

FILED

Sep 27, 2024

Disciplinary
Board

Docket # 001

DISCIPLINARY BOARD
WASHINGTON STATE BAR ASSOCIATION

In re

AJILI HODARI,

Lawyer (Bar No. 37251).

Proceeding No. 24#00059

ODC File Nos. 21-01333, 24-01182

Resignation Form of Ajili Hodari (ELC
9.3(b))

I, Ajili Hodari, declare as follows:

1. I am over the age of eighteen years and am competent. I make the statements in this declaration from personal knowledge.

2. I was admitted to practice law in the State of Washington on January 23, 2006.

3. After consulting with my counsel, Leland Ripley, I have voluntarily decided to resign from the Washington State Bar Association (the Association) in Lieu of Discipline under Rule 9.3 of the Washington Supreme Court's Rules for Enforcement of Lawyer Conduct (ELC).

4. Attached hereto as Exhibit A is Disciplinary Counsel's statement of alleged misconduct for purposes of ELC 9.3(b). I am aware of the alleged misconduct stated in Disciplinary Counsel's statement, but rather than defend against the allegations, I wish to permanently resign from membership in the Association.

1 5. I consent to entry of an order under ELC 13.9(e) assessing expenses of \$1,500 in
2 this matter.

3 6. I agree to pay any additional costs or restitution that may be ordered by a Review
4 Committee under ELC 9.3(g).

5 7. I understand that my resignation is permanent and that any future application by me
6 for reinstatement as a member of the Association is currently barred. If the Washington Supreme
7 Court changes this rule or an application is otherwise permitted in the future, it will be treated as
8 an application by one who has been disbarred for ethical misconduct. If I file an application, I
9 will not be entitled to a reconsideration or reexamination of the facts, complaints, allegations, or
10 instances of alleged misconduct on which this resignation was based.

11 8. I agree to (a) notify all other states and jurisdictions in which I am admitted, of this
12 resignation in lieu of discipline; (b) seek to resign permanently from the practice of law in Ohio
13 and any other state or jurisdiction in which I am admitted; and (c) provide Disciplinary Counsel
14 with copies of this notification and any response(s). I acknowledge that this resignation could be
15 treated as a disbarment by all other jurisdictions.

16 9. I agree to (a) notify all other professional licensing agencies in any jurisdiction from
17 which I have a professional license that is predicated on my admission to practice law of this
18 resignation in lieu of discipline; (b) seek to resign permanently from any such license; and (c)
19 provide disciplinary counsel with copies of any of these notifications and any responses.

20 10. I agree that when applying for any employment, I will disclose the resignation in
21 lieu of discipline in response to any question regarding disciplinary action or the status of my
22 license to practice law.

1 11. I understand that my resignation becomes effective on Disciplinary Counsel's
2 endorsement and filing of this document with the Clerk, and that under ELC 9.3(c) Disciplinary
3 Counsel must do so promptly following receipt of this document.

4 12. When my resignation becomes effective, I agree to be subject to all restrictions that
5 apply to a disbarred lawyer.

6 13. Upon filing of my resignation, I agree to comply with the same duties as a disbarred
7 lawyer under ELC 14.1 through ELC 14.4.

8 14. I understand that, after my resignation becomes effective, it is permanent. I will
9 never be eligible to apply and will not be considered for admission or reinstatement to the practice
10 of law nor will I be eligible for admission for any limited practice of law.

11 15. I certify under penalty of perjury under the laws of the State of Washington that the
12 foregoing is true and correct.

13
14 9/27/24 Seattle, WA
15 Date and Place

Ajili Hodari
Ajili Hodari, Bar No. 37251

16 ENDORSED BY:

17
18 F. Rodriguez
19 Francisco Rodriguez, Disciplinary Counsel
20 Bar No. 22881
21
22
23

**EXHIBIT
A**

**DISCIPLINARY BOARD
WASHINGTON STATE BAR ASSOCIATION**

In re

AJILI HODARI,

Lawyer (Bar No. 37251)

Proceeding No. _____

ODC File Nos. 21-01333, 24-01182

**STATEMENT OF ALLEGED
MISCONDUCT UNDER ELC 9.3(b)(1)**

The following constitutes a Statement of Alleged Misconduct under Rule 9.3(b)(1) of the Washington Supreme Court's Rules for Enforcement of Lawyer Conduct (ELC).

