

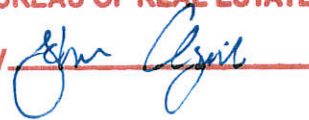
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FILED

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BUREAU OF REAL ESTATE

By



8 BEFORE THE BUREAU OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation against) CALBRE NO. H-40139 LA
)
12 WILLIAM CHRISTIAN AMACKER and) A C C U S A T I O N
CHRISTOPHER MICHAEL BROWN,)
)
13 Respondents.)
14 _____)

15
16 The Complainant, Veronica Kilpatrick, a Supervising Special Investigator for the Bureau
17 of Real Estate ("Bureau") of the State of California, for cause of Accusation against WILLIAM
18 CHRISTIAN AMACKER aka Christian Amacker and CHRISTOPHER MICHAEL BROWN
19 (collectively "Respondents"), is informed and alleges as follows:

20 1.

21 The Complainant, Veronica Kilpatrick, a Supervising Special Investigator for the Bureau,
22 makes this Accusation in her official capacity.

23 2.

24 Respondents are presently licensed and/or have license rights under the Real Estate Law

3
1 (Part 1 of Division 4 of the California Business and Professions Code).

2 3.

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

5 4.

6 From January 25, 2008, through the present, Respondent WILLIAM CHRISTIAN
7 AMACKER ("AMACKER") has been licensed by the Bureau as a real estate broker, License ID
8 01395856. Respondent AMACKER was licensed as a real estate salesperson from
9 November 24, 2003 through November 23, 2007. Respondent AMACKER has been licensed to
10 do business as "Beeline Realty and Property Management" since February 4, 2011.

11 5.

12 Beeline Realty and Property Management, Inc. is a California corporation formed on or
13 about April 1, 2009. Respondent is the sole officer and director for Beeline Realty and Property
14 Management, Inc.

15 6.

16 From November 9, 2005, through the present, Respondent CHRISTOPHER MICHAEL
17 BROWN ("BROWN") has been licensed by the Bureau as a real estate salesperson, License ID
18 01717793. From May 17, 2009 through May 29, 2015, Respondent BROWN was licensed under
19 the employment of Respondent AMACKER.

20 7.

21 April Dawn Graham has never been licensed in any capacity by the Bureau.

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1 First Cause of Accusation

2 Audit LA 140168

3 8.

4 On or about August 25, 2015, the Bureau completed an audit examination of the books
5 and records of Respondent AMACKER's real estate activities which require a real estate license
6 pursuant to Code section 10131. The audit examination covered a period of time beginning on
7 April 1, 2014, to March 31, 2015. The audit examination revealed violations of the Code and the
8 Regulations as set forth in the following paragraphs, and more fully discussed in Audit Report
9 LA 140168 and the exhibits and work papers attached to said audit report.

10 9.

11 During the audit period, Respondent AMACKER alleged to have managed 444 properties
12 for 380 property owners and collected approximately 9.3 million in trust funds annually for the
13 property management activity. Respondent AMACKER claimed to have maintained eight (8)
14 bank accounts for the handling of the receipts and disbursements of property management
15 activities for the audit period as follows:

16 Bank Account 1 (B/A 1)

17 Bank: Wells Fargo Bank

18 Account Name: Beeline Realty and Property Management Inc.

19 Account #: XXXXX2023

20 Signatories: Respondent AMACKER and April Dawn Graham (non-licensee)

21 # of signatures required: 1

22 Description: B/A 1 was used for multiple beneficiaries to maintain receipts and
23 disbursements of trust funds (rents) in connection with Respondent AMACKER's
24

property management activities. B/A 1 was closed on January 21, 2015 due to fraudulent activity and replaced by B/A 2.

Bank Account 2 (B/A 2)

Bank: Wells Fargo Bank

Account Name: Beeline Realty and Property Management Inc.

Account #: XXXXX6717

Signatories: Respondent AMACKER and April Dawn Graham

of signatures required: 1

Description: B/A 2 was used for multiple beneficiaries to maintain receipts and disbursements of trust funds (rents) in connection with Respondent AMACKER's property management activities. B/A 2 was opened on January 21, 2015.

Bank Account 3 (B/A 3)

Bank: Wells Fargo Bank

Account Name: Beeline Realty and Property Management Inc.

Account #: XXXXX1272

Signatories: Respondent AMACKER and April Dawn Graham

of signatures required: 1

Description: B/A 3 was used for multiple beneficiaries to maintain receipts and disbursements of trust funds (rents and security deposits) in connection with Respondent AMACKER's property management activities. B/A 3 was also maintained for general business activity.

