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FILED
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DEPT. OF REAL ESTATE
Cal DeLano

9 BEFORE THE DEPARTMENT OF REAL ESTATE
10 STATE OF CALIFORNIA

11 * * *

12 In the Matter of the Accusation of) DRE No. H41709 LA
13)
14 DYNASTY R.E. INC, doing business as Clear)
15 View Escrow Services A Non-Independent)
16 Broker Escrow, and Dynasty Real Estate;)
17 CHRISTIAN MUNIVE, individually and,)
18 as designated officer of Dynasty R.E. Inc,) ACCUSATION
19 Respondents.)
20)
21)
22)

23 The Complainant, Veronica Kilpatrick, a Supervising Special Investigator of the
24 State of California, for cause of Accusation against DYNASTY R.E. INC, doing business as
25 Clear View Escrow Services A Non-Independent Broker Escrow and Dynasty Real Estate, and
26 CHRISTIAN MUNIVE, individually and as designated officer of Dynasty R.E. Inc,
27 (sometimes collectively referred to as "Respondents") alleges as follows:

1.

The Complainant, Veronica Kilpatrick, a Supervising Special Investigator of the
State of California, makes this Accusation in her official capacity.

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2.

All references to the "Code" are to the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code and all references to "Regulations" are to Title 10, Chapter 6 of the California Code of Regulations.

LICENSE HISTORY

(DYNASTY R.E. INC)

3.

a. Respondent DYNASTY R.E. INC ("DREI") is presently licensed and/or has license rights under the Code as a corporate real estate broker, Department of Real Estate ("Department") license ID 01523278.

b. Respondent DREI's corporate real estate license was originally issued on March 21, 2006, and is scheduled to expire on April 7, 2024, unless renewed.

c. According to the Department's records to date, Respondent DREI's main office address is 3998 Inland Empire Boulevard, Suite 300, Ontario, California.

d. Respondent DREI's designated officer is CHRISTIAN MUNIVE ("MUNIVE").

e. According to the Department's records to date, Respondent DREI currently maintains the fictitious business names "Clear View Escrow Services A Non-Independent Broker Escrow" and "Dynasty Real Estate" under its corporate real estate license.

(CHRISTIAN MUNIVE)

4.

a. Respondent MUNIVE is presently licensed and/or has license rights under the Code as a real estate broker, Department license ID 01308832.

b. Respondent MUNIVE's individual broker license was originally issued on September 26, 2007, and is scheduled to expire on September 25, 2023, unless renewed.

c. Respondent MUNIVE currently holds a Mortgage Loan Originator license endorsement with the Department, NMLS unique identifier 326514.

1 d. Respondent MUNIVE is the designated officer for Respondent DREI. His
2 designation is scheduled to expire on April 7, 2024, unless renewed. As designated officer,
3 Respondent DREI is responsible for the supervision of the activities conducted on behalf of
4 Respondent DREI by its officers, agents, real estate licensees, and employees pursuant to
5 Section 10159.2 of the Code.

6 e. Respondent MUNIVE is also the designated officer for M Power Mortgage
7 Inc, Department license ID 01846362.

8 REAL ESTATE ACTIVITY

9 5.

10 At all times relevant herein Respondent DREI, doing business as Clear View
11 Escrow Services A Non-Independent Broker Escrow and Dynasty Real Estate was engaged in
12 the business of, acted in the capacity of, advertised or assumed to act as a real estate broker,
13 within the meaning of Code section 10131(a) by selling or offering to sell, buying or offering to
14 buy, soliciting prospective sellers or purchasers of, soliciting or obtaining listings of, or
15 negotiating the purchase, sale or exchange of real property or a business opportunity ("real
16 estate sales"). DREI engaged in broker escrow services in the course of or incidental to real
17 estate sales transactions in which DREI was performing acts for which a real estate license is
18 required.

19 CAUSE FOR ACCUSATION

20 6.

21 (LEMON GROVE TRANSACTION)

22 On or about June 22, 2018, the Department received a complaint from a buyer,
23 E.Z.¹, concerning the purchase of the real property located at 1450 Lemon Grove Drive in
24 Upland, California ("Lemon Grove property"). Real estate licensee Mary Carmen Debroy
25 (salesperson license ID 01971304), on behalf of DREI, was the listing agent for the Lemon
26

27 ¹ Initials are used in place of individual's full name to protect their privacy.

