

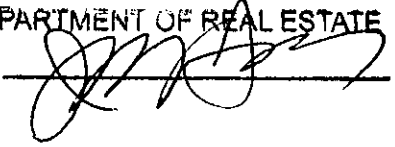
FILED

BEFORE THE DEPARTMENT OF REAL ESTATE

AUG 31 2010

STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE

BY: 

* * * *

In the Matter of the Accusation of)

NO. H-36132 LA

CHARLES LOUIS TOSTI, indivi-)
dually, and as designated)
officer for Mutual of Milwaukee)
Inc.; MUTUAL OF MILWAUKEE INC.;)
AVIZEH MOGHADDAM, individually,)
and doing business as MofM)
Mortgage Company and as MofM)
Realty, and as designated)
officer for New York City)
Lending Group Inc.; NEW YORK)
CITY LENDING GROUP INC.,)

Respondents.)

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 July 19, 2010 and the findings of fact set forth herein are based on one or more of the following: (1) Respondents CHARLES LOUIS TOSTI's ("Respondent TOSTI"), MUTUAL OF MILWAUKEE's ("Respondent MUTUAL"), AVIZEH MOGHADDAM's ("Respondent MOGHADDAM") and NEW YORK CITY LENDING GROUP INC.'s ("Respondent NEW YORK CITY") express admissions; (2) affidavits; and (3) other evidence.

This Decision suspends or revokes one or more real estate licenses on the ground of violation of the Real Estate Law (commencing with section 10000 of the Business and Professions Code (Code)) Chapter 1 (commencing with Section 11000 of the Code) of Part 2 or the rules and regulations of the commissioner for the administration and enforcement of the Real Estate Law and Chapter 1 (commencing with section 11000 of the Code) of Part 2.

The right to reinstatement of a revoked real estate license or to the reduction of a suspension is controlled by Section 11522 of the Government Code. A copy of Section 11522 and a copy of the Commissioner's Criteria of Rehabilitation are attached hereto for the information of the Respondents.

FINDINGS OF FACT

I

On July 21, 2009, 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, to Respondents last known mailing addresses on file with the Department on July 23, 2009, and August 20, 2009.

Respondents failed to file a Notice of Defense within the time required by Section 11506 of the Government Code. Respondent's default was entered herein.

II

Respondent TOTSI 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 real estate broker.

III

Respondent MUTUAL is presently licensed and/or has license rights under the Real Estate Law as a real estate corporation acting by and through Respondent TOSTI as its designated broker-officer. On or about September 23, 2008, the license of Respondent MUTUAL expired.

IV

Respondent MOGHADDAM is presently licensed and/or has license rights under the Real Estate Law as a real estate broker and as designated broker-officer for Respondent NEW YORK CITY.

V

Respondent NEW YORK CITY is presently licensed and/or has license rights under the Real Estate Law as a real estate corporation acting by and through Respondent MOGHADDAM as its designated broker-officer.

VI

From on or about September 10, 1991, through and including January 21, 2007, Nader Meskin ("Meskin") was licensed by the Department as a real estate salesperson. From on or about April 11, 2005, until January 21, 2007, Meskin's salesperson license was under the corporate broker's license of Respondent MUTUAL.

VII

In or around August, 2006, Meskin, acting on behalf of Respondents TOSTI, MUTUAL, MOGHADDAM, and NEW YORK CITY represented to Behnaz Taghavi ("Taghavi") that the mortgage loan brokerages of MUTUAL and NEW YORK CITY would use funds provided by Taghavi to negotiate loans consisting of promissory notes secured by trust deeds on real property (the "Loans").

VIII

Acting in reliance on the representations made by Meskin, Taghavi transmitted funds to Respondent MUTUAL totaling \$125,000 in exchange for a promissory note in the amount of \$125,000 purportedly given by a borrower named Felicidad Caldwell and secured by a trust deed on real property located in Arizona ("the Arizona Property"). Both the promissory note and the trust deed were executed by Meskin claiming to act as attorney in fact for Felicidad Caldwell, the borrower.

IX

Taghavi subsequently discovered that the purported borrower, Felicidad Caldwell, did not own the Arizona Property, and, therefore, could not legally execute a trust deed with respect to that property as secured for a loan.

X

Acting in reliance on the representations by Meskin, on or about May 21, 2007, Taghavi transmitted additional funds to Meskin totaling \$45,000 in exchange for two promissory notes made by Meskin totaling \$38,600, purported to be secured by a trust deed on real property located in Irvine, California (the "Irvine Property").

