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DEPT. OF REAL ESTATE
By *ac silvas*

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10 BEFORE THE DEPARTMENT OF REAL ESTATE
11 STATE OF CALIFORNIA

12 * * *

13 In the Matter of the Application of) No. H-42204 LA
14)
15 SULIMAN AHMED SULIMAN,) STATEMENT OF ISSUES
16)
17 Respondent.) Mortgage Loan Originator
18) License Endorsement
19)

20 The Complainant, Ruth Corral, a Supervising Special Investigator of the State of
21 California, for Statement of Issues against SULIMAN AHMED SULIMAN, also known as
22 Suliman A. Suliman and Sulimen A. Sulimen (“Respondent”), is informed and alleges in her
23 official capacity as follows:

24 1.

25 The Complainant, Ruth Corral, acting in her official capacity as a Supervising
26 Special Investigator of the State of California, makes this Statement of Issues against
27 SULIMAN A. SULIMAN.

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1 CALIFORNIA DEPARTMENT OF REAL ESTATE ("DRE") HISTORY

2 2.

3 Restricted Real Estate Broker License

4 A. According to Department of Real Estate ("DRE") records to date,
5 Respondent SULIMAN A. SULIMAN ("Respondent") has been licensed and/or has license
6 rights under the Real Estate Law, Part 1 of Division 4 of the Business and Professions Code
7 ("Code") as follows:

8 1. On or about September 16, 1992, Respondent was issued a real
9 estate salesperson ("RES") license, Department of Real Estate ("DRE") license ID 01145825.

10 2. On or about April 5, 1994, Respondent was issued a real estate
11 broker ("REB") license.

12 3. On or about April 21, 2016, Respondent's license was revoked
13 and a right to a restricted license was granted.

14 4. On or about October 22, 2019, Respondent's petition for
15 reinstatement of his REB license was denied, and Respondent was granted a right to a
16 Restricted Real Estate Broker ("RREB") license.

17 5. Respondent currently holds an RREB license. Respondent's
18 RREB license will expire on September 9, 2024.

19 Desist and Refrain Order – DRE Case No. H-37711 LA

20 B. On or about December 5, 2011, in Case No. H-37711 LA, the DRE
21 issued an Order to Desist and Refrain, pursuant to Code section 10086, against Respondent and
22 American Frontier Financial Group ("AFFG"), which ordered them to immediately desist and
23 refrain from performing any acts within the State of California for which a real estate broker
24 license is required, unless they are in compliance with the Real Estate Law. Specifically,
25 Respondent and AFFG were ordered to desist and refrain from:

26 1. Violating Code section 10145 and Regulation 2831 by failing to
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1 maintain a control record in the form of a columnar record in chronological order of all "Trust
2 Funds Received, Not Placed Broker's Trust Account;"

3 2. Violating Code section 10176(a) by misrepresenting to sellers
4 that AFFG held the earnest money deposits for buyers, when in truth and in fact they did not;

5 3. Violating Code section 10176(a), 10176(i), and/or 10177(j) by
6 AFFG falsely representing the true broker when the California Residential Purchase
7 Agreements were submitted to the lender, where AFFG was not permitted to be either the
8 listing or the selling broker;

9 4. Violating Code section 10160 and Regulation 2752 by failing to
10 retain the salesperson license certificates for two named individuals;

11 5. Violating Code sections 10159.2, 10177(h), and Regulation 2725
12 by Respondent Suliman failing to exercise reasonable control and supervision over the activity
13 of AFFG to secure full compliance with the Real Estate Law, including, but not limited to trust
14 fund handling, misrepresenting receipt of earnest money deposits, and mortgage loan
15 disclosures. Additionally, Respondent Suliman had no system in place for regularly monitoring
16 his compliance with the Real Estate Law especially in regard to establishing systems, policies,
17 and procedures to review trust fund handling especially earnest money deposits for buyers;

