

Department of Real Estate
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FILED

JUN 25 2012

DEPARTMENT OF REAL ESTATE
BY: C.R.

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

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To:)	No. H-38217 LA
)	
CALIFORNIA SKY PREMIER, LLC;)	<u>ORDER TO DESIST</u>
NEW START PROGRAM;)	<u>AND REFRAIN</u>
MAJESTIC GROUP-TRUST;)	
FINANCIAL WELLNESS FOR)	(B&P Code Section 10086)
HOMEOWNERS OF LOS ANGELES;)	
FWHLA; FWHLA.ORG;)	
ZAP GROUP, INC;)	
ZAP GROUP LEGAL;)	
LEGAL CONNECTIONS;)	
SERVICE SOLUTION;)	
IRMA DIAZ;)	
LUCY DELGADO; and)	
FLAVIO HUMBERTO LOPEZ.)	

The Commissioner ("Commissioner") of the California Department of Real Estate ("Department") caused an investigation to be made of the activities of CALIFORNIA SKY PREMIER, LLC; NEW START PROGRAM; MAJESTIC GROUP-TRUST; FINANCIAL WELLNESS FOR HOMEOWNERS OF LOS ANGELES; FWHLA; FWHLA.ORG; ZAP GROUP, INC.; ZAP GROUP LEGAL; LEGAL CONNECTIONS; SERVICE SOLUTION; IRMA DIAZ; LUCY DELGADO; and FLAVIO HUMBERTO LOPEZ (sometimes collectively referred to as "Respondents").

1 Based on that investigation the Commissioner has determined that Respondents
2 have engaged in or are engaging in acts or attempting to engage in the business of, acting in the
3 capacity of, and/or advertising or assuming to act as real estate brokers in the State of California
4 within the meaning of Business and Professions Code Sections 10131(a) (solicit prospective
5 sellers or purchasers of, or negotiate the purchase, sale or exchange of real property), 10131(b)
6 (rent or solicit for prospective tenants, negotiate the sale, purchase or exchanges of leases on real
7 property, or collect rent from real property), 10131(d) (solicit borrowers for or negotiate loans or
8 perform services for borrowers in connection with loans secured by liens on real property),
9 10131(e) (sell, buy, exchange or offer to exchange a real property sales contract, or a promissory
10 note secured directly or collaterally by a lien on real property, and performs services for the
11 holders thereof), and 10131.1(a) (make agreements with the public for the collection of payments
12 or for the performance of services in connection with real property sales contracts or promissory
13 notes secured directly or collaterally by liens on real property).

14 In addition, based on that investigation, the Commissioner has determined that
15 Respondents have engaged in or are engaging in acts or are attempting to engage practices
16 constituting violations of the California Business and Professions Code ("Code") and/or Title 10,
17 California Code of Regulations ("Regulations"). Based on the findings of that investigation, set
18 forth below, the Commissioner hereby issues the following Findings of Fact, Conclusions of
19 Law, and Desist and Refrain Order under the authority of Section 10086 of the Code.

20 FINDINGS OF FACT

21 1. At no time mentioned herein have CALIFORNIA SKY PREMIER, LLC;
22 NEW START PROGRAM; MAJESTIC GROUP-TRUST; FINANCIAL WELLNESS FOR
23 HOMEOWNERS OF LOS ANGELES; FWHLA; FWHLA.ORG; ZAP GROUP, INC.; ZAP
24 GROUP LEGAL; LEGAL CONNECTIONS; SERVICE SOLUTION; IRMA DIAZ; LUCY
25 DELGADO; and FLAVIO HUMBERTO LOPEZ ever been licensed by the Department in any
26 capacity.

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1 2. At all times mentioned herein, in the State of California, Respondents, while
2 using their own names or other fictitious business names, engaged in the business of a real estate
3 broker conducting activities requiring a real estate license within the meaning of Code Sections
4 10131(a) (solicit prospective sellers or purchasers of, or negotiate the purchase, sale or exchange
5 of real property), 10131(b) (rent or solicit for prospective tenants, negotiate the sale, purchase or
6 exchanges of leases on real property, or collect rent from real property), 10131(d) (solicit
7 borrowers for or negotiate loans or perform services for borrowers in connection with loans
8 secured by liens on real property), 10131(e) (sell, buy, exchange or offer to exchange a real
9 property sales contract, or a promissory note secured directly or collaterally by a lien on real
10 property, and performs services for the holders thereof), and 10131.1(a) (make agreements with
11 the public for the collection of payments or for the performance of services in connection with
12 real property sales contracts or promissory notes secured directly or collaterally by liens on real
13 property).

14 3. For compensation or in expectation of compensation and for fees often
15 collected in advance, Respondents, while using their own names or other fictitious business
16 names, solicited borrowers by offering to conduct loan negotiations and modifications,
17 foreclosure forbearance, mitigation, or foreclosure consultant services in connection with loans
18 secured by liens on real property.

19 4. For compensation or in expectation of compensation and for fees often
20 collected in advance, Respondents engaged in a plan and scheme wherein Respondents solicited
21 and induced homeowners into signing Powers of Attorney and Quitclaim Deeds to their real
22 properties for DAVID ZEPEDA, SUNSET BEACH TRUST, SB MANAGEMENT,
23 FINANCIAL WELLNESS FOR HOMEOWNERS OF LOS ANGELES, TWIN BUILDERS
24 FOUNDATION CORPORATION, or other unknown individuals, entities, or trusts.
25 Respondents further induced homeowners to stop paying their mortgages and instead pay rents
26 or "caretaker" fees for the real properties directly to Respondents on a monthly basis.
27 Respondents made misrepresentations to homeowners including, but not limited to, that

1 Respondents would stop the foreclosure on the homeowners' properties, that homeowners would
2 obtain more favorable terms, lowered principal or lower payments on their mortgages, that the
3 Respondents would pool the homeowners' monies in order to purchase the notes from the
4 homeowners' lenders and sell the real properties back to the homeowners at a lower cost.
5 Respondents offered to pay commissions for referring other homeowners to join the "caretaker"
6 plan. Respondents failed to complete the services promised to the homeowners. Several
7 homeowners subsequently lost their properties in foreclosure and were evicted from their homes
8 after joining Respondents' "caretaker" plan.

9 5. Approximately 550 homeowners were victimized as a result of Respondents'
10 plan and scheme described in Paragraph 4 above. Said homeowners include, but are not limited
11 to, the following:

	DATE OF TRANSACTION	HOMEOWNER	AMOUNT PAID TO RESPONDENTS
1	Dec. 27, 2009	Maria J.	\$2,000
2	Oct. 26, 2010	Sergio and Eloisa L.	\$13,670

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18 CONCLUSIONS OF LAW

19 6. Based on the information contained in Paragraphs 1 through 5, above,
20 CALIFORNIA SKY PREMIER, LLC; NEW START PROGRAM; MAJESTIC GROUP-
21 TRUST; FINANCIAL WELLNESS FOR HOMEOWNERS OF LOS ANGELES; FWHLA;
22 FWHLA.ORG; ZAP GROUP, INC.; ZAP GROUP LEGAL; LEGAL CONNECTIONS;
23 SERVICE SOLUTION; IRMA DIAZ; LUCY DELGADO; and FLAVIO HUMBERTO LOPEZ
24 violated Code Section 10130 by engaging in activities requiring a real estate license without first
25 obtaining a broker license from the Department.

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DATED: May 24, 2012.

By **WAYNE S. BELL**
Chief Counsel

cc: California Sky Premier, LLC/Majestic Group-Trust/ New Start Program
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