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1 Bank Account 4 (B/A 4)

2 Bank: Wells Fargo Bank

3 Account Name: Beeline Realty and Property Management Inc.

4 Account #: XXXXX1777

5 Signatories: Respondent AMACKER and April Dawn Graham

6 # of signatures required: 1

7 Description: B/A 4 was used for multiple beneficiaries to maintain receipts and
8 disbursements of trust funds (rents) in connection with Respondent AMACKER's
9 property management activities. B/A 4 was also maintained for general business activity.

10 Bank Account 5 (B/A 5)

11 Bank: Wells Fargo Bank

12 Account Name: Beeline Realty and Property Management Inc.

13 Account #: XXXXX4186

14 Signatories: Respondent AMACKER

15 # of signatures required: 1

16 Description: B/A 5 was inactive during the audit period. B/A 5 had \$25,000 in security
17 deposit funds for multiple beneficiaries in connection with Respondent AMACKER's
18 property management activities.

19 Bank Account 6 (B/A 6)

20 Bank: Wells Fargo Bank

21 Account Name: Beeline Realty and Property Management Inc.

22 Account #: XXXXX4194

23 Signatories: Respondent AMACKER

24 # of signatures required: 1

1 Description: B/A 6 was inactive during the audit period. B/A 6 had \$25,000 in security
2 deposit funds for multiple beneficiaries in connection with Respondent AMACKER's
3 property management activities.

4 Bank Account 7 (B/A 7)

5 Bank: California Bank & Trust

6 Account Name: Beeline Realty and Property Management Inc.

7 Account #: XXXXX2471

8 Signatories: Respondent AMACKER

9 # of signatures required: 1

10 Description: B/A 7 was used for multiple beneficiaries to maintain receipts and
11 disbursements of trust funds (security deposits) in connection with Respondent
12 AMACKER's property management activities.

13 Bank Account 8 (B/A 8)

14 Bank: California Bank & Trust

15 Account Name: Beeline Realty and Property Management Inc.

16 Account #: XXXXX2391

17 Signatories: Respondent AMACKER

18 # of signatures required: 1

19 Description: B/A 8 was used for multiple beneficiaries to maintain receipts and
20 disbursements of trust funds (security deposits) in connection with Respondent
21 AMACKER's property management activities.

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Violations

10.

In the course of its property management activities during the examination period described in Paragraph 8, Respondent AMACKER acted in violation of the Code and the Regulations as follows:

a. Issue 1(a). Code section 10145 and Regulation 2832.1. Trust fund handling for multiple beneficiaries

As of March 31, 2015, there was a combined shortage of <\$534,231.59> in B/A 2 through B/A 8, in violation of Code section 10145 and Regulation 2832.1. The shortage was due to conversion of trust funds totaling <\$161,866.62>, bank service charges totaling <\$1,451.73>, and an unidentified shortage totaling <\$370,913.24>.

b. Issue 1(b). Code Section 10145 and Regulation 2832.1. Trust fund handling for multiple beneficiaries

As of April 30, 2014, there was a combined shortage of <\$523,691.41> in B/A 1 and B/A 3 through B/A 8 in violation of Code section 10145 and Regulation 2832.1. The shortage was due to conversion of trust funds totaling <\$71,464.48>, bank service charges totaling <\$399.49>, and an unidentified shortage totaling <\$451,827.44>.

c. Issue 3.¹ Code Section 10145 and Regulation 2831. Trust fund records to be maintained

Respondent AMACKER failed to maintain control records for B/A 1 through B/A, 8 in violation of Code section 10145 and Regulation 2381.

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¹ Issue 2 was intentionally skipped.

d. Issue 4. Code section 10145 and Regulation 2831.1. Separate records for each beneficiary or transaction

Respondent AMACKER failed to maintain separate records for each beneficiary or transaction for B/A 1 through B/A 8, in violation of Code section 10145 and Regulation 2831.1.

e. Issue 5. Code section 10145 and Regulation 2831.2. Trust account reconciliation

During the audit period, Respondent AMACKER failed to perform and maintain an accurate monthly reconciliation comparing the balance of all separate beneficiary or transaction records (separate records) to the balance of all trust funds received and disbursed (control record) for B/A 1 through B/A 8, as required. Said acts, conduct or omissions are in violation of Code section 10145 and Regulation 2831.2.

f. Issue 6. Code section 10145 and Regulation 2832. Trust Fund handling

According to the bank signature cards for B/A 1 through B/A 8, which were used for handling trust funds, the bank accounts were not set up in the name of Respondent AMACKER or Respondent AMACKER's licensed fictitious business name "Beeline Realty and Property Management" as trustee. B/A 1 through B/A 8 were in the name of "Beeline Realty and Property Management Inc.," in violation of Code section 10145 and Regulation 2832.

g. Issue 7. Code section 10145 and Regulation 2834. Trust account withdrawals

Based on bank account signature cards for B/A 1 through B/A 4, Respondent AMACKER allowed April Dawn Graham (an unlicensed person) to be a signer on the bank accounts without fidelity bond coverage, in violation of Code section 10145 and Regulation 2834.

