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FILED

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DEPT. OF REAL ESTATE
By *Sybil Danner*

7 DEPARTMENT OF REAL ESTATE
8 STATE OF CALIFORNIA

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11 To:
12 SUN CITY GROUP,
13 PHILIP CHRISTIAN GARCIA,
14 PABLO CORONADO,
15 CLAUDIA LOPEZ TORRES, and
16 DENISE VELASQUEZ,
Respondents.

DRE No. H-41211 LA

ORDER TO DESIST AND REFRAIN
(B&P Code section 10086)

17 The Commissioner ("Commissioner") of the California Department of Real Estate
18 ("Department") caused an investigation to be made of the activities of PHILIP CHRISTIAN
19 GARCIA aka Phillip Christian Garcia, Philip C. Garcia, Philip Christian Lujan, Philip Garcia,
20 and Phil Garcia, PABLO CORONADO, CLAUDIA LOPEZ TORRES aka Claudia Lopez, and
21 DENISE VELASQUEZ aka Denise Velazquez, doing business as SUN CITY GROUP
22 (collectively "Respondents"). Based on the investigation, the Commissioner has determined that
23 Respondents have engaged in, are engaging in, or are attempting to engage in, acts or practices
24 constituting violations of the California Business and Professions Code ("Code") and/or Title 10,
25 Chapter 6, California Code of Regulations ("Regulations"), including engaging in the business
26 of supplying prospective tenants with listings of residential real properties for tenancy for a fee
27 in the State of California in violation of Code sections 10167.2. Based on the investigation, the

1 Commissioner hereby issues the following Findings of Fact, Conclusions of Law, and Desist and
2 Refrain Order under the authority of Section 10086 of the Code.

3 Whenever acts referred to below are attributed to Respondents, those acts are
4 alleged to have been done by Respondents acting individually, or by and/or through one or more
5 agents, associates, affiliates, and/or co-conspirators. All further references to SUN CITY
6 GROUP include PHILIP CHRISTIAN GARCIA, DENISE VELASQUEZ, PABLO
7 CORONADO, and CLAUDIA LOPEZ TORRES, and any other officers, agents or employees of
8 SUN CITY GROUP. Respondents engaged in the activities set forth below while doing business
9 as SUN CITY GROUP and any other fictitious business names not known at this time.

10 FINDINGS OF FACT

11 1. The Commissioner caused an investigation to be made of the activities of
12 Respondents, and has determined that Respondents have engaged in and continue to engage in
13 the business of, act in the capacity of, advertise, or assume to act, as a prepaid rental listing
14 service ("PRLS") in the State of California within the meaning of Code section 10167 without
15 having a PRLS license or a real estate broker license.

16 2. Respondents have never been licensed by the Department of Real Estate
17 ("Department") in any capacity, including being licensed to provide PRLS to the public for a
18 fee.

19 3. On July 7, 2016, in Department Case No. H-39960 LA, the Commissioner
20 issued an Order to Desist and Refrain against Respondent PHILIP CHRISTIAN GARCIA,
21 doing business as Approved Application Services, Home Advisor Services, Homes Unlimited
22 Rentals, and Application Advisors Services, among others, for a violation of Code sections
23 10167.2 (unlicensed PRLS activities), 10167.9(c) (unapproved use of a modification or
24 addendum to a prepaid rental listing contract) and 10167.10 (refusal to refund advance fees
25 paid).

1 4. On or about July 25, 2016, the Department received an acknowledgement of
2 service of the Order to Desist and Refrain in Case No. H-39960 LA from Respondent PHILIP
3 CHRISTIAN GARCIA.

4 5. On or about February 17, 2017, DENISE VELASQUEZ filed a Fictitious
5 Business Name Statement with the Los Angeles Count Registrar-Recorder registering the name,
6 "Sun City Group" at 2573 Clarendon Avenue, Huntington Park, California 90255.

7 6. On or about February 24, 2017, CLAUDIA LOPEZ TORRES submitted a
8 Credit Application on behalf of Sun City Group, to Magnum Properties. The application was
9 signed by PHILIP CHRISTIAN GARCIA on behalf of SUN CITY GROUP.

10 7. On March 3, 2017, PHILIP CHRISTIAN GARCIA paid a money order for
11 \$1,000 on behalf of SUN CITY GROUP to Magnum Properties.

12 8. On or about March 6, 2017, DENISE VELASQUEZ filed a Fictitious
13 Business Name Statement with the Los Angeles Count Registrar-Recorder registering the name,
14 "Sun City Group" at 1901 S. Alameda Street Unit 107, Los Angeles, California 90058.

15 9. On or about March 7, 2017, DENISE VELASQUEZ registered SUN CITY
16 GROUP with the Office of Finance for the City of Los Angeles.

17 10. On or about March 17, 2017, PHILIP CHRISTIAN GARCIA, while acting
18 on behalf of on behalf of SUN CITY GROUP, entered into a lease agreement with Magnum
19 Properties for lease of the office space located at: 1901 S. Alameda Street Unit 107, Los
20 Angeles, California 90058.

