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**STATE OF CALIFORNIA**  
**BUSINESS, TRANSPORTATION AND HOUSING AGENCY**  
**DEPARTMENT OF CORPORATIONS**

TO: Tsang-Chi Chen a.k.a. James Chen  
10116 Adriana Avenue  
Cupertino, CA 95014

Bay Realty Investment & Franchise, Inc.  
1054 South De Anza Boulevard, Suite 202  
San Jose, CA 95129

Golden Jupiter Land, LLC  
1054 South De Anza Boulevard, Suite 103  
San Jose, CA 95129

Lucky Diamond Land LLC  
1054 South De Anza Boulevard, Suite 103  
San Jose, CA 95129

Bay Realty Global, Inc.  
1054 South De Anza Boulevard, Suite 103  
San Jose, CA 95129

Lucky 360 Investments, LLC  
1054 South De Anza Boulevard, Suite 103  
San Jose, CA 95129

Lancaster 160 Investments, LLC  
1054 South De Anza Boulevard, Suite 103  
San Jose, CA 95129

Happy Diamond Land LLC  
1054 South De Anza Boulevard, Suite 103  
San Jose, CA 95129

Golden Pluto Land, LLC  
1054 South De Anza Boulevard, Suite 103  
San Jose, CA 95129

1 Glory Land, LLC  
2 1054 South De Anza Boulevard, Suite 202  
3 San Jose, CA 95129

4 Chens Family Rock Foundation  
5 1054 South De Anza Boulevard, Suite 103  
6 San Jose, CA 95129

7 Bay Realty Golden Land, LLC  
8 1054 South De Anza Boulevard, Suite 202  
9 San Jose, CA 95129

10 **DESIST AND REFRAIN ORDER**

11 **(For violations of sections 25110 and 25401 of the Corporations Code)**

12 The California Corporations Commissioner finds that:

13  
14 1. Tsang-Chi Chen, also known as James Chen (“Chen”), is licensed by the California  
15 Department of Real Estate as a “No Broker Affiliation restricted non-working status real estate  
16 agent”, Department of Real Estate license number 00860818.

17 2. Bay Realty Investment & Franchise, Inc. is a California corporation incorporated on  
18 October 16, 2003. Its corporate status is currently suspended. Chen is the president and registered  
19 agent for service of process of Bay Realty Investment & Franchise, Inc. Its registered address is 1054  
20 South De Anza Boulevard, Suite 202, San Jose, CA 95129.

21 3. Golden Jupiter Land, LLC is a California limited liability company incorporated on  
22 May 28, 2008. Chen is the president and registered agent for service of process of Golden Jupiter  
23 Land, LLC. Its registered address is 1054 South De Anza Boulevard, Suite 103, San Jose, CA 95129.

24 4. Lucky Diamond Land LLC is a California limited liability company incorporated on  
25 June 9, 2006. Chen is the president and registered agent for service of process of Lucky Diamond  
26 Land LLC. Its registered address is 1054 South De Anza Boulevard, Suite 103, San Jose, CA 95129.

27 5. Bay Realty Global, Inc. is a California corporation incorporated on June 2, 2008. Chen  
28 is the president and registered agent for service of process of Bay Realty Global, Inc. Its registered

1 address is 1054 South De Anza Boulevard, Suite 103, San Jose, CA 95129.

2 6. Lucky 360 Investments, LLC is a California limited liability company incorporated on  
3 December 8, 2005. Chen is the president and registered agent for service of process of Lucky 360  
4 Investments, LLC. Its registered address is 1054 South De Anza Boulevard, Suite 103, San Jose, CA  
5 95129.

6 7. Lancaster 160 Investments, LLC is a California limited liability company incorporated  
7 on April 5, 2006. Chen is the president and registered agent for service of process of Lancaster 160  
8 Investments, LLC. Its registered address is 1054 South De Anza Boulevard, Suite 103, San Jose, CA  
9 95129.

10 8. Happy Diamond Land LLC is a California limited liability company incorporated on  
11 June 9, 2006. Chen is the president and registered agent for service of process of Happy Diamond  
12 Land LLC. Its registered address is 1054 South De Anza Boulevard, Suite 103, San Jose, CA 95129.

