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10 BEFORE THE DEPARTMENT OF CORPORATIONS
11 OF THE STATE OF CALIFORNIA

12	In the Matter of)	CASE NO.
13)	
14	THE CALIFORNIA CORPORATIONS)	FILE NO. 506-2116
15	COMMISSIONER,)	
16	Complainant,)	ORDER REVOKING THE EFFECTIVENESS
17	v.)	OF PERMIT
18	ESTATE FINANCIAL, INC.,)	[Corporations Code section 25140]
19	Respondent.)	
20)	
21)	

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- 23 1. On April 28, 2008, the California Corporations Commissioner (“Commissioner”) initiated
- 24 this action pursuant to Corporations Code section 25140(a)(1) to revoke the permit issued to Estate
- 25 Financial, Inc. (“Respondent”).
- 26 2. Estate Financial, Inc. is a California corporation located at 806 9th Street, Suite 1A, Paso
- 27 Robles, California 93446.
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1 3. On October 11, 2007, the Commissioner issued a permit under Corporations Code section
2 25113 to Estate Financial, Inc. to offer and sell securities in the form of securities in fractional
3 interests in notes secured by deeds of trust in California. The permit expires on October 11, 2008.

4 4. The permit was issued under a limited offering qualification authorizing the offer and sale of
5 Respondent's securities only to investors with (a) a net worth (exclusive of home, furnishings and
6 automobiles) of at least \$250,000 and an annual gross income of at least \$65,000; or (b) a net worth
7 (exclusive of home, furnishings and automobiles) of at least \$500,000 and the amount of each
8 investor's investment must not exceed 25% of such investor's net worth (exclusive of home,
9 furnishings and automobiles.)
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11 5. In April 2008, the Department determined that Respondent was violating the terms of the
12 permit in the following manner:
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14 a. Failing to disclose that Respondent was no longer making monthly interest payments
15 to investors in the Fund in direct contradiction of the representations made in the Offering Circular.
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17 b. Failing to provide prospective investors with the subscription agreement, operating
18 agreement and suitability questionnaire prior to accepting investment funds.

19 6. On April 28, 2008, the Commissioner issued a Notice Of Intention To Enter An Order
20 Revoking Permit Issued Under Section 25113, Accusation and accompanying documents against
21 Estate Financial, Inc. based upon the above.

22 Based upon the foregoing, the Commissioner finds it is in the public interest to revoke the
23 permit issued to Respondent and that Respondent's proposed plan of business and proposed issuance
24 of securities is no longer fair, just and equitable because the Respondent's Offering Circular contains
25 material misrepresentations about the investment and the Respondent is not conducting business as
26 disclosed in the Offering Circular.
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NOW GOOD CAUSE APPEARING THEREFORE, IT IS HEREBY ORDERED that the
Permit issued by the Commissioner to Estate Financial, Inc. on October 11, 2007 is hereby revoked.

This order is effective as of the date hereof.

Dated: May 28, 2008
Sacramento, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Alan S. Weinger
Lead Corporations Counsel