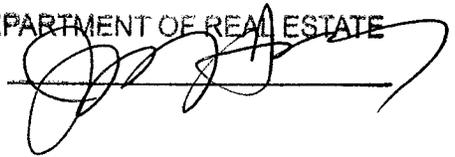


1 DEPARTMENT OF REAL ESTATE  
2 320 West Fourth Street, Ste. 350  
3 Los Angeles, California 90013  
4 (213) 576-6982

RECEIVED  
FEB 23 2012  
Department of Real Estate  
ADMINISTRATION - SACRAMENTO  
FILED  
FEB 22 2012

DEPARTMENT OF REAL ESTATE  
BY: 

RECEIVED  
Dept. of Real Estate

FEB 23 2012

STATE OF CALIFORNIA  
DEPARTMENT OF REAL ESTATE

MAIL SORT #2

11 To: )  
12 ) NO. H- 37906 LA  
13 CAPITAL FINANCIAL GROUP & . )  
14 CONSULTING, or any other fictitious names )  
15 used by Capital Financial Group & Consulting )  
16 ) ORDER TO DESIST AND  
17 ) REFRAIN  
18 ) (B&P Code Section 10086)  
19 )

17 The Commissioner ("Commissioner") of the California Department of Real Estate  
18 ("Department") caused an investigation to be made of the activities of CAPITAL FINANCIAL  
19 GROUP & CONSULTING ("CFGFC"). Based on that investigation, the Commissioner has  
20 determined that CFGFC, or any other fictitious business names used by CFGFC, has engaged in, is  
21 engaging in, or is attempting to engage in, acts or practices constituting violations of the  
22 California Business and Professions Code ("Code") and/or Title 10, California Code of  
23 Regulations ("Regulations"), including the business of, acting in the capacity of, and/or  
24 advertising or assuming to act as, a real estate broker in the State of California within the  
25 meaning of Code Section 10131(d) (performing services for borrowers in connection with loans  
26  
27

1 secured by real property) and 10131.2 (advance fee handling) of the Code. Based on the findings  
2 of that investigation, set forth below, the Commissioner hereby issues the following Findings of  
3 Fact, Conclusions of Law, and Desist and Refrain Order under the authority of Section 10086 of  
4 the Code.

5 Whenever acts referred to below are attributed to CFGC, those acts are alleged to have  
6 been done by CFGC, acting by itself or by and/or through one or more agents, associates,  
7 affiliates, and/or co-conspirators, including, but not limited to CFGC and using the names  
8 "Capital Financial Group & Consulting," "OGS Management and Investment Inc.," or other  
9 names or fictitious names unknown at this time.  
10

11 FINDINGS OF FACT

12 1. CFGC is not now, and has never been, licensed by the Department in any capacity.  
13 CFGC is not a registered corporation incorporated under the laws of the State of California.  
14 CFGC filed a Fictitious Business Name Statement on September 24, 2008 with the County Clerk  
15 of Riverside County listing Yolanda Arellano and Jorge Arellano as husband and wife  
16 registrants.  
17

18 2. At all times herein mentioned, CFGC acted as a real estate broker and conducted  
19 licensed activities, including conducting loan modification services for homeowner-borrowers.  
20 CFGC, on behalf of homeowner-borrowers, for and in expectation of compensation and for fees  
21 often collected in advance, engaged in the business, acted in the capacity of, advertised or  
22 assumed to act, as a real estate broker in the State of California within the meaning of Code  
23 Sections 10131(d) and 10131.2, by providing loan solicitation, negotiation, and modification  
24 services to distressed homeowners.  
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1           3. Eduardo S. Transaction: On or about February 23, 2009, Eduardo S. paid to CFGC an  
2 advance fee of \$400.00 by cashiers check payable to "Capital Financial Group," pursuant to an  
3 agreement titled "Residential Loan Modification Agreement" ("Agreement") pertaining to loan  
4 solicitation, negotiation, and modification services to be provided by CFGC with respect to a  
5 loan secured by real property located at 1190 W. 15<sup>th</sup> Street, San Bernardino, California signed  
6 by Eduardo S. on December 24, 2008. Also on December 24, 2008, and pursuant to the same  
7 Agreement, Eduardo S. paid to CFGC an advance fee of \$2,500.00 by cashiers check payable to  
8 "Capital Financial Group."  
9