XI

Taghavi subsequently discovered that Meskin's representations concerning the loan secured by the Irvine Property were false. The true facts were that Meskin, did not own the Irvine Property, and, therefore, could not legally execute a trust deed with respect to that property as secured for a loan.

XII

At a time known to Respondents TOSTI, MAGHADDAM and NEW YORK CITY, but unknown to the Department, Respondents left and/or abandoned their former business and mailing addresses, and are presently maintaining no definite place of business in the State of California which shall serve as their office for the transaction of business requiring a real estate license, in violation of Code Section 10162 and Section 2715, Title 10, California Code of Regulations ("Regulations").

DETERMINATION OF ISSUES

I

Cause for disciplinary action against Respondents CHARLES LOUIS TOSTI, MUTUAL OF MILWAUKEE INC., AVIZEH MOGHADDAM, and NEW YORK CITY LENDING GROUP INC. exists pursuant to Business and Professions Code Sections 10176(a), 10176(e), 10176(i) and 10177(d).

II

The conduct, acts and/or omissions of Respondents CHARLES LOUIS TOSTI, AVIZEH MOGHADDAM, and NEW YORK CITY LENDING GROUP INC., as set forth in Finding XII, above, are in violation of Code Section 10162 and Section 2715 of the Regulations, and are cause for disciplinary action pursuant to Code Sections 10165, 10177(d) and 10177(g).

III

The conduct, acts and/or omissions, of Respondents CHARLES TOSTI and AVIZEH MOGHADDAM, in allowing Respondents MUTUAL OF MILWAUKEE INC. and NEW YORK CITY LENDING GROUP INC. to violate the Real Estate Law, as set forth above, constitutes failure as the officers designated by a corporate broker license, to exercise the supervision and control over the

activities of MUTUAL OF MILWAUKEE INC. and NEW YORK CITY LENDING GROUP INC. is in violation of Code Section 10159.2, and is cause for disciplinary action pursuant to Code Section 10177(d), 10177(g) and 10177(h).

IV

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

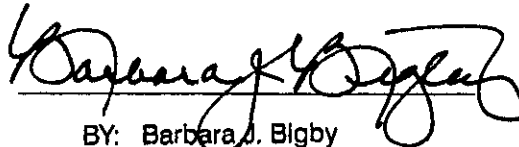
ORDER

The license and license rights of Respondents CHARLES LOUIS TOSTI, MUTUAL OF MILWAUKEE INC., AVIZEH MOGHADDAM, and NEW YORK CITY LENDING GROUP INC. 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 SEP 20 2010.

DATED: 8/24/2010.

JEFF DAVI
Real Estate Commissioner



BY: Barbara J. Bigby
Chief Deputy Commissioner

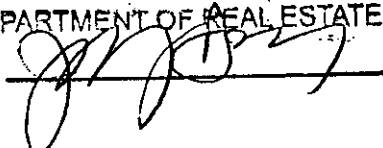
1 Department of Real Estate
320 West Fourth Street, Suite 350
2 Los Angeles, CA 90013

3 (213) 576-6982

FILED

JUL 19 2010

DEPARTMENT OF REAL ESTATE

BY: 

6 BEFORE THE DEPARTMENT OF REAL ESTATE

7 STATE OF CALIFORNIA

8 * * * *

9 In the Matter of the Accusation of) NO. H-36132 LA
10)
11 CHARLES LOUIS TOSTI, indivi-) DEFAULT ORDER
12 dually, and as designated)
13 officer for Mutual of Milwaukee)
14 Inc.; MUTUAL OF MILWAUKEE INC.;)
15 AVIZEH MOGHADDAM, individually,)
16 and doing business as MofM)
17 Mortgage Company and as MofM)
18 Realty, and as designated)
19 officer for New York City)
20 Lending Group Inc.; NEW YORK)
21 CITY LENDING GROUP INC.,)
22 Respondents.)

23 Respondents CHARLES LOUIS TOSTI, MUTUAL OF
24 MILWAUKEE INC., AVIZAH MOGHADDAM, and MEW YORK CITY LENDING
25 GROUP INC., having failed to file a Notice of Defense within
26 the time required by Section 11506 of the Government Code,
27 is now in default. It is therefore, ordered that a default
be entered on the record in this matter.

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IT IS SO ORDERED JULY 19, 2010.

