5, 2008, and an additional $2,000, also in the form of a check made payable to CWFI, on or about November 11, 2008.

4.

Respondent collected the advance fees described above in Paragraph 3, pursuant to an advance fee agreement within the meaning of Code Sections 10026 and 10085.

5.

Respondent failed to submit the advance fee agreement referred to in Paragraph 4, above, to the Commissioner ten days before using it in violation of Code Section 10085 and Section 2970, Title 10, Chapter 6, California Code of Regulations.

6.

On or about January 4, 2010, the State of California Franchise Tax Board suspended Respondent's powers, rights and privileges pursuant to the provisions of the California Revenue and Taxation Code.

7.

On or about December 24, 2009, the State of California Secretary of State suspended Respondent's powers, rights and privileges pursuant to the provisions of the California Corporations Code.

DETERMINATION OF ISSUES

I

Cause for disciplinary action against Respondent CAPITALWIDE FINANCIAL, INC. exists pursuant to Business and Professions Code Sections 10085, 10137, 10177(d), 10177(f) and 10177(g) and Sections 2742 and 2970, Title 10, Chapter 6, California Code of Regulations.

II

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

ORDER

The licenses and license rights of Respondent CAPITALWIDE FINANCIAL, INC.'s 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 November 24, 2010.

DATED: 11/2, 2010.

JEFF DAVI
Real Estate Commissioner

BY: Barbara J. Bigby
Chief Deputy Commissioner

Department of Real Estate
320 West Fourth Street, Suite 350
Los Angeles, California 90013-1105

FILED
OCT 19 2010
DEPARTMENT OF REAL ESTATE
By

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation of CAPITALWIDE FINANCIAL, INC., Respondent.	NO. H-36763 LA DEFAULT ORDER

Respondent, CAPITALWIDE FINANCIAL, INC., having failed to file a Notice of Defense within the time required by Section 11506 of the Government Code, is now in default. It is, therefore, ordered that a default be entered on the record in this matter.

IT IS SO ORDERED October 19, 2010

JEFF DAVI
Real Estate Commissioner

Dolores Weeks

By: DOLORES WEEKS
Regional Manager

LISSETE GARCIA, Counsel (SBN 211552)
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FILED
AUG 12 2010
DEPARTMENT OF REAL ESTATE
By

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation of CAPITALWIDE FINANCIAL, INC., Respondent.	No. H-36763 LA A C C U S A T I O N

The Complainant, Maria Suarez, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against CAPITALWIDE FINANCIAL, INC. ("CWFI") is informed and alleges as follows:

1.

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

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2.

Respondent CWFI is presently licensed and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code, hereinafter "Code"), as a real estate corporation.

FIRST CAUSE OF ACTION

3.

At all times herein mentioned, Respondent CWFI engaged in the business of an advance fee brokerage, within the definition of Code Sections 10131(d) and 10131.2, in that, for fees received in advance, as well as at the conclusion of transactions, Respondent performed loan negotiation and modification services with respect to loans which were secured by liens on real property including, but not limited to, the following:

a) Between on or about August 25, 2008, and on or about September 5, 2008, CWFI employed an unlicensed individual, Ariel Camas ("Camas"), to obtain clients for CWFI's loan negotiation and modification services.

b) On or about August 25, 2008, Camas entered into an agreement with J. Menendez ("Menendez") in which Menendez would pay CWFI an advance fee for loan negotiation and modification services on Menendez' existing mortgage on his home located in the City of Los Angeles, CA 90044.

c) On or about August 25, 2008, Camas demanded and received an advance fee of $2,000 from Menendez in the form of a check made payable to CWFI. Camas demanded and received an

additional $1,500, also in the form of a check made payable to CWFI, on or about September 5, 2008, and an additional $2,000, also in the form of a check made payable to CWFI, on or about November 11, 2008.

4.

Respondent collected the advance fees described above in Paragraph 3, pursuant to an advance fee agreement within the meaning of Code Sections 10026 and 10085.

5.

Respondent failed to submit the advance fee agreement referred to in Paragraph 4, above, to the Commissioner ten days before using it in violation of Code Section 10085 and Section 2970, Title 10, Chapter 6, California Code of Regulations.

6.

Based on the information contained in Paragraph 3, above, CWFI violated Code Section 10137 by employing and/or compensating an individual who was not licensed as a real estate salesperson or as a broker to perform activities requiring a real estate license.

7.

The conduct, acts and/or omissions of Respondent CWFI, as set forth above, are cause for the suspension or revocation of the licenses and license rights of Respondent CWFI pursuant to Code Sections 10085, 10137, 10177(d) and/or 10177(g).

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SECOND CAUSE OF ACTION

8.

On or about January 4, 2010, the State of California Franchise Tax Board suspended Respondent's powers, rights and privileges pursuant to the provisions of the California Revenue and Taxation Code.

9.

On or about December 24, 2009, the State of California Secretary of State suspended Respondent's powers, rights and privileges pursuant to the provisions of the California Corporations Code.

10.

The conduct of Respondent, as alleged above, is in violation of Section 2742 of Title 10, Chapter 6, California Code of Regulations, and subjects its real estate license and license rights to suspension or revocation pursuant to Code Sections 10177(d), 10177(g) and/or 10177(f).

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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 the licenses and license rights of Respondent CAPITALWIDE FINANCIAL, INC., under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code), and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Los Angeles, California

this 11th day of August, 2010.

Maria Suarez
Deputy Real Estate Commissioner

cc: Capitalwide Financial, Inc.
Maria Suarez
Sacto.