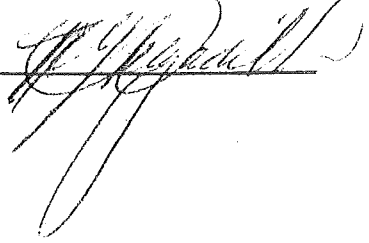


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flag*

1 Department of Real Estate
2 107 South Broadway, Room 8107
3 Los Angeles, California 90012
4
5 (213) 897-3937

FILED
AUG 26 1996

DEPARTMENT OF REAL ESTATE

By 

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * * *

11 TO:)	No. H-26676 LA
12)	
13 MORTGAGE STORE FINANCIAL INC.)	<u>ORDER TO DESIST</u>
14 a California corporate broker,)	<u>AND REFRAIN</u>
15 RAYMOND ESHAGHIAN, as)	
16 designated officer of Mortgage)	
17 Store Financial Inc.)	
)	

17 The Real Estate Commissioner of the State of California
18 (Commissioner) has caused an investigation to be conducted and is
19 of the opinion that you have violated Business and Professions Code
20 (hereafter Code) Section 10240 and Sections 2725, 2840 and 2842.5
21 of Title 10, Chapter 6, California Code of Regulations (hereafter
22 Regulations).

I

24 MORTGAGE STORE FINANCIAL INC. (hereafter MSFI), is
25 presently licensed by the Department of Real Estate of the State of
26 California (hereafter the Department) as a corporate real estate
27 broker.

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II

RAYMOND ESHAGHIAN (hereafter ESHAGHIAN), is presently licensed by the Department as designated officer of MSFI and, pursuant to Code Section 10159.2, was and is responsible for the supervision of the activities performed by officers, employees and salespersons licensed to MSFI.

III

At all times herein mentioned, MSFI was engaged in the mortgage loan brokerage business, as defined by Code Section 10131(d), in that MSFI, for or in expectation of compensation, solicited and negotiated with borrowers for loans from third-party lenders secured by real property (secured loans).

IV

On September 22 and 23, 1995, an auditor from the Department examined the books and records of MSFI covering a period of time from June 1, 1994, to August 31, 1995 (hereafter the "audit period"), and found that MSFI violated the following Code Sections and Regulations:

V

ESHAGHIAN failed to review, initial and date documents prepared by salespeople licensed to MSFI, which would have a material bearing on the rights and liabilities of parties to the transaction, in violation of regulation 2725, in the following loan transactions:

<u>Borrower</u>	<u>Date Loan Funded</u>
Dwight and Susan Hatano	12-8-94
Clifton and Lorrain Salazar	7-25-95

1 Lloyd Whisenant 2-1-95
2 Alfred and Maria David 7-5-95
3 David and Donna Lopes 3-9-95

4 VI

5 Code Section 10240 required MSFI to provide a disclosure
6 statement to borrowers on loans secured by real property as
7 prescribed by Regulation 2840. MSFI failed to provide such
8 statements to borrowers in the following loan transactions:

9	<u>Borrower</u>	<u>Date Loan Funded</u>
10	Michael Brickner	10-20-94
11	Marvin Caldwell	10-28-94

12 VI

13 MSFI retained such statements without signatures of the
14 borrower and the broker in violation of Regulation 2842.5 in the
15 following loan transactions:

16	<u>Borrower</u>	<u>Date Loan Funded</u>
17	Thomas Gikas	6-24-94
18	Patricia Soderstrom	9-11-95
19	Lloyd Whisenant	2-1-95
20	Alfred and Maria David	7-5-95
21	Clifton and Lorrain Salazar	7-25-95
22	David and Donna Lopes	3-9-95

23 VII

24 ESGAGHIAN failed to exercise sufficient supervision over
25 the activities performed by officers, employees and salespersons
26 licensed to MSFI

27 /

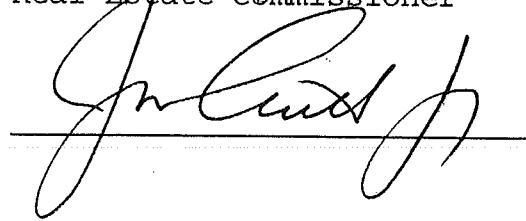
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NOW YOU, MORTGAGE STORE FINANCIAL INC., YOUR OFFICERS,
AGENTS, EMPLOYEES, SUCCESSORS AND ASSIGNS ARE ORDERED TO DESIST AND
REFRAIN from violating Code Section 10240 and Sections 2725, 2840
and 2842.5.

NOW YOU, RAYMOND ESHAGHIAN, ARE ORDERED TO DESIST AND
REFRAIN from violating Regulation Section 2725, or otherwise
failing to supervise the activities performed by officers,
employees and salespersons licensed to MSFI.

DATED: 6/28, 1996.

JIM ANTT, JR.
Real Estate Commissioner



cc: Mortgage Store Financial Inc.
16162 Beach Boulevard, Suite 202
Huntington Beach, CA 92647

Raymond Eshaghian
10327 Missouri Avenue, #203
Los Angeles, CA 90025

SC:SR:sc