

# Michael Budenz & Associates

Licensed Private Investigator

260-424-8306

*Your Only Source for Confidential Investigations When You Need to Know...*

*Results \* Restoration \* Remediation*

I was contacted by [REDACTED] [REDACTED] to conduct an investigation of Ralph J. Solis and Jose Robert Del Valle. Mr. Solis also has a business name of R.J Solis LLC and Mr. Del Valle has a business name of RDV Consulting. [REDACTED] was representing three other investors, [REDACTED], [REDACTED] and [REDACTED].

Mr. Solis is in the business of securing funds from investors to purchase First and Second Deeds of Trust at a discount. The investors are promised a high rate of return when the properties are refinanced or sold. Mr. Solis would locate a First or Second Deed of Trust, obtain the financing from investors, purchase the Deeds of Trust then provide the investors with a document. The document states the property address, the homeowner's name, the amount of the Deed of Trust, the Loan to Value ratio, the amount the investor paid, the total amount of expected return for the investor. Mr. Solis would sell these Deeds of Trust directly to an investor who could/would re-sell the Deed of Trust to another investor who could/would re-sell the Deeds of Trust to another investor. The four investors purchased some Deeds of Trust directly from Mr. Solis, but most were purchased from Mr. Del Valle. All parties understood Mr. Solis was the originator of the Deeds of Trust. Mr. Solis and Mr. Del Valle together formed a company called

Initially all the First and Second Deeds of Trust which were purchased either from Mr. Solis or Mr. Del Valle paid the full amount in a timely manner. Additionally, Mr. Del Valle personally and has a web site, which represents him as having a Doctorate Degree and an MBA from UCLA – Anderson School of Business. This encouraged the investors to increase their investments substantially. As a group, the four investors named above, invested approximately \$ [REDACTED] million dollars which has not been re-paid.

Eventually the payments to the investors stopped. Mr. Solis would have various excuses as to why the payments to the investors were delayed. Mr. Del Valle would attribute the non-payments to Mr. Solis.

I conducted a preliminary criminal history check on Mr. Ralph J. Solis and discovered twenty previous convictions in Los Angeles County Superior Court. The convictions were for Fraud, Forgery and Theft. [REDACTED] obtained a copies of documents related to Mr. Solis' convictions. The complaint alleges Mr. Solis engaged in a Ponzi scheme related to Deeds of Trust and purchasing real estate. Mr. Solis was ordered to pay restitution of approximately \$250,000.00 to his victims. After five years, Mr. Solis had paid approximately \$67,000.00. He served two days of an eighteen month sentence. (See Report: Ralph Solis Criminal History)

[REDACTED] and I went to the Recorder's Offices of the various counties in which the purchased Deed of Trust properties were located. These counties were Los Angles, Riverside, San Bernardino and San Diego. We examined the Recorded records for the properties on which the investors purchased Deeds of Trust. The records stated the home

buyer's and seller's names. Four properties were selected and both parties to the real estate transaction were contacted either in person when possible or by phone. None of the parties involved had ever heard of nor conducted business with Ralph Solis, R.J. Solis LLC, Robert Del Valle, RDV Consultants or S and D Priority Management. Included in this group of Deeds of Trust properties was one for which the investor was paid even though the Deed of Trust purchase was non-existent. (See Report: Property Owners Interviews)

On May 10, 2009 I went to Mr. Ralph Solis' residence in an attempt to interview him. Mr. Solis was not at home. However, I did talk with his wife, Sabrina Solis. Mrs. Solis stated Ralph was no longer living at the residence. She said he had an affair with a woman in Mexico. She went on to say that woman claims Mr. Solis stole money from her cousin in Mexico using the Deed of Trust scheme. (See Report: Sabrina Solis Interview May 10, 2009)

On May 11, 2009 [REDACTED] and I met with Mr. Del Valle at his office. (See Report: Jose Robert Del Valle Interview May 11, 2009)

On May 12, 2009 Mr. Solis met with me and [REDACTED]. During the meeting, Mr. Solis was informed of our investigation revealed there were no real Deeds of Trusts. Mr. Solis admitted all of the Deeds of Trust were fabricated by him. He acknowledged that he stole eight to ten million dollars from "investors." Mr. Solis stated he would make efforts to pay back the [REDACTED] million dollars he stole from the four investors. (See Report: Ralph Solis Interview May 12, 2009)

[REDACTED] and I continued to examine recorded documents of other properties for which the investors purchased Deeds of Trust. The sellers and buyers of these properties are identified, located and some interviewed. (See Report: Trust Deeds Spread Sheet) [REDACTED] located three properties on which Ralph Solis has Recorded an "Assignment of Deed of Trust." The assignee for all three documents is [REDACTED]. [REDACTED] is and investor with Mr. Solis. Two of the Recorded "Assignment of Deed of Trust" documents are Notarized by Michael Lugo. Michael Lugo is a friend of Mr. Del Valle and Mr. Solis as well as a former employee of RDV Consulting. One "Assignment of Deed of Trust" document was Notarized by Jeti Hadi [REDACTED]. I contacted two of the property owners. Both Mrs. [REDACTED] and Mr. [REDACTED] state their signatures are forgeries. Neither Mrs. [REDACTED] nor Mr. [REDACTED], are familiar with Ralph Solis, [REDACTED] or [REDACTED]. (See Report: Forged "Assignment of Deed of Trust" Documents)

On May 26, 2009, [REDACTED] and I were driving to an appointment with Mr. Del Valle, when Mr. Solis called me on the telephone. Mr. Solis stated he did not want me talking with any one about the non-existent Deeds of Trust Ponzi scheme.

