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Department of Real Estate  
320 West Fourth Street, #350  
Los Angeles, California 90013

JUN 03 2011

DEPARTMENT OF REAL ESTATE  
BY: Shirley N. Brown

BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\*\*\*

In the Matter of the Accusation of	)	No.	H-36568 LA
	)		L-2010050539
MORTGAGE FINANCIAL GROUP INC)	)		
d.b.a. Eagle Escrow and	)		
<u>FAZAL RAHMAN,</u>	)		<u>STIPULATION AND</u>
	)		<u>AGREEMENT</u>
Respondents.	)		
	)		

It is hereby stipulated by and between FAZAL RAHMAN (sometimes referred to herein as "Respondent"), represented in this matter by Mary E. Work, Esq., and the Complainant, acting by and through James A. Demus, Counsel for the Department of Real Estate, as follows for the purpose of settling and disposing of the Accusation filed on March 30, 2010 in this matter:

1. All issues which were to be contested and all evidence which was to be presented by Complainant and Respondent at a formal hearing on the Accusation, which hearing was to be held in accordance with the provisions of the Administrative Procedure Act (APA), shall instead and in place thereof be submitted solely on the basis of the provisions of this Stipulation and Agreement.

1                   2.       Respondent has received, read and understands the Statement to  
2 Respondent, the Discovery Provisions of the APA and the Accusation filed by the Department  
3 of Real Estate in this proceeding.

4                   3.       On April 13, 2010, Respondent filed a Notice of Defense pursuant to  
5 Section 11506 of the Government Code for the purpose of requesting a hearing on the  
6 allegations in the Accusation. In order to effectuate this settlement, Respondent hereby freely  
7 and voluntarily withdraws said Notice of Defense. Respondent acknowledges that he  
8 understands that by withdrawing said Notice of Defense, he will thereby waive his right to  
9 require the Commissioner to prove the allegations in the Accusation at a contested hearing held  
10 in accordance with the provisions of the APA and that he will waive other rights afforded to  
11 him in connection with the hearing such as the right to present evidence in defense of the  
12 allegations in the Accusation and the right to cross-examine witnesses.

13                   4.       Respondent, pursuant to the limitations set forth below, although not  
14 admitting or denying the truth of the allegations, will not contest the factual allegations  
15 contained in the Accusation filed in this proceeding and the Real Estate Commissioner shall  
16 not be required to provide further evidence of such allegations.

17                   5.       It is understood by the parties that the Real Estate Commissioner may  
18 adopt the Stipulation and Agreement as his Decision in this matter, thereby imposing the  
19 penalty and sanctions on Respondent's real estate license and license rights as set forth in the  
20 below "Order". In the event that the Commissioner in his discretion does not adopt the  
21 Stipulation and Agreement, it shall be void and of no effect, and Respondent shall retain the  
22 right to a hearing and proceeding on the Accusation under all the provisions of the APA and  
23 shall not be bound by any stipulation or waiver made herein.

24                   6.       The Order or any subsequent Order of the Real Estate Commissioner  
25 made pursuant to this Stipulation and Agreement shall not constitute an estoppel, merger or bar  
26 to any further administrative proceedings by the Department of Real Estate with respect to any  
27 matters which were not specifically alleged to be causes for accusation in this proceeding.

1                         7.       This Stipulation and Respondent's decision not to contest the Accusation  
2 are made for the purpose of reaching an agreed disposition of this proceeding, and are expressly  
3 limited to this proceeding and any other proceeding or case in which the Department of Real  
4 Estate ("Department"), or another licensing agency of this state, another state, or of the federal  
5 government is involved, and otherwise shall not be admissible in any other criminal or civil  
6 proceedings.