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h. Issue 8. Code sections 10145 and 10176(e). Commingling/Handling of Trust Funds

Respondent AMACKER commingled trust funds with Respondent AMACKER's general funds by transferring funds between B/A 1, B/A 2, and B/A 3. Examples of the transferred funds include, without limitation, as follows:

Transfers from B/A 1 to B/A 3:

<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
6/03/2014	\$10,000	7/01/2014	\$10,000
7/30/2014	\$5,000	8/18/2014	\$5,100
8/19/2014	\$10,000	8/29/2014	\$10,000
10/29/2014	\$6,000	11/04/2014	\$20,000
11/14/2014	\$10,000	11/19/2014	\$5,000

Transfers from B/A 2 to B/A 3:

<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
02/10/2015	\$45,000	02/23/2015	\$10,000
02/26/2015	\$9,500	03/24/2015	\$5,000

Transfers from B/A 3 to B/A 1:

<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
4/14/2014	\$50,000	5/12/2014	\$55,000
5/20/2014	\$30,000	6/10/2014	\$44,500
7/09/2014	\$50,000	7/21/2014	\$25,000
9/19/2014	\$25,000	9/22/2014	\$10,000
12/16/2014	\$45,000	12/18/2014	\$20,000
01/12/2015	\$100,000	1/12/2015	\$100,000

Transfers from B/A 3 to B/A 2:

<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
02/09/2015	\$100,000	3/10/2015	\$65,000
3/10/2015	\$10,000	3/13/2015	\$20,000
3/18/2015	\$20,000	3/18/2015	\$3,000

Respondent AMACKER also deposited trust funds (security deposits) into B/A 4; B/A 4 was used for Respondent AMACKER's general business activity. Examples of the deposited trust funds include, without limitation, as follows:

<u>Date of Deposit</u>	<u>Amount</u>	<u>Date of Deposit</u>	<u>Amount</u>
6/18/2014	\$500.00	7/08/2014	\$3,345.00
8/21/2014	\$500.00	10/01/2014	\$1,500.00
02/06/2015	\$500.00		

Furthermore, Respondent AMACKER deposited trust funds from B/A 7 to B/A 3; B/A 3 was used for Respondent AMACKER's general business activity. Examples of the deposited trust funds include, without limitation, as follows:

<u>Date of Deposit</u>	<u>Amount</u>	<u>Check No. Cleared B/A 7</u>
11/19/2014	\$20,000	1731
11/21/2014	\$30,000	1733

Said acts, conduct or omissions are in violation of Code sections 10145 and 10176(e).

i. Issue 9. Code sections 10145, 10176(i) or 10177(j). Conversion of trust funds/Unauthorized Disbursements/Handling of Trust Funds

Respondent AMACKER used B/A 3 and B/A 4 to pay for his personal and financial obligations against the management fees earned/collected. Respondent AMACKER converted trust funds totaling \$161,866.62 from B/A 1, B/A 3 and B/A 4 as of March 31, 2015, and totaling

1 \$71,464.48 from B/A 3 and B/A 4 as of April 30, 2014. Said acts, conduct or omissions are in
2 violation of Code sections 10145 and 10176(i) or 10177(j).

3 j. Issue 10. Code sections 10164 and 10165. Appointment of branch or division
4 managers

5 According to Respondent AMACKER, as of January 1, 2014, Respondent AMACKER
6 appointed Respondent BROWN as a division manager of Beeline Realty and Property
7 Management. Respondent AMACKER delegated the responsibility to oversee day-to-day
8 operations, supervise the licensed activities of licensees, and supervise the clerical staff to
9 Respondent BROWN. Respondents failed to notify the Bureau of this appointment or provide a
10 copy of the office management agreement to the Bureau, in violation of Code sections 10164 and
11 10165.

12 k. Issue 11. Code section 10159.5 and Regulation 2731. Use of unlicensed fictitious
13 name

14 During the audit period, Respondent AMACKER used the unlicensed fictitious
15 business name "Beeline Realty and Property Management, Inc." in connection with property
16 management activities, in violation of Code section 10159.5 and Regulation 2731.