1 Grove property. As described in the Residential Purchase Agreement dated May 6, 2018, E.Z.
2 made an "all cash" offer with an earnest money deposit of \$5,000 to be held in escrow by
3 DREI, doing business as Clear View Escrow Services A Non-Independent Broker Escrow.
4 According to E.Z., Mrs. Debroy suggested using Clear View Escrow Service as the escrow
5 holder for the transaction.

6 7.

7 Escrow closed on the Lemon Grove property on May 29, 2018. In the
8 Buyer/Borrower Final Statement dated May 30, 2018, DREI, doing business as Clear View
9 Escrow Services A Non-Independent Broker Escrow, charged E.Z. a "loan tie-in fee" of
10 \$250.00. No mortgage financing was involved in the purchase since E.Z. purchased the Lemon
11 Grove property in cash, and therefore, the loan tie-in fee of \$250.00 was an overcharge. On or
12 about June 1, 2018, E.Z. made several attempts to inquire about and demand a refund of the
13 loan tie-in fee. When DREI failed to respond to, E.Z. filed a complaint with the Department.

14 (AUDIT NO. LA180051 – BROKER ESCROW)

15 8.

16 On or about June 27, 2019, the Department completed an audit examination
17 (Audit No. LA180051) of the books and records of DREI pertaining to its broker escrow
18 activities described in Paragraph 5 above. The audit examination covered the period of time
19 from January 1, 2017, to November 30, 2018 ("audit period"). The audit examination was
20 limited to DREI's broker escrow activity only. The audit examination revealed violations of the
21 Code and the Regulations as set forth in the following paragraphs, and more fully discussed in
22 Audit Report No. LA180051 and the exhibits and work papers attached to said audit report.

23 9.

24 An entrance conference was held on January 2, 2019, at DREI's main office
25 location. The auditor met with MUNIVE, who was the primary person who provided records
26 for the examination. According to MUNIVE and the records examined, DREI closed
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1 approximately three hundred and thirty-four (334) broker escrow transactions during the audit
2 period.

3 10.

4 At all times mentioned herein, and in connection with the broker escrow
5 activities described in Paragraph 5 above, DREI accepted or received funds, including funds in
6 trust ("trust funds") from or on behalf of actual or prospective parties to transactions handled
7 by DREI, and thereafter made deposits and/or disbursements of such funds. DREI maintained
8 one (1) bank account ("BA 1") to handle trust funds in connection with its broker escrow
9 activities during the audit period. DREI also maintained one (1) general account ("GA 1") with
10 Union Bank, account number xxxx0943. From time-to-time during the audit period, said trust
11 funds were deposited and/or maintained in the following bank account:

12 Bank Account ("BA 1")

13 Bank: Union Bank
14 Account Name: Dynasty R.E. Inc DBA Clear View Escrow Services
15 Account Number: xxxxxx0714
16 Signatories: Christian Munive, Blanca Munive
17 Signatures required: one
18 Purpose: BA 1 was maintained for handling trust fund receipts and disbursements
19 in connection with DREI's broker escrow activities during the audit period.

20 Violations of the Real Estate Law

21 11.

22 The audit examination revealed violations of the Code and the Regulations, as
23 set forth in the following paragraphs, and more fully discussed in Audit Report No. LA180051
24 and the exhibits and work papers attached to the audit report:

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1 (a) **Trust Fund Handling for Multiple Beneficiaries/When Broker Handles**
2 **Escrow (Code section 10145 and Regulations sections 2832.1, 2950(g), 2951).** As of
3 November 30, 2018, BA 1 had, at a minimum, a shortage of \$47,006.25. The shortage was
4 caused by, at a minimum, negative escrow balances of \$16,289.48, bank charges of \$2,835.08,
5 unauthorized disbursements of \$20,848.35, and unidentified cause(s) of \$7,033.34.

6 DREI provided no evidence that the owners of the trust funds had given DREI
7 written consent to allow DREI to reduce the balance of the funds in BA 1 to an amount less
8 than the existing aggregate trust fund liabilities.

