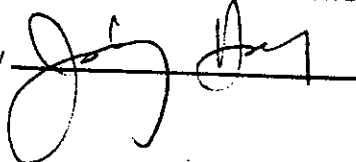


SMTO

Department of Real Estate
320 West 4th Street, Suite 350
Los Angeles, CA 90013
(213) 576-6905

FILED
JUN 14 2000

DEPARTMENT OF REAL ESTATE

By 

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

To:)	No. H-28612 LA
)	
ALLIED GROUP FUNDING, INC.,)	<u>ORDER TO DESIST</u>
and MATUOS YOUNAN MATTI,)	
individually and as)	<u>AND REFRAIN</u>
designated officer of)	
Allied Group Funding, Inc.)	

The Real Estate Commissioner of the State of California ("Commissioner") has caused an investigation to be conducted of your activities as real estate brokers, and based upon the findings of that investigation, is of the opinion that you, ALLIED GROUP FUNDING, INC. have violated Sections 10145 and 10240 of the Business and Professions Code of the State of California ("Code") and that you, MATUOS YOUNAN MATTI, are in violation of Section 10159.2 of the Code.

I

At all times mentioned herein, you, ALLIED GROUP FUNDING, INC., ("AGF"), a corporation, were and still are licensed by the Department of Real Estate of the State of California ("Department") as a corporate real estate broker.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

II

At all times mentioned herein, you, MATUOS YOUNAN MATTI ("MATTI"), were and still are licensed by the Department as a real estate broker in your individual capacity. In addition, at all times hereinafter mentioned, you were also licensed by the Department as the designated officer of AGF. As the designated officer of AGF, you were responsible for the supervision and control of the activities conducted on behalf of AGF by its officers and employees as necessary to secure full compliance with the Real Estate Law as set forth in Section 10159.2 of the Code.

III

All further references herein to "you" include the parties identified in Paragraphs I and II and also include the officers, directors, employees, agents and real estate licensees employed by or associated with those parties who at all times herein mentioned were engaged in the furtherance of the business or operations of those parties and who were acting within the course and scope of their authority and employment.

IV

At all times mentioned herein, in Los Angeles County, California, for or in expectation of compensation, you, AGF, and you, MATTI, 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 Sections 10131(d) of the Code, including the operation of a mortgage loan brokerage

1 business with the public wherein lenders and borrowers were
2 solicited for loans secured directly or collaterally by liens on
3 real property, wherein such loans were arranged, negotiated,
4 processed, and consummated on behalf of others for compensation
5 or in expectation of compensation and for fees often collected in
6 advance.

7 V

8 On February 22, 2000, Department personnel completed an
9 investigative audit of the books and records of you, AGF,
10 pertaining to your activities as a mortgage loan broker requiring
11 a corporate real estate broker license, for a period commencing
12 on January 1, 1999, and terminating on December 31, 1999, which
13 revealed violations of the Real Estate Law now described.

14 VI

15 In connection with the aforesaid mortgage loan broker
16 activities, you, AGF, accepted or received funds in trust ("trust
17 funds") in the form of credit report and appraisal fees from or
18 on behalf of borrowers and thereafter made disbursements of such
19 funds to discharge financial obligations incurred for the
20 preparation of credit reports and appraisals. You, AGF, failed
21 to deposit said funds into a trust account in your name as
22 trustee, but deposited said funds into your general account at
23 Glendale Federal Bank, in violation of Section 10145 of the Code.

24 ////
25 ////
26 ////
27 ////

1 NOW, THEREFORE, YOU, AGF, AND YOU, MATTI, AND YOUR
2 OFFICERS, AGENTS, EMPLOYEES, SUCCESSORS AND ASSIGNS ARE ORDERED
3 TO DESIST AND REFRAIN from any and all conducts requiring a real
4 estate license unless and until your conduct is in compliance
5 with Sections 10145 and 10240 of the Code.
6
7

8 DATED: June 8, 2000.
9

11 PAULA REDDISH ZINNEMAN
12 Real Estate Commissioner
13
14
15
16
17
18
19
20

21 cc: ALLIED GROUP FUNDING, INC.
22 807 North Central Ave., Suite 200
23 Glendale, California 91203

24 MATUOS YOUNAN MATTI
25 811 North Central Avenue
26 Glendale, California 91203
27

REB:LK
jh