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FILED

AUG - 6 2013

BUREAU OF REAL ESTATE

By _____

BEFORE THE BUREAU OF REAL ESTATE

STATE OF CALIFORNIA

* * *

11	In the Matter of the Accusation of)	No. H-38989 LA
12	MOIST REALTORS INC and LONNI DEE)	<u>A C C U S A T I O N</u>
13	GRANLUND, individually, and as)	
14	designated officer of Moist)	
15	Realtors Inc,)	
	Respondents.)	

16
17 The Complainant, Robin Trujillo, a Deputy Real Estate
18 Commissioner of the State of California, for cause of Accusation
19 against MOIST REALTORS INC and LONNI DEE GRANLUND, individually,
20 and as designated officer of Moist Realtors Inc, alleges as
21 follows:

22 1.

23 The Complainant, Robin Trujillo, acting in her official
24 capacity as a Deputy Real Estate Commissioner of the State of
25 California, makes this Accusation against MOIST REALTORS INC and
26 LONNI DEE GRANLUND.

27 ///

1 2.

2 All references to the "Code" are to the California
3 Business and Professions Code and all references to "Regulations"
4 are to Title 10, Chapter 6, California Code of Regulations.

5 LICENSE HISTORY

6 3.

7 A. At all times mentioned, MOIST REALTORS INC ("MRI")
8 was licensed and/or had license rights issued by the Bureau of
9 Real Estate ("Bureau") as a corporate real estate broker. MRI
10 was originally licensed as a corporate real estate broker on June
11 15, 2006.

12 B. At all times mentioned, LONNI DEE GRANLUND
13 ("GRANLUND") was licensed and/or had license rights issued by the
14 Bureau as a real estate broker. GRANLUND was originally licensed
15 as a real estate broker on October 12, 2005.

16 C. From June 15, 2006, through the present, MRI has
17 been licensed by the Bureau as a corporate real estate broker by
18 and through GRANLUND, as the designated officer and broker
19 responsible, pursuant to Code Section 10159.2 for supervising the
20 activities requiring a real estate license conducted on behalf of
21 MRI, or by MRI's officers, agents and employees.

22 BROKERAGE

23 MOIST REALTORS INC

24 4.

25 At all times mentioned, in the City of Yucaipa, County
26 of San Bernardino, MRI and GRANLUND acted as real estate brokers,
27 conducting licensed activities within the meaning of Code

1 Sections 10131(a) and 10131(b): selling or buying real property
2 for others and leasing or renting real property for others.

3 AUDIT

4 MOIST REALTORS INC

5 5.

6 On November 7, 2012, the Bureau (then the "Department
7 of Real Estate") completed audit examinations of the books and
8 records of MRI pertaining to the activities described in
9 Paragraph 4 which require a real estate license. The audit
10 examinations covered a period of time from January 1, 2010 to
11 August 31, 2012. The audit examinations revealed violations of
12 the Code and the Regulations as set forth in the following
13 paragraphs, and as more fully discussed in Audit Reports LA120062
14 and LA120071 and the exhibits and workpapers attached to said
15 audit reports.

16 VIOLATIONS OF THE REAL ESTATE LAW

17 6.

18 In the course of activities described in Paragraph 4
19 above and during the examination periods described in Paragraph
20 5, Respondents MRI and GRANLUND acted in violation of the Code
21 and the Regulations in that:

22 (a) As of August 31, 2012, MRI had a trust fund
23 shortage of \$13,720.46. The shortage was due to overdrawn
24 property accounts totaling \$435.35, bank charges totaling \$149.75
25 a conversion of trust funds totaling \$10,000 and an unidentified
26 shortage totaling \$3,114.36. There was no evidence that MRI had
27 written consent from the owners of the trust funds to reduce the

1 balance of trust funds to an amount less than the aggregate trust
2 fund liabilities, in violation of Code Section 10145 and
3 Regulation 2832.1.

4 (b) The control record for MRI's trust account was
5 incomplete, in violation of Code Section 10145 and Regulation
6 2831.

7 (c) The separate records maintained for MRI's trust
8 account were inaccurate and/or incomplete, in violation of Code
9 Section 10145 and Regulation 2831.1.

10 (d) MRI did not maintain a monthly reconciliation of
11 all the separate records to the control record for all trust
12 funds received and disbursed in connection with its property
13 management activities, in violation of Code Section 10145 and
14 Regulation 2831.2.

15 (e) The bank signature card for an account used for
16 trust funds was not designated as a trust account. Additionally,
17 some trust funds were initially collected and handled by
18 Propertyware Inc, MRI's software company, in violation of Code
19 Section 10145 and Regulation 2832.

20 (f) MRI used the unlicensed fictitious business name
21 "Moist Realtors" during the audit period, in violation of Code
22 Section 10159.5 and Regulation 2731.

23 7.

24 The conduct of Respondents MRI and GRANLUND, described
25 in Paragraph 6, above, violated the Code and the Regulations as
26 set forth below:

27 ///

1	<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
2	6(a)	Code Section 10145 and Regulation
3		2832.1
4	6(b)	Code Section 10145 and Regulation
5		2831
6	6(c)	Code Section 10145 and Regulation
7		2831.1
8	6(d)	Code Section 10145 and Regulation
9		2831.2
10	6(e)	Code Section 10145 and Regulation
11		2832
12	6(f)	Code Section 10159.5 and Regulation
13		2731

14 The foregoing violations constitute cause for the
15 suspension or revocation of the real estate license and license
16 rights of MRI and GRANLUND, under the provisions of Code Sections
17 10177(d) and/or 10177(g).

18 SUPERVISION AND COMPLIANCE

19 8.


20 The overall conduct of Respondent GRANLUND constituted
21 a failure on her part, as an officer designated by a corporate
22 broker licensee, to exercise reasonable supervision and control
23 over the licensed activities of MRI as required by Code Section
24 10159.2, and to keep MRI in compliance with the Real Estate Law,
25 and is cause for the suspension or revocation of the real estate
26 license and license rights of GRANLUND pursuant to the provisions
27 of Code Sections 10177(d), 10177(g) and 10177(h).

Code Section 10106, provides, in pertinent part, that in any order issued in resolution of a disciplinary proceeding before the Bureau, the Commissioner may request the administrative law judge to direct a licensee found to have committed a violation of this part to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action against all licenses and license rights of Respondents MOIST REALTORS INC and LONNI DEE GRANLUND, individually and as designated officer of Moist Realtors Inc, under the Real Estate Law, that Complainant be awarded its costs of investigation and prosecution of this case, and for such other and further relief as may be proper under the provisions of law.

Dated at Los Angeles, California

this 1 day of August, 2013


Robin Trujillo
Deputy Real Estate Commissioner

cc: MOIST REALTORS INC
LONNI DEE GRANLUND
Robin Trujillo
Sacto
Audits