10           4. Manuel H. Transaction: On or about April 23, 2009, Manuel H. paid to CFGC an  
11 advance fee of \$400.00 by cashiers check payable to "Capital Financial Group" pursuant to an  
12 agreement pertaining to loan solicitation, negotiation, and modification services to be provided  
13 by CFGC with respect to a loan secured by real property located at 1749 Benedict Avenue,  
14 Pomona, California., signed by Manuel H. on February 7, 2009. On January 27, 2009, and  
15 pursuant to the same Agreement, Manuel H. paid to CFGC an advance fee of \$2,500.00 by  
16 cashiers check payable to "Capital Financial Group." By September 29, 2009, having received  
17 no indication that any work was being done on his loan modification, Manuel H. requested his  
18 money back. The last contact Manuel H. had with CFGC's agent was October 4, 2009. He has  
19 neither received a loan modification nor a refund since October 4, 2009.  
20

21           5. Felipe and Clelia F. Transaction: On or about September 23, 2009, Felipe and Clelia  
22 F. paid to OGS Management and Investment Inc. ("OGS") an advance fee of \$2,500.00 by  
23 cashiers check payable to "Robert Espalin" pursuant to an agreement pertaining to loan  
24 solicitation, negotiation, and modification services to be provided by OGS  
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1 Banewell Ave., Azusa, California. In addition, Ofelia R. paid by check \$400.00 to VELIZ for an  
2 appraisal to be done on the Banewell property. No loan modification services were performed  
3 on the Banewell property. Ofelia R. has since lost her home and has not received a refund of  
4 monies paid to VELIZ.

5 6. CFGC and VELIZ performed and/or participated in loan modification, solicitation, and  
6 negotiation activities which require a real estate broker license under the provisions of Code  
7 Section 10131(d) and 10131.2 when neither of them were licensed by the Department as a real  
8 estate broker nor employed by a real estate broker on whose behalf the activities were performed.  
9

#### 10 CONCLUSIONS OF LAW

11 7. Based on the findings of fact contained in paragraphs 1 through 6, CFGC, acting by  
12 itself, or by and/or through agents, associates, representatives, and/or co-conspirators, including,  
13 but not limited to VELIZ, and using the name "Capital Financial Group & Consulting" or other  
14 names or fictitious names unknown at this time, solicited borrowers and performed services for  
15 those borrowers and/or those borrowers' lenders in connection with loans secured directly or  
16 collaterally by one or more liens on real property, and charged, demanded or collected advance  
17 fees for the services to be provided, which acts require a real estate broker license under Sections  
18 10131(d) and 10131.2 of the Code, during a period of time when CFGC was not licensed by the  
19 Department as a real estate broker, in violation of Section 10130 of the Code.

20 8. Based on the findings of fact contained in paragraphs 1 through 6, VELIZ, acting by  
21 herself, or by and/or through agents, associates, representatives, and/or co-conspirators,  
22 including, but not limited to CFGC, and using the name "Capital Financial Group &  
23 Consulting" or other names or fictitious names unknown at this time, solicited borrowers and  
24 performed services for those borrowers and/or those borrowers' lenders in connection with loans  
25 secured directly or collaterally by one or more liens on real property, and charged, demanded or  
26 collected advance fees for the services to be provided, which acts require a real estate broker  
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DESIST AND REFRAIN ORDER

Based upon the Findings of Fact and Conclusions of Law stated herein, it is hereby ordered that CAPITAL FINANCIAL GROUP & CONSULTING, whether doing business under your own name or any other name(s) or fictitious name(s), IS HEREBY ORDERED to immediately desist and refrain from performing any acts within the State of California for which a real estate broker license is required, unless you are so licensed. In particular you are ORDERED TO DESIST AND REFRAIN from:

1. charging, demanding, claiming, collecting and/or receiving advance fees, as that term is defined in Section 10026 of the Code, in any form, and under any conditions, with respect to the performance of loan modifications or any other form of mortgage loan forbearance service in connection with loans on residential property containing four or fewer dwelling units (Code Section 10085.6); and
2. charging, demanding, claiming, collecting and/or receiving advance fees, as that term is defined in Section 10026 of the Code, for any other real estate related services offered by them to others.

DATED: 2/17 2012

BARBARA J. BIGBY  
Acting Real Estate Commissioner

By 

1 **Notice:** Business and Professions Code Section 10139 provides that “Any person acting as a real estate  
2 broker or real estate salesperson without a license or who advertises using words indicating that he or she  
3 is a real estate broker without being so licensed shall be guilty of a public offense punishable by a fine not  
4 exceeding twenty thousand dollars (\$20,000), or by imprisonment in the county jail for a term not to  
5 exceed six months, or by both fine and imprisonment; or if a corporation, be punished by a fine not  
6 exceeding sixty thousand dollars (\$60,000).”  
7  
8  
9  
10

11 cc: CAPITAL FINANCIAL GROUP & CONSULTING  
12 6370 Van Buren Blvd., Suite #101  
13 Riverside, CA 92503

14 OGS Management and Investment Inc.  
15 12623 Imperial Hwy, #208  
16 Santa Fe Springs, CA 90610  
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