

1 Kevin H. Sun, Counsel (SBN 276539)
2 Department of Real Estate
3 320 West 4th Street, Suite 350
4 Los Angeles, California 90013-1105
5 Telephone: (213) 576-6982
6 Fax: (213) 576-6917
7 Email: Kevin.Sun@dre.ca.gov
8 Attorney for Complainant

FILED

MAY 27 2021

DEPT. OF REAL ESTATE

By 

9 BEFORE THE DEPARTMENT OF REAL ESTATE
10 STATE OF CALIFORNIA

11 * * *

12 In the Matter of the Accusation of) No. H-42018 LA
13)
14 PEYMAN REALTY AND INVESTMENTS,)
15 INC. and SHOLEH PEYMAN, individually) ACCUSATION
16 and as designated officer of Peyman Realty and)
17 Investments, Inc.,)
18 Respondents.)

18 The Complainant, Veronica Kilpatrick, a Supervising Special Investigator of the
19 State of California, for cause of Accusation against PEYMAN REALTY AND
20 INVESTMENTS, INC. and SHOLEH PEYMAN (collectively "Respondents") alleges as
21 follows:

22 1.

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

25 2.

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

1 LICENSE HISTORY

2 (PEYMAN REALTY AND INVESTMENTS, INC.)

3 3.

4 (a) Respondent PEYMAN REALTY AND INVESTMENTS, INC. ("PRII") is
5 presently licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of
6 the California Business and Professions Code, as a real estate corporation, Department of Real
7 Estate¹ ("Department") license ID 01916115.

8 (b) The Department originally issued PRII's corporate license on June 6, 2012.
9 PRII's license is scheduled to expire on June 5, 2024, unless renewed.

10 (c) According to the Department's records to date, PRII's main office address is
11 433 N Palm Dr., PH, Beverly Hills, CA 90210.

12 (d) According to the Department's records to date, PRII employs 2 salespersons
13 under its real estate license.

14 (e) According to the Department's records to date, PRII maintains no authorized
15 fictitious business names.

16 (SHOLEH PEYMAN)

17 4.

18 (a) Respondent SHOLEH PEYMAN ("PEYMAN"), also known as Sholeh
19 Peyman Khodamorady, is presently licensed under the Code, as a real estate broker, Department
20 license ID 01325593.

21 (b) The Department originally issued PEYMAN's broker license on November
22 2, 2004. PEYMAN's license is scheduled to expire on June 30, 2021, unless renewed.

23 (c) PEYMAN is the designated officer for PRII. His designation is scheduled to
24 expire on June 5, 2024, unless renewed. As designated officer, PEYMAN is responsible for the
25

26
27 ¹ 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 supervision of the activities conducted on behalf of PRII by its officers, agents, real estate
2 licensees, and employees pursuant to Section 10159.2 of the Code.

3 5.

4 At all times relevant herein Respondents were engaged in the business of, acted
5 in the capacity of, advertised or assumed to act as a real estate corporation, within the meaning
6 of Section 10131(a) and (b) of the Code. Respondents' activities included the leasing or renting
7 of real property and the collection of rents and security deposits for real property on behalf of
8 others for compensation or in expectation of compensation. In addition, Respondents' activities
9 included purchase and sale of real property on behalf of others for compensation or in
10 expectation of compensation.

11 (AUDIT LA200039)

12 6.

13 On or about November 25, 2020, the Department completed an audit
14 examination of the books and records of PRII pertaining to the real estate property management
15 activities described in Paragraph 5 above. The audit examination covered the period of time
16 from January 1, 2018, through July 31, 2020 ("audit period"). The primary purpose of the
17 examination was to determine whether Respondents conducted real estate activities in
18 accordance with the Real Estate Law. The audit examination revealed violations of the Code
19 and the Regulations as set forth in the following paragraphs, and more fully discussed in Audit
20 No. LA200039, and the exhibits and work papers attached to said audit report.

21 7.

22 At all times mentioned herein, and in connection with the property management
23 activities described in Paragraph 5, above, PEYMAN, for PRII, accepted or received funds,
24 including funds in trust ("trust funds") from or on behalf of actual or prospective parties to
25 transactions handled by Respondents and thereafter made deposits and/or disbursements of such
26 funds. According to the documents provided, DCI maintained 1 bank account for handling of
27

1 the receipts and disbursements of funds during the audit period in connection with the property
2 management activities.

3 The bank account is as follows:

4 Bank Account 1 ("BA 1")

5 Bank: Wells Fargo

6 Account Name: Sholeh's Property Management

7 Account Number: xxxxxxxx9609

8 Signatories: Sholeh Peyman

9 Signatures Required: One

10 Purpose: BA 1 was maintained to handle trust funds for PRII's property
11 management activities for multiple beneficiaries.

12 Violations of the Real Estate Law

13 8.

14 The audit examination revealed violations of the Code and the Regulations, as
15 set forth in the following paragraphs, and more fully discussed in Audit Report No. LA200039,
16 and the exhibits and work papers attached to the audit report:

17 (a) Handling of Trust Funds/ Trust Fund Handling For Multiple
18 Beneficiaries (Code section 10145 and Regulations section 2832.1).