21 11. Beginning on an unknown date in or around March of 2017, through and
22 including the present time, Respondents, including PHILIP CHRISTIAN GARCIA, PABLO
23 CORONADO, CLAUDIA LOPEZ TORRES, and DENISE VELASQUEZ, while doing
24 business as SUN CITY GROUP, advertised, and continue to advertise PRLS activities on the
25 internet, through storefront signage, and other media. Respondents placed ads on-line in
26 "Craigslis" and "El Classificado." When prospective tenants attempted to inquire about the
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1 properties for rent, they were informed that they had to sign a prepaid rental listing agreement
2 and pay an upfront fee of \$245.00 for a list of available properties.

3 12. For an unknown period of time that includes March 15, 2017, through the
4 present, Respondents have engaged in the business of a PRLS while doing business as SUN
5 CITY GROUP at the following locations: i) 2573 Clarendon Avenue, Huntington Park,
6 California, 90255; and ii) 1901 S. Alameda St. Unit 107, Los Angeles, California 90058.

7 13. Between March of 2017 and July of 2017, Respondents collected money
8 from prospective tenants in exchange for promising pre-paid rental listing services.

9 14. On or about March 24, 2017, SUN CITY GROUP, solicited PRLS services
10 to prospective tenant E.G.T.¹

11 15. E.G.T. was given a written PRLS agreement with SUN CITY GROUP.
12 E.G.T. paid an advance service fee of \$245.00 to SUN CITY GROUP for a rental listing of
13 properties that purportedly met E.G.T.'s required specifications for a rental property. The rental
14 listing that SUN CITY GROUP provided to E.G.T. failed to meet E.G.T.'s specifications
15 including the availability of the property and the location. E.G.T. made a timely request for a
16 refund of the advance service fee. SUN CITY GROUP acted in bad faith by refusing to refund
17 any part of the \$245.00 fee collected from E.G.T. despite E.G.T.'s requests for a refund.

18 16. On or about March 24, 2017, SUN CITY GROUP, solicited PRLS services
19 to prospective tenant E.G.

20 17. E.G. was given a written PRLS agreement with SUN CITY GROUP. E.G.
21 paid an advance service fee of \$245.00 to SUN CITY GROUP for a rental listing of properties
22 that purportedly met E.G.'s required specifications for a rental property. The rental listing that
23 SUN CITY GROUP provided to E.G. failed to meet E.G.'s specifications including the
24 availability of the property and the location. E.G. made a timely request for a refund of the
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26

27 ¹ Initials are used in place of individuals' full names to protect their privacy. Documents containing individuals' full names will be provided during the discovery phase of this case to Respondents and/or their attorneys, after service of a timely and proper request for discovery on Complainant's counsel.

1 advance service fee. SUN CITY GROUP acted in bad faith by refusing to refund any part of
2 the \$245.00 fee collected from E.G. despite E.G.'s requests for a refund.

3 18. On or about April 14, 2017, SUN CITY GROUP, solicited PRLS services to
4 prospective tenant F.M.

5 19. F.M. was given a written PRLS agreement with SUN CITY GROUP. F.M.
6 paid an advance service fee of \$245.00 to SUN CITY GROUP for a rental listing of properties
7 that purportedly met F.M.'s required specifications for a rental property. The rental listing that
8 SUN CITY GROUP provided to F.M. failed to meet F.M.'s specifications including the
9 availability of the property and the location. F.M. made a timely request for a refund of the
10 advance service fee. SUN CITY GROUP acted in bad faith by refusing to refund any part of
11 the \$245.00 fee collected from F.M. despite F.M.'s requests for a refund.

12 20. On or about April 17, 2017, SUN CITY GROUP, solicited PRLS services to
13 prospective tenant A.M.

14 21. A.M. was given a written PRLS agreement with SUN CITY GROUP. A.M.
15 paid an advance service fee of \$245.00 to SUN CITY GROUP for a rental listing of properties
16 that purportedly met A.M.'s required specifications for a rental property. The rental listing that
17 SUN CITY GROUP provided to A.M. failed to meet A.M.'s specifications including the
18 availability of the property and the location. A.M. made a timely request for a refund of the
19 advance service fee. SUN CITY GROUP acted in bad faith by refusing to refund any part of
20 the \$245.00 fee collected from A.B. despite A.B.'s requests for a refund.

21 22. On or about May 9, 2017, SUN CITY GROUP, solicited PRLS services to
22 prospective tenant D.P.

23 23. D.P. was given a written PRLS agreement with SUN CITY GROUP. D.P.
24 paid an advance service fee of \$245.00 to SUN CITY GROUP for a rental listing of properties
25 that purportedly met D.P.'s required specifications for a rental property. The rental listing that
26 SUN CITY GROUP provided to D.P. failed to meet D.P.'s specifications including the
27 availability of the property and the location. D.P. made a timely request for a refund of the

1 advance service fee. SUN CITY GROUP acted in bad faith by refusing to refund any part of
2 the \$245.00 fee collected from D.P. despite D.P.'s requests for a refund.