On May 26, 2009, [REDACTED] and I meet with Mr. Del Valle at his office. I inform Mr. Del Valle that Mr. Solis has admitted to fabricating the Deeds of Trust they have been selling to investors. That Mr. Solis has acknowledged the scope of the theft is approximately eight to ten million dollars. Mr. Del Valle reaction to being told he was part of Mr. Solis' criminal activity is seemingly inappropriate. There is very little surprise, no shock or outrage and he jokes about the situation. I also tell him about Mr. Solis' criminal history. Mr. Del Valle agreed not to tell Mr. Solis I had revealed information to him. (See Report: Robert Del Valle Interview May 26, 2009)

On May 26, 2009 [REDACTED] and I are near Mr. Solis' residence. Mr. Solis calls on the telephone and is agitated I informed Mr. Del Valle about Mr. Solis' activities.

[REDACTED]

Numerous attempts are made to contact Michael Lugo in person and via phone. I leave phone messages and a text message stating I have copies of forged "Assignment of Deed of Trust" documents with his Notary Seal and signature. He does not return my calls.

On May 28, 2009 [REDACTED] and I spoke by phone to [REDACTED]. Mr. [REDACTED] remains on speaking terms with Mr. Del Valle. I informed Mr. [REDACTED] about the fraud the investigation has uncovered. I also inform him of Mr. Solis' criminal record, copies of which were emailed to Mr. [REDACTED]. Mr. [REDACTED] agrees to forward those copies to Mr. Del Valle.

On May 29, 2009 I have a brief telephone conversation with Mr. Del Valle. (See Report: Robert Del Valle 5-29-09)

On May 29, 2009 I received a telephone call from Mr. Solis. Mr. Solis was agitated I told [REDACTED] about his criminal enterprise of the fraudulent Deeds of Trust and that I emailed his criminal history to Mr. [REDACTED]. Mr. Solis bragged that even though I ask Mr. Del Valle not to reveal information to him, Mr. Del Valle tells him everything. (See Report: Ralph Solis 5-29-2009)

On June 1, 2009 I received a telephone call from Mr. Solis. (See Report: Ralph Solis 6-1-09)

\*\*\*\*\*

Excerpt from Ralph Solis Interview May 12, 2009

I informed Mr. Solis that besides examining the recorded Deed transactions, I actually talked with the property buyers and sellers of the following address. I then informed Mr. Solis of the information I obtained.

**██████████, Dr. Corona, CA**

James ██████████ sold the property to his son, ██████████ ██████████. David has a mortgage with a bank, but neither ██████████ ever conducted business with nor obtained any funding from Ralph J. Solis, R.J. Solis LLC, Robert Del Valle, RDV Consulting, or S & D Priority Management. James ██████████ is currently in the hospital according to his son, David ██████████. I informed Mr. Solis this property was paid on even though there was no actual investment made. That I believe there is a phrase for this type of action called "priming the mark" to which Mr. Solis made no response.

**██████████, Needles, CA**

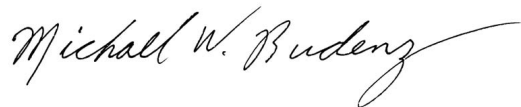
Richard ██████████ sold this property to John ██████████. They are brothers. Mr. ██████████ maintained the note until it was completely paid off by Mr. ██████████. Both Mr. ██████████ and Mr. ██████████ made the same statements. Neither has heard of nor conducted business with nor received any monies from Ralph J. Solis, R.J. Solis LLC, Robert Del Valle, RDV Consulting, or S & D Priority Management. There was never any funding of this property.

**██████████ Rd, Redlands, CA**

Marie Anne ██████████ sold the property to Mr. Lon ██████████ who is a real estate broker. Mrs. ██████████ currently maintains a second Trust Deed on the property and Mr. ██████████ received a loan from a bank, which has the First Trust Deed. Neither Mrs. ██████████ nor Mr. ██████████ has heard of nor conducted business with nor received any monies from Ralph J. Solis, R.J. Solis LLC, Robert Del Valle, RDV Consulting, or S & D Priority Management. There was never any funding of this property.

**██████████, Rancho Cucamonga, CA**

Mrs. Claire ██████████ and the ██████████ Family Trust sold the property to Milton and ██████████ ██████████ who converted the title to the ██████████ Family Trust. Mrs. ██████████ died last year. Her Husband stated he is very familiar with all the aspects of the sale of the property to the ██████████'s. Neither Mr. ██████████ nor the ██████████ has heard of nor conducted business with nor received any monies from Ralph J. Solis, R.J. Solis LLC, Robert Del Valle, RDV Consulting, or S & D Priority Management. There was never any funding of this property.



**Michael Budenz**