9 (b) **Secret Profits/Undisclosed Compensation (Code section 10176(g)).** Based
10 on an examination of the records provided on the Lemon Grove transaction, DREI charged the
11 buyer a loan tie-in fee of \$250,000 when there was no loan involved in the sale.

12 (c) **Trust Fund Records to Be Maintained/When Broker Handles Escrow**
13 **(Code section 10145 and Regulations sections 2831, 2950(d), 2951).** The Department auditor
14 prepared a bank reconciliation as of November 30, 2018, for BA 1. The adjusted bank balance
15 was compared to the total balance of separate records. According to the bank records provided
16 by DREI, DREI's control record and separate records were inaccurate and incomplete. Some
17 separate records trust fund deposits and disbursements were not recorded on BA 1's control
18 record and separate records, which resulted in an inaccurate daily balance.

19 (d) **Unauthorized Disbursements/When Broker Handles Escrow (Code**
20 **sections 10145 and 10176(i) and Regulations section 2950(g)).** Based on an examination of
21 BA 1's bank statements for the audit period, unauthorized disbursements of \$20,848.35 were
22 caused by DREI disbursing trust funds of \$20,000.00 described as "transfer to account
23 xxxxxx0943" from BA 1 to GA 1, without the written instructions from the parties in escrow,
24 on August 9, 2018, and, according to MUNIVE's explanation, fraudulent disbursements of
25 \$848.35. During the audit, MUNIVE stated that the following were fraudulent activities in BA
26 1 in 2017 and 2018 totaling \$848.35:

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<u>Date</u>	<u>Check No.</u>	<u>Description</u>	<u>Payee</u>	<u>Amount</u>
2/6/2017	Wire Transfer		KB Jack restaurant	\$48.50
10/20/2017	13482	Payment	Wal-Mart	\$105.12
10/31/2017	13493	Forged signature/pre-authorization	Kohls	\$132.72
6/13/2018	13779	Forged signature	Pep Boys	\$226.77
6/14/2018	13784	Pre-authorization	Home Depot	\$50.00
6/14/2018	13785	Pre-authorization	Home Depot	\$47.75
6/14/2018	13786	Pre-authorization	Home Depot	\$49.13
6/28/2018	13787	Forged signature	Ross-Clothing	\$110.36

(e) **Separate Records for Each Beneficiary/When Broker Handles Escrow (Code section 10145 and Regulations sections 2831.1, 2950(d), 2951)**. DREI did not maintain an accurate separate record for each escrow transaction for BA 1 during the audit period. Some of the trust funds date of deposit, amount of deposit and disbursements were inaccurately recorded and/or not recorded in BA 1's separate records. Separate records did not reflect an accurate balance after posting the transaction on any date.

(f) **Trust Account Designation/When Broker Handles Escrow (Code section 10145 and Regulations sections 2832 and 2951)**. Based on BA 1's bank signature card dated November 2, 2015, BA 1 was not designated as a trust account or in the name of Dynasty R.E. Inc. or its licensed fictitious business names as trustee.

(g) **Financial Interest/When Broker Handles Escrow (Regulations section 2950(h))**. DREI failed to advise all parties in writing that DREI and MUNIVE have interest as an officer, owner, and/or stockholder of Clearview Escrow Services A Non-Independent Broker Escrow.

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(INVESTIGATION AND ENFORCEMENT COSTS)

14.

Section 10106 of the Code, provides, in pertinent part, that in any order issued in resolution of a disciplinary proceeding before the Department, 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 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 the licenses and/or license rights of Respondents DYNASTY R.E. INC, doing business as Clear View Escrow Services A Non-Independent Broker Escrow and Dynasty Real Estate and CHRISTIAN MUNIVE, individually and as designated officer of Dynasty R.E. Inc, under the Real Estate Law, for the costs of investigation and enforcement as permitted by law, for the costs of the audit, and for such other and further relief as may be proper under other applicable provisions of law.

Dated at San Diego, California this 11 day of June, 2020.


Veronica Kilpatrick
Supervising Special Investigator

cc: DYNASTY R.E. INC
CHRISTIAN MUNIVE
Veronica Kilpatrick
Sacto.
Audits – David Quek