

**FILED**

**JUL 28 2020**

**DEPT. OF REAL ESTATE**

*By @Delow*

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9 BEFORE THE DEPARTMENT OF REAL ESTATE  
10 STATE OF CALIFORNIA

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12 In the Matter of the Accusation against

DRE No. H-41742 LA

13 MAK KEY INVESTMENTS and  
KENDRA LEE HANVY, individually and as  
14 designated officer for Mak Key Investments,

ACCUSATION

15 Respondents.

16 The Complainant, Veronica Kilpatrick, a Supervising Special Investigator for the  
17 Department of Real Estate<sup>1</sup> ("Department") of the State of California, for cause of Accusation  
18 against MAK KEY INVESTMENTS ("MKI") and KENDRA LEE HANVY ("HANVY"),  
19 individually and as designated officer for Mak Key Investments (collectively "Respondents"),  
20 alleges as follows:

21 1. The Complainant, Veronica Kilpatrick, acting in her official capacity as a  
22 Supervising Special Investigator, makes this Accusation against Respondents.

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24 <sup>1</sup> Between July 1, 2013 and July 1, 2018, the Department of Real Estate operated as the Bureau of Real Estate under the Department of Consumer Affairs.

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

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

7           4.       On January 14, 2019, the Department issued a real estate corporation license to  
8 Respondent MKI, License ID 02083825. Respondent MKI’s license is scheduled to expire on  
9 January 13, 2023. Respondent has renewal rights pursuant to Code section 10201. The  
10 Department retains jurisdiction pursuant to Code section 10103.

11          5.       On August 25, 2018, the Department issued a real estate broker license to  
12 Respondent HANVY, License ID 01971665. Respondent HANVY’s broker license is scheduled  
13 to expire on August 24, 2022. Respondent has renewal rights pursuant to Code section 10201.  
14 The Department retains jurisdiction pursuant to Code section 10103.

15          6.       Respondent HANVY was formerly licensed as a real estate salesperson from  
16 August 6, 2015 through August 24, 2018.

17          7.       At all times relevant herein, MKI was licensed as a real estate corporation, by  
18 and through Respondent HANVY as designated officer of Respondent MKI to qualify said  
19 corporation and to act for said corporation as a real estate broker.

20          8.       At all times relevant herein, Respondent HANVY has been licensed as the  
21 designated officer for Respondent MKI, pursuant to section 10211 of the Code. As said  
22 designated officer, Respondent HANVY was at all times mentioned herein responsible pursuant  
23 to Section 10159.2 of the Code for the supervision of the activities of the officers, agents, real  
24 estate licensees, and employees of Respondent MKI for which a license is required.



1 prospective tenants, negotiated short-term and long-term rentals, and collected rents from tenants  
2 for the Avenida Alvarado property for R.S.

3 14. Respondent HANVY negotiated the rental of the Avenida Alvarado property to  
4 tenants K.L. and B.L. for a ninety (90) day period from January 1, 2020 to March 31, 2020. The  
5 tenants were acquaintances of Respondent HANVY.

6 15. Respondent HANVY failed to timely provide a copy of the rental agreement to  
7 the property owner.

8 16. The total cost of the rental was \$10,824.00, which was due prior to the tenants'  
9 occupying the property. The tenants paid the total rental cost of \$10,824.00 through the  
10 following payments: 1) \$3,608.00 on May 8, 2019, 2) \$3,000.00 on May 10, 2019, and 3)  
11 \$4,216.00 on May 13, 2019. The tenants occupied the property from December 30, 2019 through  
12 March 30, 2020.

13 17. Respondent HANVY failed to properly handle and maintain trust funds belonging  
14 to the property owner. Respondent HANVY failed to deposit or retain any trust funds in a trust  
15 account for the property owner.

16 18. Respondent HANVY failed to timely forward the tenants' rental payments to the  
17 property owner despite repeated requests. Respondent made the following partial payments to  
18 the property owner: \$2,000.00 on approximately January 15, 2020; \$1,500.00 on February 21,  
19 2020; and \$500.00 on February 26, 2020.