17 l. Issue 12. Code Sections 10159.2, 10165, 10177(h), and Regulation 2725.

18 Responsibility of Corporate Officer in Charge/Broker Supervision

19 Based on the Bureau's audit findings, Respondent AMACKER failed to exercise
20 reasonable supervision and control over his corporation's property management activities to
21 secure full compliance with the Real Estate Law, in violation of Code Sections 10159.2, 10165,
22 10177(h), and Regulation 2725.

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11.

The violations noted above in Paragraph 10 constitute cause for the suspension or revocation of the real estate license and license rights of Respondent AMACKER under the provisions of Code Sections 10177(d), 10177(h), 10176(e), 10176(i), 10177(j), and/or 10177(g).

12.

The violations noted above in Paragraph 10j constitute cause for the suspension or revocation of the real estate license and license rights of Respondent BROWN under the provisions of Code Sections 10165, 10177(d) and/or 10177(g).

Second Cause of Accusation

Fraud/Theft/Dishonest Dealing

13.

There is hereby incorporated in this Second, separate and distinct Cause of Accusation, all of the allegations contained in Paragraphs 1 through 12, with the same force and effect as if herein fully set forth.

14.

The Bureau has received approximately 15 complaints from consumers concerning Respondent AMACKER's property management activities, while doing business as Beeline Realty and Property Management ("Beeline"). On or about June 30, 2015, Respondent AMACKER notified Beeline's clients that Beeline was closing its doors. Respondent AMACKER failed to return some or all of the trust funds (consisting of security deposits, rent payments, or both) belonging to property owners for several properties including, but not limited to, the following properties: 74179 Pete Place, Palm Desert, California; 21024 Canyon Ridge Drive, Lake Elsinore, California; 44715 La Paz Rd. #C, Temecula, California; 11512 Bridge Bay Dr., Riverside, California, 13575 Jasper Loop, Eastvale, California; 26043 Bancroft St., Loma

1 Linda, California; 932 Oak Glen Lane, Colton, California; 24131 Five Tribes, Murrieta,
2 California; 34003 Winterberry Lane, Lake Elsinore, California; 40468 Charleston St., Temecula,
3 California; 5124 Willow Springs Dr., Yucaipa, California; and 7475 Valley Meadow, Eastvale,
4 California.

5 15.

6 In a letter dated June 30, 2015, Respondent AMACKER informed Beeline's clients that
7 Beeline was missing approximately \$1030 for each property. Respondent AMACKER had
8 informed the Bureau's auditor that Beeline managed 444 properties. The amount of \$1,030 for
9 444 properties is \$457,320. As of March 31, 2015, there was a combined shortage of
10 <\$534,231.59> in Respondent's bank accounts B/A 2 through B/A 8 used for Beeline's property
11 management services. Respondent AMACKER's letter to Beeline clients also stated that
12 Beeline had negotiated a deal with Access Property Management (License ID 01870371) which
13 would give Beeline clients a \$600 cash sign-on bonus and four months of free property
14 management services in order to induce clients to sign a one-year property management
15 agreement with Access Property Management. Respondent AMACKER filed for bankruptcy. In
16 or around August of 2015, AMACKER listed Beeline's clients as creditors whose claims should
17 be discharged.

18 16.

19 The conduct, acts and/or omissions of Respondent AMACKER as described in
20 Paragraphs 14 and 15, above, constitute cause for the suspension or revocation of all real estate
21 licenses and license rights of Respondent AMACKER under the provisions of Code sections
22 10176(i) or 10177(j).

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17.

Code Section 10106 provides, in pertinent part, that in any order issued in resolution of a disciplinary proceeding before the Bureau of Real Estate, 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.

18.

Code Section 10148(b) provides, in pertinent part, that the Commissioner shall charge a real estate broker for the cost of any audit, if the Commissioner has found in a final decision following a disciplinary hearing that the broker has violated Code section 10145 or a regulation or rule of the Commissioner interpreting said section.

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/or license rights of Respondents WILLIAM CHRISTIAN AMACKER aka Christian Amacker and CHRISTOPHER MICHAEL BROWN under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code), for the cost of investigation and enforcement as permitted by law, and for such other and further relief as may be proper under other provisions of law.

Dated at San Diego, California this 12th day of January, 2016.


VERONICA KILPATRICK
Supervising Special Investigator

cc: William Christian Amacker
Christopher Michael Brown
Gene Marvin Foley
Veronica Kilpatrick
Audits-Zaky Wanis
Sacto.