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FILED

JUL 06 2023

DEPARTMENT OF REAL ESTATE
By B. Nicholas

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

11 In the Matter of the Accusation of)
12 SRPM MANAGEMENT INC.;)
13 and)
14 THERESA ARLENE EDMOUNDSON)
15 OLSON, individually and as designated officer)
16 of SRPM Management Inc.,)
17 Respondents.)

No. H-3486 FR

ACCUSATION

18 The Complainant, RUBEN CORONADO, a Supervising Special Investigator of
19 the State of California, for cause of Accusation against SRPM MANAGEMENT INC. and
20 THERESA ARLENE EDMOUNDSON OLSON (collectively referred to as "Respondents"), is
21 informed and alleges as follows:

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23 The Complainant, RUBEN CORONADO, a Supervising Special Investigator of
24 the State of California, makes this Accusation in his official capacity.

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1 PRELIMINARY ALLEGATIONS

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3 Respondents are presently licensed and/or have license rights under the Real
4 Estate Law, Part 1 of Division 4 of the Business and Professions Code (Code).

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6 At all times mentioned, Respondent SRPM MANAGEMENT INC. (SRPM) was
7 and is licensed by the Department as a real estate broker corporation, License ID 01823868.
8 SRPM was licensed by the Department as a real estate corporation on or about November 13,
9 2007. Unless renewed, SRPM's corporate broker license will expire November 12, 2023.

10 At all times mentioned, SRPM was and is licensed to do business under the
11 fictitious business names, "Elite Real Estate Partners," "Keller Williams Realty," "Keller
12 Williams Realty Bakersfield," "Keller Williams Realty Referral Company," "Mission Escrow a
13 non independent broker escrow," and "Real Estate Proz."

14 At all times mentioned after November 13, 2019, THERESA ARLENE
15 EDMOUNDSON OLSON (OLSON) was licensed by the Department as the designated broker
16 officer of SRPM. As said designated officer-broker, OLSON was responsible pursuant to
17 Section 10159.2 of the Code for the supervision of the activities of the officers, agents, real
18 estate licensees, and employees of SRPM for which a license is required.

19 Effective February 19, 2019, in Case No. H-3180 FR before the Department, the
20 Real Estate Commissioner issued an order suspending the corporate broker license of SRPM for
21 30 days stayed upon terms and conditions, for violation of Sections 10177(h) and 10159.2 of the
22 Business and Professions Code (Code), and Section 2725 of Title 10, Chapter 6, of the California
23 Code of Regulations (Regulations).

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25 At all times mentioned, Respondent OLSON was licensed by the Department
26 individually as a real estate broker, License ID 00903775. OLSON was licensed as a real estate

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1 salesperson on November 22, 1985, and as real estate broker on September 9, 2004. Unless
2 renewed, OLSON's broker license will expire September 8, 2024.

3 OLSON is also licensed by the Department as the designated broker officer of
4 SRPM.

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6 Whenever reference is made in an allegation in this Accusation to an act or
7 omission of SRPM, such allegation shall be deemed to mean that the officers, directors,
8 employees, agents and real estate licensees employed by or associated with SRPM committed
9 such acts or omissions while engaged in furtherance of the business or operation of SRPM and
10 while acting within the course and scope of their corporate authority and employment.

11 AUDIT FR-21-0043

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13 On or about May 5, 2023, the Department completed its audit (FR-21-0043) of the
14 books and records of SRPM's sales and broker escrow activities described in Paragraph 7. The
15 auditor herein examined the records for the period of July 1, 2019, through December 31, 2021.

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17 At all times mentioned, Respondents were engaged in the business of, acted in the
18 capacity of, advertised or assumed to act as a real estate corporation, within the meaning of
19 Section 10131(a) of the Code. Respondents' activities included, but not limited to, broker-
20 controlled escrows through SRPM under the exemption set forth in California Financial Code
21 section 17006(a)(4) for real estate brokers performing escrows incidental to a real estate
22 transaction where the broker is a party and where the broker is performing acts for which a real
23 estate license is required. Respondents' activities also included purchase and sale of real property
24 on behalf of others for compensation or in expectation of compensation.

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26 While acting as a real estate broker as described in Paragraph 7, Respondents
27 maintained the following account to hold and collect trust funds for multiple beneficiaries to

1 hold and/or collect escrow trust funds for its broker escrow activities during the audit period.

TRUST ACCOUNT # 1	
Bank Name and Location:	Nano Bank 7700 Irvine Center Drive, Suite 700 Irvine, CA 92618
Account No.:	XXXXXXX1660
Account Name:	SRPM Management, Inc. DBA Mission Escrow Escrow Trust Account
Purpose:	Trust Account #1 was used for deposits and disbursements in connection with the non-independent escrow activity.

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13 In the course of the broker escrow activities described in Paragraph 7, and during
14 the audit examination period described in Paragraph 6, Respondents violated the Code and
15 Regulations described below:

16 Trust Account Accountability and Balances

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18 (Trust Account #1)

19 Based on the records provided during the audit, a bank reconciliation for Trust
20 Account #1 was prepared for as of November 30, 2021. The adjusted bank balance of Trust
21 Account #1 was compared to the accountability for Trust Account #1.

23 Adjusted Bank Balance	\$20,977.84
24 Accountability	<u>\$25,944.10</u>
25 Trust Fund Shortage	<u>(\$4,966.26)</u>

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1 A shortage of \$4,966.26 was found in Trust Account #1 as of November 30, 2021.
2 The trust fund shortage was caused by negative account balances in five (5) escrow accounts
3 amounting to \$314.11, and unidentified causes of \$4,652.15.

4 Respondents provided no evidence that the owners of the trust funds had given
5 their written consent to allow Respondents to reduce the balance of the funds in Trust Account
6 #1 to an amount less than the existing aggregate trust fund liabilities, in violation of Section
7 10145 of the Code and Section 2832.1 of the Regulations referenced in Paragraph 3.

8 Control Record

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10 Respondents failed to maintain an accurate written control record, for Trust
11 Account #1, of all trust funds received and disbursed, containing all information required by
12 Section 2831 of the Regulations.

13 The Trust Ledger report, provided by Respondents as a control record, did not set
14 forth all deposits and disbursements in chronological order.

15 Commingling

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17 Respondent commingled with its own money or property, the money or property
18 of others which was received or held by Respondent in trust in violation of Section 10176(e) of
19 the Code.

20 Broker fees of \$8,932.00 were not disbursed from Trust Account #1 within
21 twenty-five (25) days as required pursuant to Section 2835 of the Regulations.

22 FAILURE TO SUPERVISE

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24 Respondent OLSON failed to exercise reasonable supervision over the acts of
25 SRPM in such a manner as to allow the acts and events described above to occur.

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1 Administrative Law Judge to direct a licensee found to have committed a violation of this part to
2 pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

3 WHEREFORE, Complainant prays that a hearing be conducted on the allegations
4 of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary
5 action against all licenses and license rights of Respondent under the Code, for the cost of
6 investigation and enforcement as permitted by law, and for such other and further relief as may
7 be proper under the provisions of law.

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RUBEN CORONADO
Supervising Special Investigator

Dated at Fresno, California,
this 19th day of June, 2023

DISCOVERY DEMAND

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