3 24. On or about June 7, 2017, SUN CITY GROUP, solicited PRLS services to
4 prospective tenant A.B.

5 25. A.B. was given a written PRLS agreement with SUN CITY GROUP. A.B.
6 paid an advance service fee of \$245.00 to SUN CITY GROUP for a rental listing of properties
7 that purportedly met A.B.'s required specifications for a rental property. The rental listing that
8 SUN CITY GROUP provided to A.B. failed to meet A.B.'s specifications including the
9 availability of the property and the location. A.B. made a timely request for a refund of the
10 advance service fee. SUN CITY GROUP acted in bad faith by refusing to refund any part of
11 the \$245.00 fee collected from A.B. despite A.B.'s requests for a refund.

12 26. On or about July 9, 2017, SUN CITY GROUP solicited PRLS services to
13 prospective tenants N.M. and M.R.

14 27. Prospective tenants, N.M. and M.R., were given a written PRLS agreement
15 with SUN CITY GROUP. The prospective tenants paid an advance service fee of \$245.00 to
16 SUN CITY GROUP for a rental listing of properties that purportedly met their required
17 specifications for a rental property. The rental listing that SUN CITY GROUP provided to the
18 prospective tenants failed to meet their specifications including the availability of the property
19 and the location. The prospective tenants made a timely request for a refund of the advance
20 service fee. SUN CITY GROUP acted in bad faith by refusing to refund any part of the
21 \$245.00 fee collected from the prospective tenants despite their requests for a refund.

22 28. On or about July 1, 2017, PHILIP CHRISTIAN GARCIA notified Magnum
23 Properties that SUN CITY GROUP was terminating its lease of the location at: 1901 S.
24 Alameda Street Unit 107, Los Angeles, California 90058.

25 29. On or about September 19, 2017, a criminal complaint was filed against
26 Respondents before the Superior Court of California, County of Los Angeles, in Case No.
27 BA460967.

1 CONCLUSIONS OF LAW

2 1. The supplying of prospective tenants with listings of residential real
3 properties for tenancy for a fee in advance of or contemporaneously with the supplying of the
4 listings is an act for which a Prepaid Rental Listing Service license or real estate broker license
5 is required, as set forth in Code section 10167.2.

6 2. Leasing, renting, or offering to lease or rent, or soliciting listings of rentals
7 or prospective tenants, are acts for which a real estate broker license is required, as set forth in
8 Code section 10131(b).

9 3. Code section 10167.10 sets forth the requirements for refunds of advance
10 fees paid for PRLS services.

11 4. Code section 10167.11 prohibits false, misleading, deceptive
12 representations, or referring properties to prospective tenants that fall under 10167.11,
13 subdivision (b).

14 5. Code section 10167.15 states that any person who willfully violates any
15 provisions of Article 2.3 of the Code is guilty of a misdemeanor.

16 6. Based on the information contained in Findings 1 through 29, above,
17 Respondents, using the fictitious business name SUN CITY GROUP, are performing and/or
18 participating in, the business of prepaid rental listing services and advertising, and soliciting
19 tenants, activities which require a prepaid rental listing service license or a real estate broker
20 license, and is not licensed by the Department of Real Estate as a real estate broker or prepaid
21 rental listing service, in violation of Code sections 10167.2, 10130, 10167.10, 10167.11, and
22 10167.15.

23 DESIST AND REFRAIN ORDER

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

25 SUN CITY GROUP, PHILIP CHRISTIAN GARCIA aka Phillip Christian
26 Garcia, Philip C. Garcia, Philip Christian Lujan, Philip Garcia, and Phil Garcia, PABLO
27 CORONADO, CLAUDIA LOPEZ TORRES aka Claudia Lopez, and DENISE VELASQUEZ

1 aka Denise Velazquez, whether doing business under their own name, or any other names, or any
2 fictitious names, ARE HEREBY ORDERED to immediately desist and refrain from performing
3 any acts within the State of California for which a real estate broker license or a prepaid rental
4 listing service license is required, and in particular, doing one or more of the following acts for
5 another or others, for or in expectation of compensation: performing and/or participating in, the
6 business of prepaid rental listing services, or engaging in rental property activities of any kind
7 whatsoever unless and until said Respondents have obtained a real estate broker or prepaid rental
8 listing license issued by the Department.

9 DATED: October 30, 2018.

10 DANIEL J. SANDRI
11 Acting Real Estate Commissioner

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15 **Notice:** Business and Professions Code section 10139 provides that "Any person acting as a real
16 estate broker or real estate salesperson without a license or who advertises using words
17 indicating that he or she is a real estate broker without being so licensed shall be guilty of a
18 public offense punishable by a fine not exceeding twenty thousand dollars (\$20,000), or by
19 imprisonment in the county jail for a term not to exceed six months, or by both fine and
20 imprisonment; or if a corporation, be punished by a fine not exceeding sixty thousand dollars
21 (\$60,000)."

22 cc: Sun City Group
23 Philip Christian Garcia
24 Pablo Coronado
25 Claudia Lopez Torres
26 Denise Velasquez
27