19 Based on an examination of BA 1's records, there was a minimum trust fund
20 shortage of \$2,403.84 as of July 31, 2020 in violation of Code section 10145 and Regulations
21 section 2832.1. There is no evidence that Respondents were given written consent from the
22 owners of the trust funds to allow Respondents to reduce the balance of the funds in BA 1 to an
23 amount less than the aggregate trust fund liabilities of PRII to all owners of the trust funds.

24 (b) Trust Fund Records to be Maintained (Code section 10145 and
25 Regulations section 2831). Respondents failed to maintain complete and accurate columnar
26 record for all trust funds received and disbursed (control record) for BA 1, which was used for
27 property management activities during the audit period in violation of Code section 10145 and

1 Regulations section 2831. The control record maintained by Respondents had inaccurate daily
2 balances of trust fund and missing entries.

3 (c) **Separate Records for Each Beneficiary (Code section 10145 and**
4 **Regulations section 2831.1)**. Respondents failed to maintain complete and accurate separate
5 records for each beneficiary or transaction of all trust fund receipts and disbursements for BA 1
6 in connection with PRII property management activities during the audit period in violation of
7 Code section 10145 and Regulations section 2831.1. The separate records maintained by
8 Respondents had inaccurate daily balances of trust fund and missing date of deposits and
9 disbursements.

10 (d) **Handling of Trust Funds/Trust Account Reconciliation (Code section**
11 **10145 and Regulations section 2831.2)**. During the audit period, PRII did not perform and
12 maintain a complete and accurate monthly reconciliation of the balance of all separate
13 beneficiary and/or transaction records to the balance of the records of all trust funds received
14 and disbursed for BA 1 in violation of Code section 10145 and Regulations section 2831.2.

15 (e) **Trust Fund Handling/Account Designation (Code section 10145 and**
16 **Regulations section 2832)**. Based on an examination of BA 1's records, BA 1 was not set up in
17 the name of PRII or a dba as trustee. BA 1 was used to collect trust funds in connection with
18 PRII's property management activity.

19 (f) **Use of Unlicensed Fictitious Name (Code section 10159.5 and**
20 **Regulations section 2731)**. During the audit period, Respondents used the unlicensed fictitious
21 business names "Sholeh's Property Management" in connection with their property
22 management activities without first obtaining authorization from the Department. This fictitious
23 business names does not show up in the Department's records as a licensed fictitious business
24 name.

25 ///

26 ///

27 ///

1 (g) **Commingling/ Handling of Trust Funds (Code sections 10145 and**
2 **10176(e) and Regulations section 2832)**. Based on BA 1's records and PEYMAN, trust funds
3 were deposited and disbursed from BA 1. PRII kept its own funds in BA 1 and made deposits
4 and disbursements related to PRII's general/operating/personal expenses.

5 (h) **Responsibility of Corporate Office in Charge/Broker Supervision (Code**
6 **sections 10159.2 and Regulations section 2725)**. Based on the violations in Paragraphs 8 (a)-
7 (i) above, PEYMAN failed to exercise adequate supervision and control over PRII's property
8 management activities in violation of Code section 10159.2. PEYMAN failed to provide
9 established policies, rules, procedures, and systems to review, oversee, inspect, and manage
10 transactions requiring a real estate license and the handling of trust funds in violation of
11 Regulations section 2725.

12 Additional Violations of the Real Estate Law

13 9.

14 The overall conduct of Respondents violates the Real Estate Law and constitutes
15 cause for the suspension or revocation of their real estate license and license rights under the
16 provisions of **Code Section 10177(g)** for negligence and **Code Section 10177(d)** for willful
17 disregard of the Real Estate Law.

18 10.

19 Each of the foregoing violations in Paragraphs 8 (a)-(h) above constitute cause
20 for the suspension or revocation of the real estate license and/or license rights of Respondents
21 under the provisions of Code sections 10177(d), 10177(g), and 10177(h) (as to PEYMAN).

22 COSTS

23 (AUDIT COSTS)

24 11.

25 Section 10148(b) of the Code, provides, in pertinent part, that the Real Estate
26 Commissioner shall charge a real estate broker for the costs of any audit if the Commissioner
27 has found in a final decision, following a disciplinary hearing, that the broker has violated

1 Section 10145 of the Code or a regulation or rule of the Commissioner interpreting said Code
2 section.

3 (INVESTIGATION AND ENFORCEMENT COSTS)

4 12.

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

9 PRAYER

10 WHEREFORE, Complainant prays that a hearing be conducted on the
11 allegations of this Accusation and that upon proof thereof, a decision be rendered imposing
12 disciplinary action against all the licenses and/or license rights of Respondents PEYMAN
13 REALTY AND INVESTMENTS, INC. and SHOLEH PEYMAN under the Real Estate Law,
14 for the costs of investigation and enforcement as permitted by law, for the cost of the audit, and
15 for such other and further relief as may be proper under other applicable provisions of law.

16
17 Dated at San Diego, California this 19 day of May, 2021.

18
19
20 V. Kilpatrick
21 Veronica Kilpatrick
22 Supervising Special Investigator

23
24 cc: PEYMAN REALTY AND INVESTMENTS, INC.
25 SHOLEH PEYMAN
26 Veronica Kilpatrick
27 Sacto.
Audits – Chambers Tse