13 9. Golden Pluto Land, LLC is a California limited liability company incorporated on  
14 May 28, 2008. Chen is the president and registered agent for service of process of Golden Pluto  
15 Land, LLC. Its registered address is 1054 South De Anza Boulevard, Suite 103, San Jose, CA 95129.

16 10. Glory Land, LLC is a California limited liability company incorporated  
17 on August 9, 2007. Chen is the president and registered agent for service of process of Glory Land,  
18 LLC. Its registered address is 1054 South De Anza Boulevard, Suite 202, San Jose, CA 95129.

19 11. Chens Family Rock Foundation is a California corporation incorporated on August 14,  
20 2006 and is registered as a 501 (c) (3) charitable organization with the California Secretary of State.  
21 Chen is the president and registered agent for service of process of Chens Family Rock Foundation.  
22 Its registered address is 1054 South De Anza Boulevard, Suite 103, San Jose, CA 95129.

23 12. Bay Realty Golden Land, LLC is a California limited liability company filed on May 28,  
24 2008 but whose corporate status is currently cancelled. Jeff Yang was the registered agent for service  
25 of process for Bay Realty Golden Land, LLC and its registered address was 1054 South De Anza  
26 Boulevard, Suite 202, San Jose, CA 95129.

27 13. Chen, Bay Realty Investment & Franchise, Inc. and Bay Realty Global, Inc. regularly  
28 circulated advertisements, often written in whole or part in Chinese through newspaper ads, flyers,

1 and on the Internet offering investments in real estate in Lancaster, California. The advertisements  
2 primarily targeted the Chinese American community and offered free bus tours to Lancaster for  
3 presentations of real estate investment opportunities offered by Bay Realty Investment & Franchise,  
4 Inc. The investment opportunities offered and sold to potential investors included “shares” in  
5 “memberships” in limited liability companies incorporated with the State of California which were  
6 formed to purchase raw undeveloped land for development and resale as residential real estate. The  
7 limited liability companies in which the shares in memberships were offered and sold included  
8 Golden Jupiter Land, LLC, Lucky Diamond Land LLC, Lucky 360 Investments, LLC, Lancaster 160  
9 Investments, LLC, Happy Diamond Land LLC, Golden Pluto Land, LLC, and Glory Land, LLC  
10 (hereafter collectively referred to as “The LLCs”). The investors would purchase the shares in The  
11 LLCs through sales agents of Bay Realty Investment & Franchise, Inc. Bay Realty Investment &  
12 Franchise, Inc. also represented in writing to investors in The LLCs that they would guarantee their  
13 investment by agreeing to repurchase the shares upon demand at a profit to investors after a certain  
14 number of years and that the amount of the guaranteed profit would increase if the investors waited  
15 additional years before requesting the repurchase of their shares. Investors in some of the LLCs were  
16 instructed to wire payments or make payments by cashier’s check directly to Chens Family Rock  
17 Foundation, which is registered with the state as a charitable organization with Chen as its president.  
18 Some investors were told to make payments for their investments in the LLC’s directly to Bay Realty  
19 Golden Land, LLC which Jeff Yang is the registered agent of process for and which also has a  
20 registered address at 1054 South De Anza Blvd, San Jose, CA 95129.

21 14. In addition to the purchase price of the shares in the memberships in The LLCs, each  
22 member was told they had to pay \$600 per share purchased which would be used to pay the property  
23 tax in the raw land owned by the LLC they had invested in for the next three years. However, the  
24 property taxes were not paid for the raw land owned by the LLCs by Bay Realty Investment &  
25 Franchise, Inc., The LLCs or any other entity for the following three years as had been represented.

26 15. The investments offered and sold by Chen, Bay Realty Investment & Franchise, Inc.,  
27 Chens Family Rock Foundation, Bay Realty Global, Inc., The LLCs and their employees and agents  
28 including shares in memberships in The LLCs constitute securities. The Department of Corporations

1 has not issued a permit or other form of qualification authorizing any person to offer and sell these  
2 securities in this state.