18 6. Violating Code section 10240 by failing to retain a true and
19 correct copy of a DRE approved Mortgage Loan Disclosure Statement signed by the broker for
20 borrowers;

21 7. Violating Code section 10240 and Regulation 2840 by failing to
22 disclose yield spread premiums from lenders on the approved Mortgage Loan Disclosure
23 Statement for borrowers;

24 8. Violating Code section 10236.4(b) by failing to display AFFG's
25 license number on several Mortgage Loan Disclosure Statements;

26 9. Violating Code section 10137 by employing and compensating
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1 Jennifer Perez, Respondent's wife and personal assistant, as a loan agent who Respondent knew
2 was not licensed by the Department as a real estate broker or as a real estate salesperson
3 employed by a real estate broker, for performing acts for which a real estate license is required,
4 including soliciting and/or negotiating mortgage loans for borrowers;

5 10. Violating Code section 10148 by failing to retain records of
6 AFFG's activity during the audit period requiring a real estate broker license;

7 11. Violating Code sections 10159.2 and 10177(h), and Regulation
8 2725 by Respondent Suliman failing to exercise reasonable control and supervision over the
9 activity of AFFG to secure full compliance with the Real Estate Law;

10 12. Violating Code section 10176(i) by generating commissions on
11 the sale and loan for the short sales where Respondents were otherwise prohibited from doing
12 so;

13 13. Violating Code section 10177(g) by engaging in negligence and
14 negligent misrepresentation;

15 14. Violating Code sections 10176(i) and 10177(g) by breaching
16 fiduciary duty;

17 15. Violating Code sections 10177(d), 10177(h), and/or 10177(g) by
18 Respondent failing to exercise reasonable supervision and control over the licensed activities of
19 AFFG as required by Code Section 10159.2, and failing to keep AFFG in compliance with the
20 Real Estate Law.

21 Accusation and Discipline of License – DRE Case No. H-37278 LA

22 C. On or about August 31, 2010, the Department completed an audit
23 examination of the books and records of American Frontier Financial Group ("AFFG"), a
24 corporate real estate broker for which Respondent served as a designated officer. On or about
25 May 16, 2011, Robin Trujillo, Deputy Real Estate Commissioner for the Department, filed an
26 Accusation in Case No. H-37278 LA against AFFG, Respondent individually, and Respondent
27 as designated officer of AFFG. On or about July 22-24, and October 30, 2015, a hearing was

1 held before the Office of Administrative Hearings (“OAH”), OAH No. 2011051202. A
2 Proposed Decision (“PD”) was issued on January 22, 2016 by an Administrative Law Judge
3 (“ALJ”). The PD found that Respondents:

- 4 1. Violated Business and Professions Code section 10176(a)
5 (making a substantial misrepresentation);
- 6 2. Violated Code sections 10176(i) and 10177(j) (fraud and
7 dishonest dealing);
- 8 3. Violated Code section 10240 and Regulation 2840, in that
9 Respondents failed to use the Commissioner’s approved MLDS forms on six transactions;
- 10 4. Violated Code section 10240 in that three MLDS forms were not
11 signed by the real estate broker or loan agent who negotiated the loan (or any licensed person);
- 12 5. Violated Code section 10236.4(b) due to failure to state
13 Respondents’ license numbers on three MLDS forms;
- 14 6. Violated Code section 10176(b), for making false promises of a
15 character likely to influence, persuade, or induce;
- 16 7. Violated Code section 10176(c), for engaging in a continued and
17 flagrant course of misrepresentations and false promises through real estate agents and
18 salespersons.

19 The PD ordered that all licensed and licensing rights of Respondent and AFGG
20 were to be revoked but granted Respondent and AFGG the right to issuance of restricted real
21 estate broker licenses upon certain terms and conditions. On or about February 12, 2016, the
22 Real Estate Commissioner (“Commissioner”) adopted the PD as the Commissioner’s Decision
23 in Case No. H-37278 LA (the “Decision”) and ordered that it take effect on March 10, 2016.

