

MAY 17 2017

BUREAU OF REAL ESTATE

By M. Roberts

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8 BEFORE THE BUREAU OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of:)
12) NO. H-12065 SF
13 DISCOVERY SALES, INC.,) ACCUSATION
14 Respondent.)
15)

16 The Complainant, ROBIN S. TANNER, in her official capacity as a Supervising
17 Special Investigator of the State of California, for cause of Accusation against DISCOVERY
18 SALES, INC. ("Respondent"), is informed and alleges as follows:

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20 Respondent is presently licensed and/or has license rights under the Real Estate
21 Law, Part 1 of Division 4 of the Business and Professions Code ("the Code"), as a corporate
22 real estate broker, whose license expires on April 10, 2018.

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24 Whenever reference or an allegation is made in this Accusation to an act or
25 omission by Respondent, such reference or allegation shall be deemed to mean that the
26 officers, directors, employees, agents and/or real estate licensees employed by or associated
27 with Respondent committed such act or omission while engaged in the furtherance of the

1 business or operations of Respondent, and while acting within the course and scope of their
2 corporate authority and employment.

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4 At all times herein mentioned, Ayman Shahid ("Shahid") was an officer,
5 employee, and the Vice President of Respondent, and was acting within the course and scope
6 of his corporate authority and employment. As of the date of this filing, Shahid has not been
7 licensed with the Bureau.

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9 At all times herein mentioned, Carey Hendrickson ("Hendrickson") was
10 employed by Respondent and was acting within the course and scope of her corporate authority
11 and employment. Hendrickson was the designated officer for Respondent during the relevant
12 time period. Hendrickson is presently licensed and/or has license rights under the Real Estate
13 Law, Part 1 of Division 4 of the Code, as a corporate real estate broker, REB No. 01485867,
14 whose license expired on or about October 29, 2016.

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16 At all times herein mentioned, Jason Sterlino ("Sterlino") was employed by
17 Respondent and was acting within the course and scope of his corporate authority and
18 employment. Sterlino was licensed under Real Estate Law, Part 1 of Division 4 of the Code, as
19 a real estate salesperson, RES No. 01278180, at the time the fraud occurred. Sterlino's real
20 estate salesperson license expired on or about April 14, 2012.

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22 At all relevant times, between 2006 through 2008, Shahid, while acting within
23 the course and scope of his corporate authority and employment with Respondent, committed
24 the crime of bank fraud and/or engaged in a conspiracy to commit bank fraud by fraudulently
25 causing bank underwriters to approve mortgage loans for unqualified buyers.

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At all relevant times, between 2006 through 2008, Hendrickson, while acting within the course and scope of his corporate authority and employment with Respondent, committed the crime of bank fraud by fraudulently causing bank underwriters to approve mortgage loans for unqualified buyers.

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At all relevant times, between 2006 through 2008, Sterlino, while acting within the course and scope of his corporate authority and employment with Respondent, committed the crime of bank fraud by fraudulently causing bank underwriters to approve mortgage loans for unqualified buyers.

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On or about December 8, 2016, in the United States District Court, Northern District of California, Oakland Division, Case No. CR16-00199, Respondent was convicted of violating 18 U.S.C. §1344 (bank fraud), a felony and a crime which bears a substantial relationship under section 2910, Title 10, California Code of Regulations (“Regulations”) to the qualifications, functions or duties of a real estate licensee.

GROUND FOR DISCIPLINE

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The facts alleged in Paragraphs 2 through 9, above, constitute cause under sections 490 (conviction of crime) and 10177(b) (conviction of a crime that is substantially related to the qualifications, functions or duties of a real estate licensee) of the Code for the suspension or revocation of all licenses and license rights of Respondent under the Real Estate Law.

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Pursuant to section 10186.2 of the Code, effective January 1, 2012, a licensee shall report in writing to the Bureau the bringing of an indictment or information charging a felony against the licensee, and the conviction of a licensee, including any verdict of guilty, or plea of

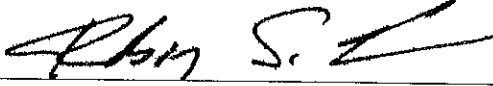
1 guilty or no contest, of any felony or misdemeanor, within thirty (30) days of the date of the filing
2 of the indictment or information, and conviction, verdict or plea. Respondent failed to report the
3 felony conviction identified in Paragraph 9, above, in writing to the Bureau within the time
4 required by section 10186.2 of the Code. Such failure, individually and collectively, constitutes
5 grounds for the suspension or revocation of all licenses and license rights of Respondent pursuant
6 to section 10177(d), (willful disregard or violation of the Real Estate Law) of the Code, in
7 conjunction with section 10186.2 of the Code.

8 COST RECOVERY

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10 Section 10106 of the Code provides, in pertinent part, that in any order issued in
11 resolution of a disciplinary proceeding before the Bureau, the Commissioner may request the
12 administrative law judge to direct a licensee found to have committed a violation of this part to
13 pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

14 WHEREFORE, Complainant prays that a hearing be conducted on the
15 allegations of this Accusation and that upon proof thereof, a decision be rendered imposing
16 disciplinary action against all licenses and license rights of Respondent under the Code, and for
17 such other and further relief, including reasonable investigation and enforcement costs, as may
18 be proper under the provisions of law.

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20 ROBIN S. TANNER
21 Supervising Special Investigator

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23 Dated at Oakland, California,
24 this 2nd day of May, 2017.

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DISCOVERY DEMAND

Pursuant to sections 11507.6, *et seq.* of the *Administrative Procedure Act*, the Bureau hereby makes demand for discovery pursuant to the guidelines set forth in the *Administrative Procedure Act*. Failure to provide Discovery to the Bureau may result in the exclusion of witnesses and documents at the hearing or other sanctions that the Office of Administrative Hearings deems appropriate.