JEFF DAVI
Real Estate Commissioner

By:

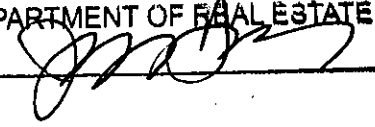

PHILLIP HILDE
Regional Manager

1 CHERYL D. KEILY SBN# 94008
2 Department of Real Estate
3 320 West 4th Street, Suite 350
4 Los Angeles, California 90013-1105

5 Telephone: (213) 576-6982
6 (Direct) (213) 576-6905

FILED

JUL 23 2009

DEPARTMENT OF REAL ESTATE
BY: 

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

11 In the Matter of the Accusation of) No. H-36132 LA
12)
13 CHARLES LOUIS TOSTI, indivi-) A C C U S A T I O N
14 dually, and as designated)
15 officer for Mutual of Milwaukee)
16 Inc.; MUTUAL OF MILWAUKEE INC.;)
17 AVIZEH MOGHADDAM, individually,)
18 and doing business as MofM)
19 Mortgage Company and as MofM)
20 Realty, and as designated)
21 officer for New York City)
22 Lening Group Inc.; NEW YORK)
23 CITY LENING GROUP INC.,)
24 Respondents.)

21 The Complainant, Robin Trujillo, a Deputy Real Estate
22 Commissioner of the State of California, for cause of Accusation
23 against CHARLES LOUIS TOSTI (hereafter Respondent "TOSTI"),
24 individually, and as designated officer for Mutual of Milwaukee
25 Inc., MUTUAL OF MILWAUKEE INC. ("MUTUAL"), AVIZEH MOGHADDAM
26 (hereafter Respondent "MOGHADDAM"), individually, and doing
27 business as MofM Mortgage Company and as MofM Realty, and as

1 designated broker-officer for Respondent New York City Lening
2 Group Inc., and NEW YORK CITY LENING GROUP INC. (hereafter
3 Respondent "NEW YORK CITY") is informed and alleges as follows:

4 1.

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

8 2.

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

13 3.

14 Respondent MUTUAL is presently licensed and/or has
15 license rights under the Real Estate Law, as a real estate
16 corporation acting by and through Respondent TOSTI as its
17 designated broker-officer. On or about September 23, 2008, the
18 license of Respondent MUTUAL expired. Pursuant to Code Section
19 10201 Respondent MUTUAL retains renewal rights. Pursuant to
20 Section 10103 the Department retains jurisdiction.

21 4.

22 Respondent MOGHADDAM is presently licensed and/or has
23 license rights under the Real Estate Law as a real estate broker
24 and as designated broker-officer for Respondent NEW YORK CITY.

25 ///

26 ///

5.

Respondent NEW YORK CITY is presently licensed and/or has license rights under the Real Estate Law, as a real estate corporation acting by and through Respondent MOGHADDAM as its designated broker-officer.

6.

From on or about September 10, 1991, through and including January 21, 2007, Nader Meskin ("Meskin") was licensed by the Department as a real estate salesperson. From on or about April 11, 2005, until January 21, 2007, Meskin's salesperson license was under the corporate broker's license of Respondent MUTUAL.

7.

At all times material herein, Respondents were engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers and/or real estate corporations in the State of California, within the meaning of Code Section 10131(d) of the Code. Said activity included soliciting borrowers and lenders and negotiating the terms of loans secured by real property between borrowers and third party lenders for or in expectation of compensation (hereafter "mortgage loan brokerage").

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10.

1 In exchange for the payment of \$125,000 by Taghavi to
2 Respondent MUTUAL as described in Paragraph 9, above, Taghavi
3 received a promissory note in the amount of \$125,000 purportedly
4 given by a borrower named Felicidad Caldwell and secured by a
5 trust deed on real property located at 21187 North 80th Way,
6 Scottsdale, Arizona 85255 (the "Arizona Property"). Both the
7 promissory note and the trust deed were executed by Meskin
8 claiming to act as attorney in fact for Felicidad Caldwell, the
9 borrower.
10

11 11.

12 Taghavi subsequently discovered that Meskin's
13 representations concerning the loan secured by the Arizona
14 Property were false. The true facts were that the purported
15 borrower, Felicidad Caldwell, did not own the Arizona Property,
16 and, therefore, could not legally execute a trust deed with
17 respect to that property as security for a loan.
18

19 Nader Meskin Loan Transaction

20 12.