I. ADMISSION TO PRACTICE

1. Respondent Ajili Hodari was admitted to the practice of law in the State of Washington on January 23, 2006.

II. ALLEGED FACTS

ODC File No. 21-01333

2. Respondent has a longstanding professional relationship with real estate developer S.C. Respondent began representing S.C.'s business (S.C. Partners), around 2007. S.C. is the owner and sole member of S.C. Partners.

3. In 2018, Respondent drafted several documents relating to a joint business venture between S.C. Partners and Teng Ngy. The documents Respondent drafted included a limited liability company operating agreement (Operating Agreement), a quitclaim deed, and a joint venture agreement (JVA). Respondent also filed the documents necessary to form the company with the Washington Secretary of State.

4. Ngy's understanding of English is limited as Ngy is not a native speaker.

5. Ngy was not represented by counsel in connection with the Operating Agreement, the quit claim deed, or the JVA.

6. Through the Operating Agreement, signed on September 10, 2018, Ngy and S.C. Partners formed a property development company called 3820 23rd Avenue SW Partners, LLC (SW Partners). Pursuant to the Operating Agreement, Ngy contributed property Ngy owned at 23rd Avenue Southwest, Seattle, Washington 98106 (Property), valued at \$600,000, while S.C. Partners was to provide professional services and management.

7. Prior to drafting the Operating Agreement, Respondent had represented S.C. and S.C. Partners in connection with numerous other real estate projects. The Operating Agreement contained a provision indicating that the parties waived any conflict of interest based on past, present, or future representation of S.C. by Respondent's firm. However, Respondent did not disclose to Ngy any details regarding the substance of Respondent's past or current representation

1 of S.C. or the nature of any conflict or potential conflict. The Operating Agreement stated that
2 “actual or potential conflicts of interest exist among the Members [S.C. Partners and Ngy].”

3 8. The Operating Agreement stated that Respondent was acting as counsel for SW
4 Partners and not as counsel for Ngy, S.C. Partners, or any other person.

5 9. Respondent’s representation in the Operating Agreement that Respondent was not
6 acting as counsel for S.C. or S.C. Partners was false.

7 10. In response to interrogatories in Ngy v. S.C., et al, King County Superior Court
8 No. 21-2-12507-3 KNT, Respondent stated that in connection with the preparation of the
9 Operating Agreement and JVA, Respondent represented S.C. Partners “via” S.C.

10 11. In a deposition in the same matter, Respondent testified that in drafting these
11 agreements, Respondent’s sole client was S.C. Partners, and that Respondent did not represent
12 S.C. individually or the joint venture, SW Partners. Respondent further testified that Respondent
13 had never represented S.C. individually and that the statement in the Operating Agreement to that
14 effect was a mistake.

15 12. On September 18, 2018, Ngy and S.C. executed the quit claim deed Respondent had
16 drafted. Their signatures were notarized at Respondent’s office. The quit claim deed transferred
17 ownership of the Property to SW Partners. The quit claim deed Respondent drafted described the
18 transfer as a gift.

19 13. On September 25, 2018, Ngy and S.C. executed the JVA that Respondent had
20 drafted. The JVA described the purpose of the joint venture as developing and selling the
21 Property. The JVA provided that Ngy would receive a fully executed and recorded first lien
22 against the Property, that Ngy would be listed as the titled owner of the Property, and that Ngy
23 would receive a recorded deed of trust naming Ngy as the full unencumbered owner of the

1 Property. Respondent included these terms in the JVA despite knowing that Respondent had
2 drafted a quit claim deed that transferred ownership of the Property from Ngy to SW Partners.

3 14. Respondent did not take any action to have Ngy listed as the titled owner of the
4 property, record a lien on the Property on Ngy's behalf, or record a deed of trust naming Ngy as
5 the full unencumbered owner of the Property.

6 15. The same day the JVA was executed, without Ngy's knowledge, S.C. encumbered
7 the Property by signing a promissory note and granting a deed of trust to third parties in the
8 amount of \$160,000. S.C. subsequently defaulted on the note, resulting in a foreclosure action
9 against the Property.

10 16. In October 2021, Ngy filed a grievance against Respondent. ODC investigated
11 Ngy's grievance under ODC File No. 21-01333.

