

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

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

TO: Tomas Schoff
Elite Investments Group, Inc.
2878 Camino Del Rio South, Suite 302
San Diego, CA 92108
and
303 Del Mar Ct.
San Luis Obispo, CA 93406

Elite Baywood, LP
West Terrace Apartments, LP
112 N. Curry Street
Carson City, NV 89703

Pure Entertainment Partners, Inc.
2921 India Street, Suite 4
San Diego, CA 92103

ABS Holdings, Inc.
9255 Town Centre Dr. #500
San Diego, CA 92121

DESIST AND REFRAIN ORDER

(For violation of section 25110 of the Corporations Code)

The California Corporations Commissioner finds that:

1. Elite Investments Group, Inc. (“Elite Investments Group”) is a corporation incorporated under the laws of Nevada on March 9, 2005. Its principal place of business is 2878 Camino Del Rio South, Suite 302, San Diego, CA 92108. It also has or had an address at 303 Del Mar Ct., San Luis Obispo, CA 93406.

1 2. At all relevant times, Tomas Schoff (“Schoff”) was the CEO and president and a
2 control person of Elite Investments Group.

3
4 3. At all relevant times, LEI Financial (“LEI”) held a license under the California
5 Finance Lenders Law. LEI’s principal place of business is 5469 Kearny Villa Road, Suite 302, San
6 Diego, CA 92123. It also has or had an address at 5473 Kearny Villa Road, Suite 100, San Diego,
7 CA 92123.

8
9 4. At all relevant times, Schoff was an officer and control person of LEI.

10
11 5. ABS Holdings, Inc. is a California corporation with a principal place of business at
12 9255 Town Centre Dr. #500, San Diego, CA 92121. Its officer and control person is Schoff.

13
14 6. West Terrace Apartments, LP is a Nevada limited partnership with a principal place of
15 business at 112 N. Curry Street, Carson City, NV 89703. The general partner of West Terrace
16 Apartments, LP is Elite GP1 Corp., a Nevada corporation whose president is Schoff.

17
18 7. Elite Baywood, LP is a Nevada limited partnership with a principal place of business
19 at 112 N. Curry Street, Carson City, NV 89703. The general partner of Elite Baywood, LP is Elite
20 GP1 Corp.

21
22 8. Pure Entertainment Partners, Inc. is a California corporation with a principal place of
23 business at 2921 India Street, Suite 4, San Diego, CA 92103. Its president and control person is
24 Schoff.

25
26 9. Beginning in 2007 or earlier, LEI offered to and did refinance the mortgages of several
27 California residents. After the residents pulled the equity out of their homes by refinancing, LEI
28 representatives would recommend that the residents reinvest the proceeds with Schoff and Elite

1 Investments Group. The residents were aware that LEI and Elite Investments Group were related in
2 that both companies were controlled by Schoff.

3
4 10. Elite Investments Group would contact the residents who had refinanced with LEI to
5 offer them securities in the form of limited partnership interests, bonds, or debentures. These limited
6 partnership interests, bonds, and debentures represented interests in several ventures formed and
7 controlled by Schoff and Elite Investments Group, including but not limited to ABS Holdings, Inc.,
8 West Terrace Apartments, LP, Elite Baywood, LP, and Pure Entertainment Partners, Inc.

9
10 11. West Terrace Apartments, LP, Elite Baywood, LP, and several other limited
11 partnerships were formed for the purpose of acquiring income-producing real estate. Pure
12 Entertainment Partners, Inc. is in the business of purchasing underperforming restaurant and bar
13 projects. ABS Holdings, Inc. is in the mortgage consulting business.

14
15 12. These securities were offered and sold in this state in issuer transactions. The
16 Department of Corporations has not issued a permit or other form of qualification authorizing any
17 person to offer or sell these securities in this state.

18
19 13. Elite Investments Group and Schoff offered and sold these securities by means of
20 general solicitation. The securities were offered to individuals who had expressed interest in
21 refinancing their mortgages and who otherwise had no relationship with or knowledge of Schoff or
22 Elite Investments Group.

23
24 14. Some of the written offering materials used to offer and sell these securities contained
25 a requirement that the purchaser be an “accredited investor.” Elite Investments Group, through
26 Schoff, would offer and sell these securities to investors who were not accredited. At least one
27 purchaser who was solicited by Schoff told Schoff that he was concerned that he was not an
28 accredited investor. Schoff told the purchaser that, contrary to what the offering materials stated, it

1 did not matter whether the purchaser was an accredited investor. Therefore, the purchaser bought the
2 securities.

3
4 Based upon the foregoing findings, the California Corporations Commissioner is of the opinion
5 that the bonds, debentures, and investment contracts in the form of limited partnership interests that
6 are being or have been offered or sold by Tomas Schoff; Elite Investments Group, Inc.; Elite
7 Baywood, LP; Pure Entertainment Partners, Inc.; West Terrace Apartments, LP; and ABS Holdings,
8 Inc. are securities subject to qualification under the California Corporate Securities Law of 1968 and
9 are being or have been offered or sold without being qualified in violation of Corporations Code
10 section 25110. Pursuant to section 25532 of the Corporate Securities Law of 1968, Tomas Schoff;
11 Elite Investments Group, Inc.; Elite Baywood, LP; Pure Entertainment Partners, Inc.; West Terrace
12 Apartments, LP; and ABS Holdings, Inc. are hereby ordered to desist and refrain from the further offer
13 or sale in the State of California of securities, including but not limited to bonds, debentures, and
14 investment contracts in the form of limited partnership interests, unless and until qualification has been
15 made under the law or unless exempt.

16
17 This Order is necessary, in the public interest, for the protection of investors and consistent
18 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

19
20 Dated: December 10, 2008
21 Los Angeles, California

22 PRESTON DuFAUCHARD
23 California Corporations Commissioner

24 By: _____
25 ALAN S. WEINGER
26 Lead Corporations Counsel
27 Enforcement Division
28