7   DETERMINATION OF ISSUES

8                         By reason of the foregoing stipulations and waivers and solely for the purpose of  
9 settlement of the pending Accusation without a hearing, it is stipulated and agreed that the  
10 following Determination of Issues shall be made:

11                         The conduct, acts or omissions of Respondent FAZAL RAHMAN, as set forth  
12 in the Accusation, constitute cause to suspend or revoke the real estate license and licensing  
13 rights of Respondent FAZAL RAHMAN under the provisions of Business and Professions  
14 Code ("Code") Sections 10159.2, and 10177(h).

15   ORDER

16                         WHEREFORE, THE FOLLOWING ORDER is hereby made:

17                         All licenses and licensing rights of Respondent FAZAL RAHMAN under the Real  
18 Estate Law are revoked; provided, however, a restricted real estate salesperson license shall be  
19 issued to Respondent pursuant to Section 10156.5 of the Business and Professions Code if  
20 Respondent makes application therefor and pays to the Department of Real Estate the appropriate  
21 fee for the restricted license within 90 days from the effective date of this Decision. The  
22 restricted license issued to Respondent shall be subject to all of the provisions of Section 10156.7  
23 of the Business and Professions Code and to the following limitations, conditions and restrictions  
24 imposed under authority of Section 10156.6 of that Code:

25                         1.       The restricted license issued to Respondent may be suspended prior to  
26 hearing by Order of the Real Estate Commissioner in the event of Respondent's conviction or  
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1 plea of nolo contendere to a crime which is substantially related to Respondent's fitness or  
2 capacity as a real estate licensee.

3 2. The restricted license issued to Respondent may be suspended prior to  
4 hearing by Order of the Real Estate Commissioner on evidence satisfactory to the Commissioner  
5 that Respondent has violated provisions of the California Real Estate Law, the Subdivided Lands  
6 Law, Regulations of the Real Estate Commissioner or conditions attaching to the restricted  
7 license.

8 3. Respondent shall not be eligible to apply for the issuance of an  
9 unrestricted real estate license nor for the removal of any of the conditions, limitations or  
10 restrictions of a restricted license until two years have elapsed from the effective date of this  
11 Decision.

12 4. Respondent shall submit with any application for license under an  
13 employing broker, or any application for transfer to a new employing broker, a statement signed  
14 by the prospective employing real estate broker on a form approved by the Department of Real  
15 Estate which shall certify:

16 a. That the employing broker has read the Decision of the Commissioner  
17 which granted the right to a restricted license; and

18 b. That the employing broker will exercise close supervision over the  
19 performance by the restricted licensee relating to activities for which a real estate  
20 license is required.

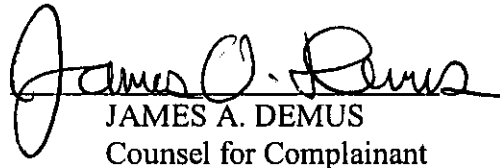
21 5. Respondent shall, within nine months from the effective date of this  
22 Decision, present evidence satisfactory to the Real Estate Commissioner that Respondent has,  
23 since the most recent issuance of an original or renewal real estate license, taken and successfully  
24 completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate  
25 Law for renewal of a real estate license. If Respondent fails to satisfy this condition, the  
26 Commissioner may order the suspension of the restricted license until the Respondent presents  
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1 such evidence. The Commissioner shall afford Respondent the opportunity for a hearing  
2 pursuant to the Administrative Procedure Act to present such evidence.

3 6. Respondent shall, within six months from the effective date of this  
4 Decision, take and pass the Professional Responsibility Examination administered by the  
5 Department including the payment of the appropriate examination fee. If Respondent fails to  
6 satisfy this condition, the Commissioner may order suspension of Respondent's license until  
7 Respondent passes the examination.

8 7. Respondent shall, within thirty days from the effective date of this  
9 Decision, submit proof satisfactory to the Commissioner of payment to Refugio Lazo in the  
10 amount of \$5,000 as restitution. Respondent shall, within six months from the effective date of  
11 this Decision, submit proof satisfactory to the Commissioner of payment of an additional \$5,000  
12 to Refugio Lazo as restitution. If Respondent fails to satisfy either of these payment conditions,  
13 the Commissioner may order suspension of Respondent's license until such time as Respondent  
14 provides proof of satisfaction of both these conditions.

