

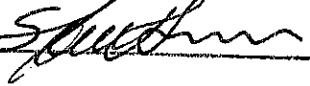
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FILED

JUN 22 2017

BUREAU OF REAL ESTATE

By 

7 BEFORE THE BUREAU OF REAL ESTATE
8 STATE OF CALIFORNIA

9 * * *

10
11 In the Matter of the Accusation of) No. H-40653 LA
12)
12 HOMEPATH LENDING, INC.; and)
13 WESAM H. HIJAZIN, individually,) ACCUSATION
13 and as designated officer for)
14 Homepath Lending, Inc.,)
15 Respondents.)
16 _____)

17 The Complainant, Maria Suarez, a Supervising Special Investigator of the State
18 of California, for cause of Accusation against HOMEPATH LENDING, INC. ("HOMEPATH")
19 and WESAM H. HIJAZIN ("HIJAZIN"), individually, and as designated officer of
20 HOMEPATH (collectively "Respondents"), is informed and alleges as follows:

21 1.

22 The Complainant, Maria Suarez, a Supervising Special Investigator of the State
23 of California, makes this Accusation in her official capacity.

24 2.

25 HOMEPATH is presently licensed and/or has license rights under the Real
26 Estate Law (Part 1 of Division 4 of the Business and Professions Code ("Code")) as a real
27

1 estate corporation. The license of HOMEPATH will expire on December 2, 2017, unless
2 renewed. At all times relevant herein, HOMEPATH was acting by and through HIJAZIN as its
3 designated broker-officer.

4 3.

5 HIJAZIN is presently licensed and/or has license rights under the Real Estate
6 Law as a real estate broker, and at all times relevant herein was the designated officer of
7 HOMEPATH. The license of HIJAZIN will expire on October 12, 2017, unless renewed.

8 4.

9
10 At all times relevant herein HIJZAIN, as the officer designated by HOMEPATH,
11 pursuant to Section 10211 of the Code, was responsible for the supervision and control of the
12 activities conducted on behalf of HOMEPATH by its officers and employees as necessary to
13 secure full compliance with the Real Estate Law as set forth in Section 10159.2 of the Code.

14 5.

15 HOMEPATH originates loans for borrowers as a principal, solicits borrowers
16 and funds the loans through its two separate warehouse lines of credit. HOMEPATH funded
17 loans through its lines of credit, and then resold the existing notes to various lenders.

18 FIRST CAUSE OF ACCUSATION

19 (Audit Violations)

20 6.

21
22 On March 29, 2017, the Bureau completed an audit examination of the books
23 and records of HOMEPATH pertaining to its handling of trust funds and other real estate
24 activities, including the activities described in Paragraph 5, above, which require a real estate
25 license. The audit examination covered a period of time beginning on June 1, 2015, and ending
26 on May 31, 2016.

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1 7.

2 HOMEPATH did not maintain a trust account for its mortgage loan activity
3 during the audit period.

4 8.

5 The audit examination revealed violations of the Code and of Title 10, Chapter 6,
6 Code of Regulations (“Regulations”) by Respondents, as set forth in the following paragraphs,
7 and more fully discussed in Audit Report No. LA 150154, and the exhibits and work papers
8 attached to the audit report:

9 (a) In one of the loan files examined, HOMEPATH provided an incomplete
10 Mortgage Loan Disclosure Statement (MLDS) to the borrowers. HOMEPATH failed to disclose
11 its CalBRE license number, HOMEPATH’s name and HOMEPATH’s agent license number on
12 the MLDS. The MLDS was not signed by HOMEPATH’s agent. Also, though HOMEPATH did
13 provide a Good Faith Estimate (GFE), it did not satisfy the requirements of Code section
14 10240(c) in that it did not state the GFE did not constitute a loan commitment. Additionally, the
15 GFE did not include HOMEPATH’s real estate license number. The foregoing is in violation of
16 Code section 10240 subparts (a) and (c) and section 2840 of the Regulations.

17 (b) In one of the loan files examined, the file showed that HIJZAN negotiated the
18 loan and did not disclose the license numbers of HIJAZIN and HOMEPATH on the MLDS
19 contained in the loan file examined. The foregoing is in violation of Code section 10236.4(b).

20 (c) Based on the examination of three sampled loan transaction files,
21 HOMEPATH originated the loans for borrowers using its CalBRE license, however,
22 HOMEPATH disclosed to the borrowers, and identified itself as a “California Financial Lender”
23 (“CFL”) licensed by the Department of Business Oversight using an invalid CFL license number.
24 The foregoing constitutes a misrepresentation pursuant to the provisions of Code section
25 10176(a).

26 (d) Based on the loan files examined, HOMEPATH provided a Fair Lending
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1 Notice ("FLN") to the borrowers. However, the FLN provided to the borrowers disclosed the
2 Department of Business Oversight as the agency regulating the mortgage loan activities
3 conducted by HOMEPATH. The loan files examined were conducted under HOMEPATH's
4 CalBRE license. The foregoing is in violation of Health and Safety Code section 35800 et seq.

5 (e) HOMEPATH acted as a mortgage loan originator and arranged loans secured
6 by real property containing one to four residential units, but failed to file its 2015 mortgage loan
7 business activities report with CalBRE within ninety (90) days after HOMEPATH's fiscal year
8 ended on December 31, 2015. The mortgage loan business activity report was due on March 31,
9 2016, but was submitted on December 7, 2016. The foregoing is in violation of Code sections
10 10166.07 and 10232.2.

11 (f) HOMEPATH conducted mortgage loan activities using the unlicensed
12 fictitious business name "Homepath Lending" when HOMEPATH was not the holder of a
13 license bearing the fictitious business name. The foregoing is in violation of Code section
14 10159.5 and Section 2731 of the Regulations.

15 (g) Based on the above findings, HIJAZIN did not exercise reasonable control
16 and supervision over the activities conducted on behalf of HOMEPATH by its employees as
17 necessary to secure full compliance with the real estate laws. HIJAZIN failed to establish
18 policies, rules, procedures and systems to review, oversee, and inspect the handling of mortgage
19 loan reports by HOMEPATH's licensees and employees. The foregoing is in violation of Code
20 Sections 10159.2 and 10177(h) and Section 2725 of the Regulations.

21 DISCIPLINARY STATUTES AND REGULATIONS

22 9.

23 The conduct of Respondents described in Paragraph 8, above, violated the Code
24 and the Regulations as set forth below:

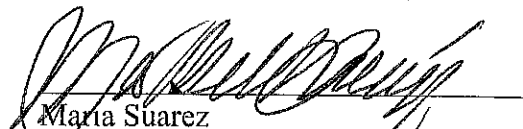
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1 WHEREFORE, Complainant prays that a hearing be conducted on the allegations
2 of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary
3 action against all the licenses and license rights of Respondents HOMEPATH LENDING, INC.
4 and WESAM H. HIJAZIN under the Real Estate Law (Part I of Division 4 of the Business and
5 Professions Code), for the cost of investigation and enforcement as permitted by law and for such
6 other and further relief as may be proper under other applicable provisions of law.

7 Dated at Los Angeles, California

8 this 14th day of June, 2017.

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10 
11 Maria Suarez
Supervising Special Investigator

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18 cc: HOMEPATH LENDING, INC.
19 WESAM H. HIJAZIN
20 Maria Suarez
Sacto.