

1 DEPARTMENT OF REAL ESTATE  
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**FILED**  
AUG - 6 2009  
DEPARTMENT OF REAL ESTATE  
*[Handwritten Signature]*

8 STATE OF CALIFORNIA

9 DEPARTMENT OF REAL ESTATE

10  
11 To: )  
12 ) NO. H- 36164 LA  
13 HAKIMULLAH SARPAS, )  
14 dba STATEWIDE FINANCIAL GROUP, INC., ) ORDER TO DESIST AND  
15 US HOMEOWNER ASSISTANCE, INC., and/or ) REFRAIN  
any other names or fictitious names used by ) (B&P Code Section 10086)  
HAKIMULLAH SARPAS; and to KYLE PHILIPS. )  
)

16 The Commissioner (Commissioner) of the California Department of Real Estate  
17 (Department) caused an investigation to be made of the activities of HAKIMULLAH SARPAS  
18 (SARPAS) and KYLE PHILIPS (PHILIPS). Based on that investigation, the Commissioner has  
19 determined that SARPAS and PHILLIPS have engaged in, are engaging in, or are attempting to  
20 engage in, acts or practices constituting violations of the California Business and Professions  
21 Code (Code) and/or Title 10, Chapter 6, California Code of Regulations (Regulations), including  
22 the business of, acting in the capacity of, and/or advertising or assuming to act as, a real estate  
23 broker in the State of California within the meaning of Section 10131(d) (performing services for  
24 borrowers in connection with loans secured by real property) of the Code. Furthermore, based on  
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1 the investigation, the Commissioner hereby issues the following Findings of Fact, Conclusions of  
2 Law, and Desist and Refrain Order under the authority of Section 10086 of the Code.

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

- 10 1. SARPAS has been licensed by the Department as a real estate salesperson since May 17,  
11 2007, and his license expires on May 16, 2011. During the time SARPAS has been licensed as a  
12 real estate salesperson, he has performed activities requiring that he be employed by a real estate  
13 broker and that he be acting under the supervision and control of the real estate broker to whom  
14 he is licensed, when in fact, SARPAS has not been employed by a real estate broker.  
15 2. PHILIPS is not now, and has never been, licensed by the Department in any capacity.  
16 3. During the period of time set out below, SARPAS solicited borrowers and negotiated to do  
17 one or more of the following acts for another or others, for or in expectation of compensation:  
18 negotiate one or more loans for, or perform services for, borrowers and/or lenders in connection  
19 with loans secured directly or collaterally by one or more liens on real property; and charge,  
20 demand or collect an advance fee for any of the services offered.  
21 4. For an unknown period of time beginning no later than April 2008, and continuing to the  
22 present time, SARPAS (and/or PHILIPS) advertised, and continue(s) to advertise, his services  
23 under one or more business names including, but not limited to, "Statewide Financial Group, Inc."  
24 and "US Homeowners Assistance" in various print and electronic media, including a website  
25 located at <http://www.savehomeowners.com>. Those advertisements solicited, and continue  
26 to solicit, borrowers, offering loan modification services.  
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1 Sherry Cole's transaction

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

4 6. In furtherance of SARPAS' plan and scheme to provide loan modification services to Cole,  
5 SARPAS requested an advance fee of \$5,000 from Cole. In reliance on SARPAS'  
6 representations, Cole delivered three (3) checks to SARPAS; one for \$1,500.00 on or near the  
7 date of the original solicitation in April 2008; a second one for \$1,500.00 on or about May 1,  
8 2008; and a third for \$2,000.00 on or about May 15, 2008.

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

12 Patricia Onnela's transaction

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

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

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

22 Valerie Walden's transaction

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

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

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

4 CONCLUSIONS OF LAW

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

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

23 DESIST AND REFRAIN ORDER

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

25 HAKIMULLAH SARPAS and KYLE PHILIPS, whether doing business under your own  
26 names, or any other names or fictitious names, ARE HEREBY ORDERED to  
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1 1. immediately desist and refrain from performing any acts within the State of California  
2 for which a real estate broker license is required. In particular, you are ordered to desist and  
3 refrain from:

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

6 (ii) from charging, demanding, or collecting an advance fee for any of the services you  
7 offer to others, unless and until you obtain a real estate broker license issued by the Department,  
8 and until you demonstrate and provide evidence satisfactory to the Commissioner that you are in  
9 full compliance with all of the requirements of the Code and Regulations relating to charging,  
10 collecting, and accounting for advance fees.  
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12 2. immediately desist and refrain from collecting advance fees, as that term is defined in  
13 Section 10026 of the Code, in any form and particularly with respect to loan modification, loan  
14 refinance, principal reduction, foreclosure abatement or short sale services, unless and until you  
15 demonstrate and provide evidence satisfactory to the Commissioner that you have:  
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17 (i) an advance fee agreement which has been submitted to the Department and which  
18 is in compliance with Sections 2970 and 2972 of the Regulations;

19 (ii) placed all previously collected advance fees into a trust account for that purpose  
20 and are in compliance with Section 10146 of the Code; and  
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1 (iii) provided an accounting to trust fund owner-beneficiaries pursuant to Section 2972  
2 of the Regulations.  
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5 DATED: 7/13, 2009

6 JEFF DAVI  
7 Real Estate Commissioner

8 By   
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12 **Notice:** Business and Professions Code Section 10139 provides that "Any person acting as a  
13 real estate broker or real estate salesperson without a license or who advertises using words  
14 indicating that he or she is a real estate broker without being so licensed shall be guilty of a  
15 public offense punishable by a fine not exceeding twenty thousand dollars (\$20,000), or by  
16 imprisonment in the county jail for a term not to exceed six months, or by both fine and  
17 imprisonment; or if a corporation, be punished by a fine not exceeding sixty thousand dollars  
18 (\$60,000)."

16 cc: Hakimullah Sarpas  
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18 Fountain Valley, CA 92708  
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