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1 CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION

2 HISTORY

3 3.

4 Revocation of License – DFPI File No. 603-B457

5 A. Respondent was a California finance lender licensed by the California
6 Corporations Commissioner pursuant to the California Finance Lenders Law (California
7 Financial Code section 22000 et seq. (“CFL”). On or about November 7, 2005, the
8 Commissioner of the Department of Business Oversight¹ issued a CFL license no 603B457 to
9 American Frontier Financial Group (“AFFG”). On May 2, 2012, the Commissioner revoked
10 AFFG’s license after AFFG failed to maintain a surety bond in violation of Financial Code
11 section 22112.

12 Denial of License – DFPI Agency No. 253626

13 B. On or about November 29, 2018, Respondent sent a letter to the
14 Commissioner of the Department of Financial Protection and Innovation requesting
15 reinstatement of AFFG’s finance lender’s license. Respondent stated he had submitted an
16 application for AFFG through the Nationwide Mortgage Licensing System and Registry
17 (NMLS) on July 20, 2018. On or about August 4, 2020, the Commissioner of the Department of
18 Financial Protection and Innovation sent Respondent and AFFG a Notice of Intention to Issue
19 Order Denying California Finance Lender License and a Statement of Issues describing the
20 grounds for denial. Respondent and AFFG submitted a Notice of Defense dated September 21,
21 2020. On or about June 18-19, 2021, a hearing was held before the Office of Administrative
22 Hearings (“OAH”), Agency Case No. 253626, OAH No. 2020100229. A PD was issued on
23 November 30, 2021 by an ALJ. The PD found that AFFG violated Financial Code section
24 22109(a)(1) due to false statements of material fact in the application; and violated Financial
25 Code section 22109(a)(3) due to violations of a similar regulatory scheme. The PD ordered that
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27 ¹ The Department of Financial Protection and Innovation was previously known as the Department of Business Oversight.

1 AFFG's application for reinstatement of its finance lenders license be denied. On or about
2 February 4, 2022, the Commissioner of Financial Protection and Innovation adopted the PD as
3 its Decision, with technical or other minor changes, and ordered that it take effect on March 7,
4 2022.

5 MORTGAGE LOAN ORIGINATOR APPLICATION

6 4.

7 On or about November 4, 2020, Respondent submitted his online application
8 ("MU4") to the Nationwide Mortgage Licensing System & Registry ("NMLS"):

9 5.

10 The "Disclosure Questions" section of the MU4 application contains the
11 following questions:

12 A. Regulatory Action

13 (K)(5) "Has any State or federal regulatory agency or foreign financial
14 regulatory authority or self-regulatory organization (SRO) ever revoked your registration or
15 license?"

16 (K)(6) Has any State or federal regulatory agency or foreign financial
17 regulatory authority or self-regulatory organization (SRO) ever denied or suspended your
18 registration or license or application for licensure, disciplined you, or otherwise by order,
19 prevented you from associating with a financial services-related business or restricted your
20 activities?"

21 6.

22 Respondent answered "No" in response to Question (K)(5) of the Regulatory
23 Action section of Respondent's MLO license endorsement application, and did not disclose the
24 revocation of license information described above in Paragraph 3.

25 7.

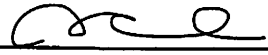
26 Respondent answered "Yes" in response to Question (K)(6) of the Regulatory
27 Action section of Respondent's MLO license endorsement application.

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WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Statement of Issues, and that upon proof thereof, a decision be rendered that the Commissioner refuse to authorize the issuance of, and deny the issuance of, an MLO license endorsement to Respondent SULIMAN A. SULIMAN and for such other and further relief as may be proper under the provisions of law.

Dated at Sacramento, California this 22nd day of June, 2022.



Ruth Corral
Supervising Special Investigator

cc: SULIMAN A. SULIMAN
Ruth Corral
Sacto.