12 17. During ODC's investigation, ODC asked Respondent to provide, for the period from
13 January 1, 2018, to September 30, 2022, all records of disbursements by Respondent and/or
14 Respondent's firm to S.C. and S.C. Partners. In a response submitted to ODC, Respondent,
15 through counsel, stated: "There were no disbursements to [S.C.] or any of the entities Mr. Hodari
16 knows [S.C.] was associated with."

17 18. Respondent's statement denying any disbursements to S.C. and entities associated
18 with S.C. was false. Respondent disbursed approximately \$229,000 directly to S.C. Partners
19 during the specified period.

20 19. During ODC's investigation, ODC requested that Respondent provide ODC with
21 trust account records for the period for January 1, 2017, through December 31, 2022, including
22 bank statements, cancelled checks and deposit slips, the trust account check register, client
23 ledgers, and reconciliation reports.

1 20. Respondent provided ODC with most of the requested bank statements for
2 Respondent's Bank of America IOLTA account but indicated that Respondent had no other trust
3 account records.

4 21. ODC subsequently opened a new grievance under ODC File No. 24-01182 to further
5 investigate Respondent's general handling of client funds.

6 ***ODC File No. 24-01182***

7 22. From 2017 to present, Respondent has not maintained a checkbook register or
8 equivalent for Respondent's Bank of America IOLTA account. During this time, Respondent has
9 not:

- 10 • maintained individual client ledger records showing all individual receipts,
11 disbursements, and transfers for each client;
- 12 • reconciled the check register for Respondent's Bank of America IOLTA account with
13 the bank statements for the account;
- 14 • reconciled the check register with the combined total of all client ledgers; or
- 15 • retained copies of deposit slips of cancelled checks or their equivalent for
16 Respondent's Bank of America IOLTA account.

17 23. Bank statements for Respondent's Bank of America IOLTA account indicate that
18 Respondent handles significant amounts of client funds. For the period from January 2017 to May
19 2024, deposits and withdrawals to Respondent's Bank of America IOLTA account each totaled
20 over \$12,000,000. From April 2020 through November 2022, Respondent maintained a balance
21 of approximately \$1.8 million in the account.

1 24. Bank statements for Respondent's Bank of America IOLTA account indicate that
2 between November 2022 and November 2023, Respondent made 54 cash withdrawals from the
3 account totaling over \$164,000.

4 **III. ALLEGED MISCONDUCT.**

5 25. By representing both S.C. Partners and SW Partners concurrently in the same
6 transaction when there was a significant risk that the representation of one would be materially
7 limited by Respondent's responsibilities to the other, without having first obtained the informed
8 consent of each client in writing, Respondent violated 1.7(a).

9 26. By failing to disclose Respondent's concurrent representation of S.C. Partners while
10 stating and implying that Respondent was disinterested, and by failing to make reasonable efforts
11 to correct Ngy's misunderstanding of Respondent's role in transactions with S.C. when Ngy was
12 not represented by counsel and when Respondent reasonably should have known that Ngy
13 misunderstood Respondent's role, Respondent violated RPC 4.3.

14 27. By falsely stating in the Operating Agreement that Respondent represented only
15 SW Partners and did not represent S.C. Partners, Respondent violated RPC 4.1(a) and RPC 8.4(c).

16 28. By making a false statement to ODC during a disciplinary investigation, Respondent
17 violated RPC 8.1(a), RPC 8.4(c), and RPC 8.4(d).

18 29. By assisting S.C. and S.C. Partners in conduct Respondent knew was fraudulent,
19 Respondent violated RPC 1.2(d).


20 30. By failing to maintain a check register or equivalent for Respondent's trust account,
21 Respondent violated RPC 1.15B(a)(1).

22 31. By failing to maintain client ledgers, Respondent violated 1.15B(a)(2).
23

32. By failing to properly reconcile the check register to the bank statements and failing to properly reconcile the check register to the combined total of all client ledgers, Respondent violated RPC 1.15A(h)(6).

33. By failing to maintain copies of deposit slips and cancelled checks for Respondent's trust account, Respondent violated RPC 1.15B(a)(7).

DATED this 20th day of September, 2024.


Francisco Rodriguez, Bar No. 22881
Senior Disciplinary Counsel