

1 Department of Real Estate
2 320 West 4th Street, Suite 350
3 Los Angeles, California 90013-1105

4 Telephone: (213) 576-6982

FILED
JUNE 8, 2009
DEPARTMENT OF REAL ESTATE

By 

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7
8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 To:) NO. H-36034 LA
12)
13 AFFORDABLE FINANCIAL CORP.,)
14 MAJESTIC INVESTMENT GROUP,) ORDER TO DESIST
15 ANGEL GUTIERREZ,) AND REFRAIN
16 LEO GUTIERREZ,)
MICHAEL LUCIO,)
CORINNA NEVAREZ, and)
FERNANDA BARRAGAN.)

17 The Commissioner ("Commissioner") has caused an investigation to be made of
18 the activities of AFFORDABLE FINANCIAL CORP., MAJESTIC INVESTMENT GROUP,
19 ANGEL GUTIERREZ, LEO GUTIERREZ, MICHAEL LUCIO, CORINNA NEVAREZ, and
20 FERNANDA BARRAGAN. Based on that investigation, the Commissioner has determined
21 that AFFORDABLE FINANCIAL CORP., MAJESTIC INVESTMENT GROUP, ANGEL
22 GUTIERREZ, LEO GUTIERREZ, MICHAEL LUCIO, CORINNA NEVAREZ, and
23 FERNANDA BARRAGAN, have engaged in, are engaging in, or are attempting to engage in,
24 acts or practices constituting violations of the California Business and Professions Code
25 ("Code") and/or Title 10, Chapter 6, California Code of Regulations ("Regulations"), including
26 the business of, acting in the capacity of, and/or advertising or assuming to act as, a real estate
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1 broker in the State of California within the meaning of Sections 10131(a) and 10131(d) of the
2 Code (performing services for purchasers and sellers of real property, and for borrowers in
3 connection with loans secured by real property). Furthermore, based on that investigation, the
4 Commissioner hereby issues the following Findings of Fact, Conclusions of Law, and Desist
5 and Refrain Order under the authority of Section 10086 of the Code.

6 Whenever acts referred to below are attributed to MAJESTIC INVESTMENT
7 GROUP, those acts are alleged to have been done by ANGEL GUTIERREZ, acting by himself,
8 or by and/or through one or more agents, associates, affiliates, and/or co-conspirators,
9 including, but not limited to those named herein, and using the names "Majestic Investment
10 Group, "Majestic Investment Group LLC," and "www.majesticigroup.com," or other names or
11 fictitious names unknown at this time. Whenever acts referred to below are attributed to
12 AFFORDABLE FINANCIAL CORP., those acts are alleged to have been done by
13 AFFORDABLE FINANCIAL CORP. by and/or through one or more agents, associates,
14 affiliates and/or co-conspirators, including Chief Operating Officer ANGEL GUTIERREZ.
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17 FINDINGS OF FACT

18 1. AFFORDABLE FINANCIAL CORP. is licensed by the Department as a
19 corporate real estate broker, and/or has license rights with respect to that license.

20 (a) At all times relevant herein, AFFORDABLE FINANCIAL CORP. has
21 been licensed to conduct real estate business at the following address of record: 6422
22 Bellingham Ave., #201, North Hollywood, CA.

23 (b) Between May 6, 2006 and September 30, 2008, pursuant to Code Section
24 10159.2, AFFORDABLE FINANCIAL CORP. was licensed to conduct real estate activities
25 by and through designated broker-officer Kenneth James Peltz.
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27 (c) Since September 30, 2008, AFFORDABLE FINANCIAL CORP. has not

1 had a broker-officer designated pursuant to Code Section 10159.2, and has therefore not been
2 operating under an active real estate license.

3 (d) At all times relevant herein, ANGEL GUTIERREZ has been the president
4 and/or CEO and/or a principal of AFFORDABLE FINANCIAL CORP.

5 (e) At no time was AFFORDABLE FINANCIAL CORP. licensed to perform
6 real estate activities under the fictitious name of "Majestic Investment Group."

7 2. MAJESTIC INVESTMENT GROUP, also doing business as MAJESTIC
8 INVESTMENT GROUP LLC, is not now and has never been licensed by the Department in
9 any capacity.
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11 (a) At all times relevant, MAJESTIC INVESTMENT GROUP operated out of
12 an office located at 6422 Bellingham Ave., #208, North Hollywood, CA, on the same floor of
13 the same building as AFFORDABLE FINANCIAL CORP.

14 (b) ANGEL GUTIERREZ is the owner and/or a principal of MAJESTIC
15 INVESTMENT GROUP.
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17 3. ANGEL GUTIERREZ is not now and has never been licensed by the
18 Department in any capacity. ANGEL GUTIERREZ does business as a principal of
19 MAJESTIC INVESTMENT GROUP, now known as MAJESTIC INVESTMENT GROUP
20 LLC, an unlicensed business entity. At all times relevant herein, ANGEL GUTIERREZ was
21 also an officer and director of AFFORDABLE FINANCIAL CORP.

22 4. LEO GUTIERREZ is not now and has never been licensed by the
23 Department in any capacity.
24

25 5. MICHAEL LUCIO is not now and has never been licensed by the
26 Department in any capacity.
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1 represented to Mr. Jimenez that after purchasing the property in a short sale, AFFORDABLE
2 FINANCIAL CORP. would transfer title back to him.