20 19. Respondent claimed that "the company she worked for" had not paid her, despite  
21 the fact that Respondent owns and operates KVP.

22 20. As of May, 2020, Respondent HANVY still owed approximately \$4,136.00 to the  
23 property owner for the three-month rental. Respondent failed to appear for an inspection after  
24

1 the tenants vacated the Avenida Alvarado property. Respondent stopped communicating with the  
2 property owner and failed to pay the trust funds owed to the property owner.

3 Broker Office Survey

4 21. On February 12, 2020, the Department conducted a broker office survey of  
5 Respondents' property management activities. The violations listed below were found as a result  
6 of the broker office survey.

7 22. The broker office survey was held at the location that Respondent HANVY  
8 claimed that was used as Respondents' main office. The location was HANVY's personal  
9 residence. In violation of Code sections 10162, 10163, and Regulation 2715, the main office  
10 location used by Respondents was not listed with the Department as Respondents' main office or  
11 a branch office. Respondents' main address listed with the Department was a postal box.

12 23. Respondents used the unlicensed fictitious business name, KVP, to conduct  
13 activities which require a real estate broker license, in violation of Code section 10159.5 and  
14 Regulation 2731.

15 24. Respondents failed to properly handle, maintain, and deposit trust funds  
16 belonging to others in a trust account in violation of Code section 10145 and Regulation 2830, et.  
17 seq.

18 25. During the broker office survey, Respondent HANVY claimed that the rental  
19 proceeds for the Avenida Alvarado property had been turned over to the property owner, in  
20 violation of Code section 10176(a).

21 Causes for Discipline

22 Unlicensed Fictitious Business Name

23 26. Respondents' violation of Code section 10159.5 and Regulation 2731, as  
24 described above in Paragraphs 13 and 23, constitutes cause for the suspension or revocation of

1 Respondents' real estate licenses and license rights under the provisions of Code section 10177,  
2 subdivisions (d) and/or (g).

3 Unlicensed Main Office or Branch Office

4 27. Respondents' violation of Code sections 10162, 10163, and Regulation 2715, as  
5 described above in Paragraph 22, constitutes cause for the suspension or revocation of  
6 Respondents' real estate licenses and license rights under the provisions of Code sections 10165,  
7 and 10177, subdivisions (d) and/or (g).

8 Trust Fund Handling

9 28. Respondents' violation of Code section 10145 and Regulation 2830, et. seq., as  
10 described above in Paragraphs 14 through 20 and 24, constitutes cause for the suspension or  
11 revocation of Respondents' real estate licenses and license rights under the provisions of Code  
12 section 10177, subdivisions (d) and/or (g), Code section 10176, subdivision (a), and Code  
13 section 10176, subdivision (i), or Code section 10177, subdivision (j).

14 Broker supervision.

15 29. Respondent HANVY failed to adequately supervise the activities conducted on  
16 behalf of Respondent MKI by its salespersons, employees, or agents to ensure compliance with  
17 the Real Estate Law, in violation of Code sections 10159.2 and Regulation 2725, which  
18 constitutes cause for the suspension or revocation of Respondent HANVY's real estate license  
19 and license rights under the provisions of Code section 10177, subdivisions (h), (d) and/or (g).

20 Investigation/Enforcement Costs

21 30. Code section 10106 provides, in pertinent part, that in any order issued in  
22 resolution of a disciplinary proceeding before the Department of Real Estate, the Commissioner  
23 may request the administrative law judge to direct a licensee found to have committed a violation  
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1 of this part to pay a sum not to exceed the reasonable costs of the investigation and enforcement  
2 of the case.

3 WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this  
4 Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action  
5 against all licenses and/or license rights of Respondents under the Real Estate Law (Part 1 of  
6 Division 4 of the Business and Professions Code), for the costs of the audit, investigation, and  
7 enforcement as permitted by law, and for such other and further relief as may be proper under  
8 other provisions of law.

9 Dated at San Diego, California this 15 day of July, 2020.

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11   
12 VERONICA KILPATRICK  
Supervising Special Investigator

13 cc: Mak Key Investments  
14 Kendra Lee Hanvy  
15 Veronica Kilpatrick  
16 Sacto

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