

*Sachs
day*

1 Department of Real Estate
2 320 West 4th Street, Ste. 350
3 Los Angeles, California 90013-1105

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213) 576-6982

FILED

FEB 19 2008

DEPARTMENT OF REAL ESTATE
BY: *Sachs*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

TO:

HOWARD MANAGEMENT GROUP;
and, HOWARD JAMES GREENBERG,
individually and as designated
officer of Howard Management Group.

No. H-34712 LA

ORDER TO DESIST

AND REFRAIN

The Real Estate Commissioner of the State of California ("Commissioner") has caused an investigation to be conducted of your activities, as described herein, and based upon the findings of that investigation, is of the opinion that:

YOU, HOWARD MANAGEMENT GROUP ("HMG"), and YOU, HOWARD JAMES GREENBERG ("GREENBERG"), individually and as designated officer of HOWARD MANAGEMENT GROUP have violated Sections 10130 and 10145 of the California Business and Professions Code ("Code"), and Sections 2831, 2832, 2834 and 2835 of Title 10, Chapter 6, of the California Code of Regulations ("Regulations").

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1.

A. At all times material herein, HMG was originally licensed by the Department of Real Estate of the State of California (hereinafter "Department") as a corporate real estate broker by and through GREENBERG on February 27, 2006, as the designated officer and broker responsible, pursuant to Code Section 10159.2 of the Business and Professions Code for supervising the activities requiring a real estate license conducted on behalf HMG by HMG's officers, agents and employees, including GREENBERG.

B. At all times material herein, GREENBERG was licensed by the Department as a real estate broker.

2.

All further references to "you" include the parties identified in Paragraph 1 above, and also include the officers, directors, employees, agents and real estate licensees employed by or associated with said parties and who at all times herein mentioned were engaged in the furtherance of the business or operations of said parties and who were acting within the course and scope of their authority and employment.

3.

At all times mentioned, in the City of Venice, County of Los Angeles, you, HMG and you, GREENBERG, acted as a real estate brokers performing property management activities pursuant to Code Section 10131(b).

4.

1
2 On January 31, 2007, the Department completed an audit
3 examination of your books and records, HMG, pertaining to your
4 property management activities described in Paragraph 3, that
5 require a real estate license. The audit examination covered a
6 period of time beginning on February 1, 2004 to September 30,
7 2006. The audit examination revealed violations of the Code and
8 Regulations as set forth in the following paragraphs, and more
9 fully discussed in Audit Report LA 050318 and the exhibits and
10 workpapers attached thereto.
11

12 TRUST ACCOUNTS

13 5.

14 At all times mentioned, in connection with the
15 activities described in Paragraph 3, above, you HMB, and you
16 GREENBERG accepted or received funds in trust (trust funds) from
17 or on behalf of tenants, renters and property owners, and
18 thereafter made disposition of such funds. HMB maintained
19 fourteen (14) bank accounts during the audit period into which
20 were deposited certain of these funds at the Pacific Western
21 Bank, Beverly Hills, California, which for the purposes of the
22 audit only the following three trust accounts were examined:
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1 "Howard Management Group Trust Account
2 Account No. 1121049" (depository/rents and security deposits)
3 ("T/A #1)

4 "Howard Management Group Trust Account #3
5 Account No. 1127136" (Gefland Family Trust) ("T/A #2)

6 "Howard Management Group Trust Account
7 Account No. 9218041" (Keith, Patricia and Carl Lambert) ("T/A #3)

8
9 HOWARD MANAGEMENT GROUP

10 VIOLATIONS OF THE REAL ESTATE LAW

11 6.

12 In the course of activities described in Paragraphs 3
13 and 5 above, and during the examination period described in
14 Paragraph 4, you, HMG and you, GREENBERG, acted in violation of
15 the Code and the Regulations in that you:

16 (a) Failed to maintain a complete trust fund receipts
17 journal and a complete trust fund disbursements journal with
18 respect to the funds deposited in the trust account, or other
19 records of the receipt and disposition of trust funds accepted in
20 trust and deposited in said accounts by you as required by Code
21 Section 10145 and Regulation 2831 for T/A #1, T/A #2 and T/A #3.

22 (b) Failed to designate the trust accounts as trust
23 accounts on the signature cards at Pacific Western Bank. T/A #2
24 and T/A #3 were not in the name of the broker as trustee at a
25 bank or other financial institution, nor designated as trust
26 accounts, in violation of Code Section 10145 and Regulation
27

1 2832(a). This violation was corrected on January 25, 2007.

2 (c) Permitted Jenni Greenberg, wife of GREENBERG, and
3 Keith and Patricia Lambert, all non-licensees, who are not
4 bonded, to be authorized signatories on T/A #1 and T/A #2 and T/A
5 #3 respectively, in violation of Code Section 10145 and
6 Regulation 2834. This violation was corrected on September 7,
7 2006.

8 (d) Failed to disburse from T/A #1 broker's management
9 fees totaling \$1,846.87 within twenty-five days of deposit, in
10 violation of Code Section 10145 and Regulation 2835. This
11 violation was corrected on October 30, 2006; and

12 (e) Conducted property management activities prior to
13 obtaining a corporate real estate broker license, in violation of
14 Code Section 10130. HMG conducted licensed activities from
15 February 1, 2004 to February 26, 2006 prior to licensure. HMG
16 was originally licensed on February 27, 2006.

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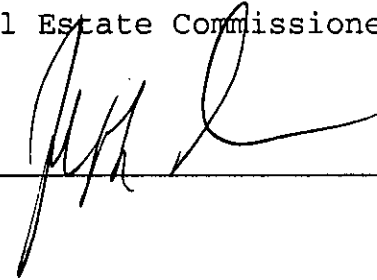
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1 NOW, THEREFORE, YOU, HOWARD MANAGEMENT GROUP, and YOU,
2 HOWARD JAMES GREENBERG, ARE ORDERED TO DESIST AND REFRAIN from
3 performing any and all acts requiring a real estate license in
4 California unless and until you are in compliance with Sections
5 10130 and 10145 of the California Business and Professions Code,
6 and Sections 2831, 2832, 2834 and 2835 of Title 10, Chapter 6, of
7 the California Code of Regulations.

8 DATED 2-4-08.

10 JEFF DAVI
11 Real Estate Commissioner

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24 cc: Howard Management Group
25 c/o Howard James Greenberg D.O.
26 12492 Venice Blvd.
27 Los Angeles, CA 90066