15  
16  
17 DATED: 3/21/11

  
JAMES A. DEMUS  
Counsel for Complainant


18  
19 \* \* \*

20  
21 I have read the Stipulation and Agreement, have discussed it with counsel, and  
22 its terms are understood by me and are agreeable and acceptable to me. I understand that I am  
23 waiving rights given to me by the California Administrative Procedure Act (including but not  
24 limited to Sections 11506, 11508, 11509 and 11513 of the Government Code), and I willingly,  
25 intelligently and voluntarily waive those rights, including the right of requiring the  
26 Commissioner to prove the allegations in the Accusation at a hearing at which I would have the  
27

1 right to cross-examine witnesses against me and to present evidence in defense and mitigation  
2 of the charges.

3 Respondent may signify acceptance and approval of the terms and conditions of  
4 this Stipulation and Agreement by faxing a copy of the signature page, as actually signed by  
5 Respondent, to the Department at the following fax number (213) 576-6917. Respondent agrees,  
6 acknowledges and understands that by electronically sending to the Department a fax copy of his  
7 actual signature as it appears on the Stipulation that receipt of the faxed copy by the Department  
8 shall be as binding on Respondent as if the Department had received the original signed  
9 Stipulation and Agreement.

10  
11 DATED: 3/10/2011

  
\_\_\_\_\_  
FAZAL RAHMAN  
Respondent

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13  
14 DATED: 3/10/11

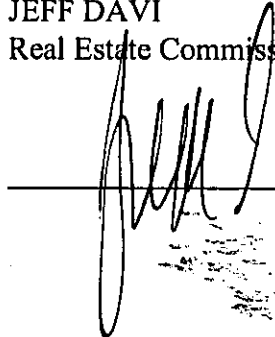
  
\_\_\_\_\_  
MARY E. WORK, ESQ.  
Counsel for Respondent

15  
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17 \* \* \*

18 The foregoing Stipulation and Agreement is hereby adopted as my Decision in  
19 this matter and shall become effective at 12 o'clock noon on JUN 23 2011

20  
21 IT IS SO ORDERED 4-25-2011

22  
23 JEFF DAVI  
Real Estate Commissioner

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**FILED**

JUN 03 2011

DEPARTMENT OF REAL ESTATE  
BY: *Fazal Rahman*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of )  
 )  
MORTGAGE FINANCIAL GROUP INC, )  
d.b.a. Eagle Escrow )  
and FAZAL RAHMAN, )  
 )  
Respondents. )

No. H-36568 LA

DECISION

This Decision is being issued in accordance with the provisions of Section 11520 of the Government Code, on evidence of compliance with Section 11505 of the Government Code and pursuant to the Order of Default filed on , 2011 and the findings of fact set forth herein are based on one or more of the following: (1) MFGI's express admissions; (2) affidavits; and (3) other evidence.

FINDINGS OF FACT

1.

On March 30, 2010, Dionne Young Faulk made the Accusation in her official capacity as a Deputy Real Estate Commissioner of the State of California. The Accusation, Statement to Respondent, and Notice of Defense were mailed by certified mail, return receipt requested, to MORTGAGE FINANCIAL GROUP INC's ("MFGI") last known mailing address on file with the Department on March 30, 2010. The certified mail packet was received on March 31, 2010 No response has been received from MFGI to date.

On ,2011, no Notice of Defense having been filed by MFGI herein within the time prescribed by Section 11506 of the Government Code, MFGI's default was entered herein.

2.

MFGI previously has license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code ("Code") as a corporate real estate broker. On December 9, 2008, MFGI's license expired. However, the Department holds jurisdiction over the lapsed license, pursuant to Code Section 10103.

3.