21 Acting in reliance on the representations by Meskin as
22 set forth in Paragraph 8, above, on or about May 21, 2007,
23 Taghavi transmitted additional funds to Meskin as follows:

24 a. On or about May 21, 2007, Taghavi gave Meskin a
25 cashier's check in the amount of \$25,000 made payable to Meskin.
26
27

1 b. On or about August 29, 2007, Taghavi caused the
2 sum of \$20,000 to be wired from her account at Washington Mutual
3 to an account of Respondent NEW YORK CITY at Bank of America.

4 13.

5 In exchange for the foregoing payments alleged in
6 Paragraph 12, above, Taghavi received two promissory notes made
7 by Meskin, one in the amount of \$26,600 and the other in the
8 amount of \$12,000. Each promissory note purported to be secured
9 by a trust deed on the real property located at 2233 Martin, No.
10 213 Irvine, California 92612 (the "Irvine Property").

11 14.

12 Taghavi subsequently discovered that Meskin's
13 representations concerning the loan secured by the Irvine
14 Property were false. The true facts were that Meskin, acting as
15 the purported borrower, did not own the Irvine Property, and,
16 therefore, could not legally execute a trust deed with respect
17 to that property as security for a loan.

18 15.

19 In the course of the activities described in
20 Paragraphs 8 through 14, above, Respondents TOSTI, MUTUAL,
21 MOGHADDAM, and NEW YORK CITY acted in violation of the
22 provisions of Code and Title 10, Chapter 6, California Code of
23 Regulations ("Regulations") by virtue of the following acts
24 and/or omissions:
25

26 a. Failing to deliver a Lender Purchaser Disclosure
27 Statement containing all the information required by Code

1 Section 10232.5 to Taghavi before Taghavi became obligated to
2 make the loans, and before the receipt by or on behalf of
3 Respondents TOSTI, MUTUAL, MOGHADDAM, and NEW YORK CITY of any
4 funds from Taghavi as required by Code Sections 10232.4 and
5 10232.5.

6 b. Failing to record the trust deeds given as
7 security for the Loans naming Taghavi as beneficiary with the
8 county recorder of the county in which the real property was
9 located prior to the time of disbursement of any loan funds as
10 required by Code Section 10234(a).

11 c. Making substantial misrepresentations to Taghavi
12 with respect to the identity of the borrowers on the Loans, the
13 ability of the borrowers to provide real property security for
14 the making of the Loans and of the likelihood that Taghavi would
15 ever receive realize repayment of the principal or payment of
16 the agreed upon interest with respect to the monies transmitted
17 by Taghavi to Respondents, all in violation of Code Section
18 10176(a).

19
20 d. Commingling money of Taghavi received and held by
21 Respondents with Respondents' own money in violation of Code
22 Section 10176(e).

23 e. Engaging in conduct which constitutes fraud or
24 dishonest dealing in violation of Code Section 10176(i).

25 16.

26 The conduct, acts and/or omissions of Respondents
27 TOSTI, MUTUAL, MOGHADDAM, and NEW YORK CITY as set forth above,

1 are cause for the suspension or revocation of the licenses and
2 license rights of those Respondents pursuant to Code Sections
3 10176(a), 10176(e), 10176(i) and 10177(d).

4 SECOND CAUSE OF ACCUSATION
5 (Office Abandonment)

6 17.

7 Complainant incorporates by reference the allegations
8 contained at Paragraphs 1 through 16, above.

9 18.

10 The current business address maintained by Respondent
11 TOSTI with the Department is 2901 W. Coast Highway, Suite 200,
12 Newport Beach, California 92663. Respondent TOSTI is no longer
13 located at this address nor has Respondent TOSTI informed the
14 Real Estate Commissioner of any new address nor is Respondent
15 TOSTI presently maintaining any definite place of business in
16 the State of California which shall serve as his office for the
17 transaction of business requiring a real estate license.

18 19.

19 The current business address maintained by Respondent
20 MOGHADDAM with the Department is 14 Port Street, Laguna Niguel,
21 California 92677. Respondent MOGHADDAM is no longer located at
22 this address nor has Respondent MOGHADDAM informed the Real
23 Estate Commissioner of any new address nor is Respondent
24 MOGHADDAM presently maintaining any definite place of business
25 in the State of California which shall serve as her office for
26 the transaction of business requiring a real estate license.
27

20.