3 16. Chen, Bay Realty Investment & Franchise, Inc., Bay Realty Global, Inc. and its  
4 employees and The LLCs offered and sold securities by means of written and oral communications  
5 which included untrue statements of material fact and which omitted to state material facts necessary  
6 in order to make the statements made, in the light of the circumstances under which they were made,  
7 not misleading. The material misstatements and omissions made included the false statement that the  
8 money paid in advance from investors for property taxes would be used to pay property taxes, and  
9 that Bay Realty Investment & Franchise, Inc. guaranteed to buy back investors' shares in the LLCs at  
10 a profit after a certain period of time if requested by investors when they in fact refused to do so at  
11 any time.

12 Based upon the foregoing findings, the California Corporations Commissioner is of the  
13 opinion that Chen, Bay Realty Investment & Franchise, Inc., Golden Jupiter Land, LLC, Lucky  
14 Diamond Land LLC, Bay Realty Global, Inc., Lucky 360 Investments, LLC, Lancaster 160  
15 Investments, LLC, Happy Diamond Land LLC, Golden Pluto Land, LLC, Glory Land, LLC, Chens  
16 Family Rock Foundation, and Bay Realty Golden Land, LLC offered and sold securities in the form  
17 of shares in memberships in The LLCs. Those securities have not been qualified under the California  
18 Corporate Securities Law of 1968, in violation of section 25110 of the Corporations Code. Pursuant  
19 to section 25532 of the Corporate Securities Law of 1968, Chen, Bay Realty Investment & Franchise,  
20 Inc., Golden Jupiter Land, LLC, Lucky Diamond Land LLC, Bay Realty Global, Inc., Lucky 360  
21 Investments, LLC, Lancaster 160 Investments, LLC, Happy Diamond Land LLC, Golden Pluto Land,  
22 LLC, Glory Land, LLC, Chens Family Rock Foundation, and Bay Realty Golden Land, LLC are  
23 hereby ordered to desist and refrain from the further offer or sale of securities in the State of  
24 California, including but not limited to the shares in memberships in The LLCs, until qualification  
25 has been made under the law or unless exempt.

26 The California Corporations Commissioner is further of the opinion that Chen, Bay Realty  
27 Investment & Franchise, Inc., Golden Jupiter Land, LLC, Lucky Diamond Land LLC, Bay Realty  
28 Global, Inc., Lucky 360 Investments, LLC, Lancaster 160 Investments, LLC, Happy Diamond Land

1 LLC, Golden Pluto Land, LLC, Glory Land, LLC, Chens Family Rock Foundation, and Bay Realty  
2 Golden Land, LLC offered and sold securities in the form of shares in memberships in The LLCs by  
3 means of written and oral communications including untrue statements of material fact and omission  
4 of material facts necessary to make the statements not misleading, in violation of section 25401 of the  
5 Corporations Code. Pursuant to section 25532 of the Corporate Securities Law of 1968, Chen, Bay  
6 Realty Investment & Franchise, Inc., Golden Jupiter Land, LLC, Lucky Diamond Land LLC, Bay  
7 Realty Global, Inc., Lucky 360 Investments, LLC, Lancaster 160 Investments, LLC, Happy Diamond  
8 Land LLC, Golden Pluto Land, LLC, Glory Land, LLC, Chens Family Rock Foundation, and Bay  
9 Realty Golden Land, LLC are hereby ordered to desist and refrain from offering or selling or buying  
10 or offering to buy any security in the State of California, by means of any written or oral  
11 communication which includes an untrue statement of a material fact or omits to state a material fact  
12 necessary in order to make the statements made, in the light of the circumstances under which they  
13 were made, not misleading.

14 This Order is necessary, in the public interest, for the protection of investors and consistent  
15 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

16  
17 Dated: August 12, 2010  
18 Los Angeles, California

19 PRESTON DuFAUCHARD  
20 California Corporations Commissioner

21 By \_\_\_\_\_  
22 ALAN S. WEINGER  
23 Deputy Commissioner  
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