On or about February 3, 2005, MFGI filed a Fictitious Business Name Statement with the Los Angeles County Recorder's Office. The fictitious business name filed by MFGI was "Eagle Escrow".

4.

On or about March 25, 2007, Fazal Rahman signed an application to refinance a residential loan for borrower Refugion Lazo. Rahman listed MFGI as his employer on this application. The application estimated that Lazo would be left with \$33,041.66, after paying off his existing liens and transaction costs.

5.

On or about April 5, 2007, escrow closed on the loan described in paragraph 4 above. The Settlement Statement for this transaction listed Eagle Escrow as a settlement agent. The settlement statement also stated that \$30,190.35 shall be paid "to borrower".

6.

On or about April 5, 2007, \$46,909.81 was wired to Eagle Escrow in regards to the transaction described above. The borrower Lazo was not paid \$30,190.35, as stipulated in the settlement agreement. Lazo was never paid \$30,190.35 by MFGI, Rahman or Eagle Escrow.

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DETERMINATION OF ISSUES

1.

The conduct, acts and/or omissions of MFGI, as set forth above, provide cause for the suspension or revocation of the licenses and license rights of MFGI pursuant to Code Sections 10176(a) and 10176(b).

3.

The standard of proof applied was clear and convincing proof to a reasonable certainty.


ORDER

The license and license rights MORTGAGE FINANCIAL GROUP INC under the provisions of Part I of Division 4 of the Business and Professions Code are revoked.

This Decision shall become effective at 12 o'clock noon on JUN 23 2011.

DATED: 5/20/11

Real Estate Commissioner



**FILED**

1 Department of Real Estate  
320 West Fourth Street, Suite 350  
2 Los Angeles, CA 90013

APR 18 2011

3 (213) 576-6982

DEPARTMENT OF REAL ESTATE

BY: Jane B. Khan

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \*  
11 In the Matter of the Accusation of )

No. H-36568 LA

12 MORTGAGE FINANCIAL GROUP INC, )

DEFAULT ORDER

13 d.b.a. Eagle Escrow )

14 and FAZAL RAHMAN, )

15 Respondents. )

16  
17 Respondent MORTGAGE FINANCIAL GROUP INC, having  
18 failed to file a Notice of Defense within the time required  
19 by Section 11506 of the Government Code, is now in default.  
20 It is, therefore, ordered that a default be entered on the  
21 record in this matter.

22 IT IS SO ORDERED

April 18, 2011

23 JEFF DAVI  
24 Real Estate Commissioner

25  
26 BY:

Dolores Weeks  
27 DOLORES WEEKS  
Regional Manager

*Suits*

JAMES DEMUS, Counsel (SBN 225005)  
Department of Real Estate  
320 West Fourth St., #350  
Los Angeles, CA 90013

**FILED**

MAR 30 2010

(213) 576-6982  
(213) 576-6910 (direct)

DEPARTMENT OF REAL ESTATE  
BY: *[Signature]*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of )	No. H-36568 LA
MORTGAGE FINANCIAL GROUP INC, )	<u>A C C U S A T I O N</u>
d.b.a. Eagle Escrow )	
and FAZAL RAHMAN, )	
Respondents. )	

The Complainant, Dionne Young Faulk, a Deputy Real Estate Commissioner of the State of California, for cause of accusation against MORTGAGE FINANCIAL GROUP INC, d.b.a. Eagle Escrow and FAZAL RAHMAN, alleges as follows:

1. The Complainant, Dionne Young Faulk, acting in her official capacity as a Deputy Real Estate Commissioner of the State of California, makes this Accusation against MORTGAGE FINANCIAL GROUP INC and FAZAL RAHMAN.

2. MORTGAGE FINANCIAL GROUP INC (hereinafter referred to as "MFGI") presently has license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code, hereinafter Code), as a corporate real estate broker. On

1 December 9, 2008, MFGI's license expired. Pursuant to Business  
2 and Professions Code Section 10201, MFGI retains renewal rights  
3 for two years. The Department of Real Estate holds jurisdiction  
4 over the lapsed license, pursuant to Business and Professions  
5 Code Section 10103.