3 15. On or about October 1, 2008, ANGEL GUTIERREZ signed the above-
4 referenced "Purchase Agreement/Offer" pertaining to the purchase of 1963 Harbison Canyon
5 Rd., El Cajon, CA, as agent for the selling and listing firm, AFFORDABLE FINANCIAL
6 CORP.

7 CONCLUSIONS OF LAW

8 16. Based on the findings contained in Paragraphs 1 through 15 above,
9 MAJESTIC INVESTMENT GROUP, ANGEL GUTIERREZ, LEO GUTIERREZ, MICHAEL
10 LUCIO, CORRINNA NEVAREZ, and FERNANDA BARRAGAN, solicited borrowers and
11 performed services for those borrowers and/or those borrowers' lenders in connection with
12 loans secured directly or collaterally by one or more liens on real property, and charged,
13 demanded or collected advance fees for the services to be provided, which acts require a real
14 estate broker license under Sections 10131(d) and 10131.2 of the Code, during a period of time
15 when they were not licensed by the Department as real estate brokers, or as salespersons
16 employed by brokers, in violation of Code Section 10130.

17 17. Based on the findings of fact contained in paragraphs 1 through 16 above,
18 AFFORDABLE FINANCIAL CORP., ANGEL GUTIERREZ and FERNANDA
19 BARRAGAN, solicited sellers and/or buyers of real property, and performed services for those
20 sellers and/or buyers in expectation of compensation, which acts required a real estate broker
21 license under Code Sections 10131(a), during a period of time when AFFORDABLE
22 FINANCIAL CORP. did not have an active designated broker-officer and when GUTIERREZ
23 and BARRAGAN were not licensed by the Department in any capacity, in violation of Code
24 Section 10130.

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DESIST AND REFRAIN ORDER

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2 1. Based on the Findings of Fact and Conclusions of Law stated herein, you,
3 MAJESTIC INVESTMENT GROUP, ANGEL GUTIERREZ, LEO GUTIERREZ,
4 MICHAEL LUCIO, CORRINNA NEVAREZ, and FERNANDA BARRAGAN, whether
5 doing business under your own names, or any other names, or fictitious names, ARE
6 HEREBY ORDERED to:

7
8 Immediately desist and refrain from performing any acts within the State of
9 California for which a real estate broker license is required. In particular, you are ordered to
10 desist and refrain from:

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

13 (ii) from charging, demanding, or collecting an advance fee for any of the
14 services you offer to others, unless and until you obtain a real estate broker license issued by
15 the Department, and until you demonstrate and provide evidence satisfactory to the
16 Commissioner that you are in full compliance with all of the requirements of the Code and
17 Regulations relating to charging, collecting, and accounting for advance fees.
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19 2. Based on the Findings of Fact and Conclusions of Law stated herein, you,
20 AFFORDABLE FINANCIAL CORP., whether doing business under your own name, or any
21 other name, or fictitious names, ARE HEREBY ORDERED to:

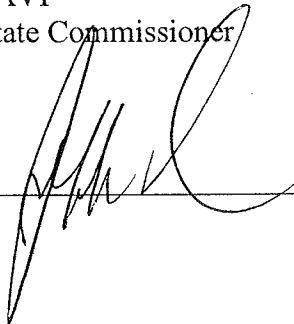
22 Immediately desist and refrain from performing any acts within the State of
23 California for which a real estate broker license is required unless and until you demonstrate
24 and provide evidence satisfactory to the Commissioner that you are in compliance with Code
25 Sections 10159.2 and Regulation 2740. In particular, you are ordered to desist and refrain
26 from:
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1 (i) soliciting borrowers and/or performing services for borrowers or lenders in
2 connection with loans secured directly or collaterally by one or more liens on real property, and

3 (ii) from charging, demanding, or collecting an advance fee for any of the
4 services you offer to others, unless and until you obtain a real estate broker license issued by
5 the Department, and until you demonstrate and provide evidence satisfactory to the
6 Commissioner that you are in full compliance with all of the requirements of the Code and
7 Regulations relating to charging, collecting, and accounting for advance fees.
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9 DATED: 6-3-09

11 JEFF DAVI
12 Real Estate Commissioner

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17 **Notice:** Business and Professions Code Section 10139 provides that “Any person acting as a
18 real estate broker or real estate salesperson without a license or who advertises using words
19 indicating that he or she is a real estate broker without being so licensed shall be guilty of a
20 public offense punishable by a fine not exceeding twenty thousand dollars (\$20,000), or by
21 imprisonment in the county jail for a term not to exceed six months, or by both fine and
22 imprisonment; or if a corporation, be punished by a fine not exceeding sixty thousand dollars
23 (\$60,000).”

24 cc: AFFORDABLE FINANCIAL CORP.
25 6422 Bellingham Avenue, #201
26 North Hollywood, CA 91606

27 MAJESTIC INVESTMENT GROUP
6422 Bellingham Avenue, #208
North Hollywood, CA 91606

1 ANGEL GUTIERREZ
2 6422 Bellingham Avenue, #208
3 North Hollywood, CA 91606

4 ANGEL GUTIERREZ
5 6422 Bellingham Avenue, #201
6 North Hollywood, CA 91606

7 LEO GUTIERREZ
8 6422 Bellingham Avenue, #208
9 North Hollywood, CA 91606

10 MICHAEL LUCIO
11 6422 Bellingham Avenue, #208
12 North Hollywood, CA 91606

13 CORINNA NEVAREZ
14 6422 Bellingham Avenue, #208
15 North Hollywood, CA 91606

16 FERNANDA BARRAGAN
17 6422 Bellingham Avenue, #208
18 North Hollywood, CA 91606

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