

**DRE Withdraws its Attack on Brokers Making  
Business Purpose Owner Occupied Loans**  
*(Financial Code Sections 4970 and 4995)*

By: Dennis H. Doss and Christopher J. Donovan  
Doss Law, LLP

**Doss Law, LLP** is pleased to announce that on September 6, 2019, the California Department of Real Estate agreed to:

- A. Dismiss all charges, fines and audit expenses against KS Capital and Bobby Kashani, completely clearing their names;
- B. Publish an article on its website (see page 3 at this link [DRE Article](#)) making it clear that Financial Code Sections 4970 and 4995 (California's high cost loan laws) only apply to loans for personal, family or household purposes, and do not apply to business purpose owner-occupied loans; and,
- C. Confirm that position in its next industry-wide Bulletin to be published later this year.

**The hard-fought battle has been won.** Entrepreneurs can once again tap into the equity in their homes to finance their dreams. Mortgage lenders and brokers that serve these entrepreneurs can breathe a sigh of relief. The loans on their books are free from challenge. They can also look forward to serving the needs of business owners once again. This will strengthen our beautiful State tremendously by creating jobs and corresponding prosperity.

**Doss Law**, KS Capital and Mr. Kashani want to thank the California Mortgage Association ("CMA") for its help and support. CMA geared up to file an Amicus Brief and some of its members helped to finance the case. Working together as an industry association gives us strength in the regulatory arena, and this case proves it.

Before we pursued this appeal, one so-called industry "expert/marketeer" published these comments on YouTube about the appeal:

"this case only has the ability to make bad law"

"KS Capital is going to have to pay it [audit costs] anyway"

"I don't think it should be appealed at all"

If someone is eating your lunch, you don't volunteer the cookie at the bottom of your lunch bag. That is not the philosophy of **Doss Law**. We stand up for our clients. We will never shrink from a chance to defend them and our industry. Prudent legal advice comes from experience. We have 41 years of it.

*© Doss Law, LLP. Attorney advertising materials. These materials have been prepared for educational purposes only and are not legal advice. This information is not intended to create an attorney-client relationship. Consult a knowledgeable lawyer before implementing any of the ideas in this publication.*