6 3. On or about February 3, 2005, MFGI filed a  
7 Fictitious Business Name Statement with the Los Angeles County  
8 Recorder's Office. The fictitious business name filed by MFGI  
9 was "Eagle Escrow".

10 4. FAZAL RAHMAN (hereinafter referred to as "RAHMAN")  
11 is presently licensed and/or has license rights under the Real  
12 Estate Law as a broker. From December 10, 2004 until December 9,  
13 2008, RAHMAN was registered with the Department of Real Estate as  
14 the designated officer of MFGI.

15 5. At all times herein mentioned, MFGI was licensed as  
16 a corporate real estate broker.

17 6. At all times herein mentioned, RAHMAN was licensed  
18 as a real estate broker.

19 7. On or about March 25, 2007, RAHMAN signed a Uniform  
20 Residential Loan Application ("application") regarding the  
21 refinance of a loan on property located at 8834 Burnet Avenue,  
22 Unit #2, Los Angeles (North Hills), CA 91343. RAHMAN listed MFGI  
23 as his employer on this application. The borrower on this loan  
24 was Refugio Lazo (hereinafter "Lazo"). The application was for a  
25 \$320,000 loan. The application further stated that Lazo's  
26 property had \$271,874 in existing liens. After paying off the  
27

1 existing liens and \$15,084.34 in estimated transaction costs,  
2 Lazo would be left with approximately \$33,041.66.

3           8. On or about April 5, 2007, escrow closed on the  
4 loan described in paragraph 6 above. The Settlement Statement  
5 for this transaction listed Eagle Escrow as a settlement agent.  
6 The settlement statement also stated that \$30,190.35 shall be  
7 paid "to borrower".

8           9. On or about April 5, 2007, \$46,909.81 was wired to  
9 Eagle Escrow in regards to the transaction described above. The  
10 borrower Lazo was not paid \$30,190.35, as stipulated in the  
11 settlement agreement.

12           10. Lazo was never paid \$30,190.35 by MFGI, RAHMAN, or  
13 Eagle Escrow.

14           11. The conduct, acts and/or omissions of Respondent  
15 MFGI as described herein above, constitute cause under Code  
16 Sections 10176(a) and 10176(b) for the suspension or revocation  
17 of the licenses and license rights of MFGI under the Real Estate  
18 Law.

19           12. The conduct, acts and/or omissions of Respondent  
20 RAHMAN as described herein above, constitute cause under Code  
21 Sections 10159.2, 10176(a), 10176(b), 10177(d), 10177(g) and  
22 10177(h) for the suspension or revocation of the licenses and  
23 license rights of RAHMAN under the Real Estate Law.

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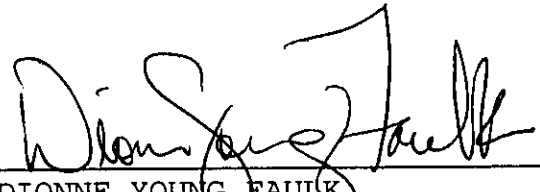
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1                   WHEREFORE, Complainant prays that a hearing be  
2 conducted on the allegations of this Accusation and that upon  
3 proof thereof, a decision be rendered imposing disciplinary  
4 action against all licenses and license rights of Respondents  
5 MORTGAGE FINANCIAL GROUP INC and FAZAL RAHMAN under the Real  
6 Estate Law (Part 1 of Division 4 of the Business and Professions  
7 Code) and for such other and further relief as may be proper  
8 under other applicable provisions of law.

9 Dated at Los Angeles, California  
10 this 29 day of March, 2010.

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14 DIONNE YOUNG FAULK  
15 Deputy Real Estate Commissioner  
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25 cc: Mortgage Financial Group Inc  
26       Fazal Rahman  
27       Dionne Young Faulk  
      Sacto.