The current business address and mailing address maintained by Respondent NEW YORK CITY with the Department is 19200 Von Karman Avenue, Suite 500, Irvine, California 92612. Respondent NEW YORK CITY is no longer located at this address nor has Respondent NEW YORK CITY informed the Real Estate Commissioner of any new address nor is Respondent NEW YORK CITY presently maintaining any definite place of business in the State of California which shall serve as its office for the transaction of business requiring a real estate license.

21.

On or about December 8, 2008, Department representatives went to the address of Respondent TOSTI's current business address in Newport Beach, as indicated in Paragraph 19, above, to make a physical inspection of the location. The Department representatives determined that Respondent TOSTI did not occupy or maintain a place of business.

22.

On or about December 8, 2008, Department representatives went to the address of Respondent MOGHADDAM's current business address in Laguna Niguel, as indicated in Paragraph 19, above, to make a physical inspection of the location. The Department representatives determined that Respondent MOGHADDAM did not occupy or maintain a place of business.

///

23.

1 On or about December 8, 2008, Department
2
3 representatives went to the address of Respondent NEW YORK
4 CITY'S current business and mailing address in Irvine, as
5 indicated in Paragraph 20, above, to make a physical inspection
6 of the location. The Department representatives determined that
7 Respondent NEW YORK CITY did not occupy or maintain a place of
8 business.

9 24.

10 At a time known to Respondents, but unknown to the
11 Department, Respondents left and/or abandoned their business
12 and/or mailing addresses, as set forth in Paragraphs 18 through
13 23, above; and thereafter, Respondents failed to maintain on
14 file with the Commissioner of the Department a new address for
15 the principal place of business for their real estate brokerage
16 activities, in violation of Section 2715 of the Regulations and
17 Code Section 10162.
18

19 25.

20 The conduct, acts and/or omissions of Respondents, as
21 set forth above, are cause for the suspension or revocation of
22 the licenses and license rights of Respondents pursuant to Code
23 Sections 10165, 10177(d), and/or 10177(g).

24 ///

25 ///

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27 ///

THIRD CAUSE OF ACCUSATION

(Failure to Supervise)

26.

Complainant incorporates herein by this reference the allegations contained at Paragraphs 1 through 25, above.

27.

Respondent TOSTI ordered, caused, authorized or participated in the conduct of Respondent MUTUAL, as is alleged in this Accusation.

28.

Respondent MOGHADDAM ordered, caused, authorized or participated in the conduct of Respondent NEW YORK CITY, as is alleged in this Accusation.

29.

The conduct, acts and/or omissions, of Respondents TOSTI and MOGHADDAM, in allowing Respondents MUTUAL and NEW YORK CITY to violate the Real Estate Law, as set forth above, constitutes a failure by TOSTI and MOGHADDAM, as the officers designated by a corporate broker licensee, to exercise the supervision and control over the activities of MUTUAL and of NEW YORK CITY, as required by Code Section 10159.2, and is cause to suspend or revoke the real estate licenses and license rights of Respondents TOSTI and MOGHADDAM under Code Sections 10177(d), 10177(g) and/or 10177(h).

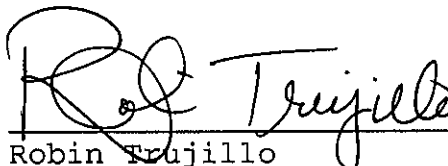
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1 WHEREFORE, Complainant prays that a hearing be
2 conducted on the allegations of this Accusation and that upon
3 proof thereof, a decision be rendered imposing disciplinary
4 action against all the licenses and license rights of Respondent
5 CHARLES LOUIS TOSTI, individually, and as designated broker for
6 Respondent Mutual of Milwaukee Inc., Respondent MUTUAL OF
7 MILWAUKEE INC., Respondent AVIZEH MOGHADDAM, individually, and
8 as designated broker-officer for Respondent New York City Lening
9 Group Inc. and NEW YORK CITY LENING GROUP INC. under the Real
10 Estate Law, and for such other and further relief as may be
11 proper under other applicable provisions of law.

12 Dated at Los Angeles, California

13 this 21 day of July, 2009.
14

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16
17 

18 Robin Trujillo
19 Deputy Real Estate Commissioner
20
21
22
23
24

25 cc: CHARLES LOUIS TOSTI
26 MUTUAL OF MILWAUKEE INC.
27 NEW YORK CITY LENING GROUP INC.
AVIZEH MOGHADDAM
Robin Trujillo
Sacto.