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FILED
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BUREAU OF REAL ESTATE
By: 

8
9 BEFORE THE DEPARTMENT OF REAL ESTATE
10 STATE OF CALIFORNIA

11 * * *

12 In the Matter of the Accusation of) No. H-42087 LA
13)
14 SUPERIOR REAL ESTATE GROUP, INC.;)
15 THOMAS DAO, individually and as the)
16 former Designated Officer of Superior Real)
17 Estate Group Inc.;) ACCUSATION
18 MELANIE HIEU PHAM,)
19)
20 Respondents.)
21)
22)
23)

24 The Complainant, Veronica Kilpatrick, a Supervising Special Investigator of the State
25 of California, for cause of Accusation against SUPERIOR REAL ESTATE GROUP, INC.
26 (“SREGI”), THOMAS DAO (“DAO”), and MELANIE HIEU PHAM (“PHAM”) (sometimes
27 collectively referred to as “Respondents”) alleges as follows:
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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, California Code of Regulations.

LICENSE HISTORY

(SUPERIOR REAL ESTATE GROUP, INC.)

3.

a. Respondent SREGI was licensed and/or had license rights under the Code, as a corporate real estate broker with Department of Real Estate ("Department") license ID 01960185.

b. SREGI's corporate broker license was originally issued on September 17, 2014, and expired on October 29, 2021. The Department retains jurisdiction over the lapsed license pursuant to Code section 10103.

c. From on or about October 30, 2017, through October 29, 2021, Respondent DAO was the designated officer of SREGI.

d. SGREGI is a California corporation (corporate no. C3673572).

(THOMAS DAO)

4.

a. Respondent DAO is presently licensed and/or has license rights under the Code as a restricted real estate broker (ID 00958467).

b. DAO's individual broker license was originally issued on or about August 3, 1990, and is set to expire on October 29, 2025, unless renewed.

c. Respondent currently holds a Mortgage Loan Originator ("MLO") license endorsement with National Mortgage Licensing System and Registry ("NMLS") unique identifier 344477.

d. Respondent currently maintains the following fictitious business names with the Department: "Southland Mortgage Group," "Southland Mortgage Group a non-Independent Broker Escrow," and "Superior Real Estate Group."

1 e. To date, Respondent employs ten (10) broker-associates and one hundred seventy
2 (170) salespersons.

3 (MELANIE HIEU PHAM)

4 5.

5 a. Respondent PHAM is presently licensed and/or has license rights under the Code as a
6 real estate salesperson (ID 02024006).

7 b. The Department originally issued Respondent PHAM a salesperson license on
8 January 20, 2017. Respondent's license is scheduled to expire January 19, 2025, unless
9 renewed.

10 c. From June 19, 2017, through August 21, 2019, PHAM's responsible broker was
11 Respondent SREGI. From September 9, 2019, through November 23, 2020, PHAM's
12 responsible broker was Respondent DAO. Since November 24, 2020, PHAM's responsible
13 broker has been corporate real estate broker Frontier Realty Inc. (ID 02073454).

14 d. From on or about August 22, 2019, through September 8, 2019, PHAM was not
15 employed by a real estate broker.

16 CAUSE FOR ACCUSATION

17 (SREGI - SUSPENDED CORPORATION STATUS)

18 6.

19 From on or about July 23, 2019, through August 21, 2019, SREGI, while its corporate
20 powers, rights and privileges were suspended by the California Franchise Tax Board, engaged
21 in the business of a real estate broker in that it engaged in the business of, acted in the capacity
22 of, advertised, or assumed to act as a real estate broker within the meaning of Code Section
23 10131(a).

24 7.

25 Respondent SREGI is a California corporation formed on or about May 6, 2014. On or
26 about May 29, 2015, SREGI filed a Statement of Information with the Secretary of State of the
27 State of California, which named Respondent DAO as its chief executive officer, secretary, and
28 chief financial officer and "real estate" as its type of business.

ACCUSATION

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8.

On September 4, 2018, the California Franchise Tax Board suspended SREGI's powers, rights and privileges, pursuant to the provisions of the California Revenue and Taxation Code, and SREGI's powers, rights and privileges remain suspended.

9.

From on or about July 23, 2019, through August 21, 2019, PHAM, as the selling agent for buyers A.P. and H.N. and while under the employment of SREGI, negotiated the purchase of the property located at 1681 W. Cutter Road, Anaheim, California ("Cutter Property").

(PHAM – NO BROKER AFFILIATION)

10.

On or about August 22, 2019, SREGI submitted a Salesperson Change Application (RE 214) through the Department's eLicensing online system to discontinue the employment of PHAM. DAO certified the submission in eLicensing.

11.

From on or about August 22, 2019, through September 8, 2019, PHAM continued to negotiate the purchase of the Cutter Property within the meaning of Code section 10131(a), for or in expectation of compensation, while not employed by or licensed as a real estate broker.

12.

On or about August 24, 2019, PHAM sent an e-mail to the listing agent for the sellers of the Cutter Property informing the listing agent that the buyers' loan cleared and escrow may close in a week. In that same e-mail, PHAM discussed a commission split with the listing agent.

13.

On or about August 30, 2019, PHAM sent an e-mail to the listing agent for the Cutter Property to inquire about a final walk-through of the property. Escrow closed on the Cutter Property on August 30, 2019.

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14.

On or about September 9, 2019, PHAM submitted a Salesperson Change Application through eLicensing to activate her salesperson license under the employment of DAO. DAO certified the submission in eLicensing.

15.

Escrow issued a commission check to SREGI on September 13, 2019. SREGI paid a commission to PHAM on October 3, 2019.

GROUNDS FOR LICENSE DISCIPLINE

16.

Section 2742(c) of Title 10, Chapter 6, California Code of Regulations (“Regulations”) provides:

A corporation licensed under Section 10211 of the Code shall not engage in the business of a real estate broker while not in good legal standing with the Office of the Secretary of State.

17.

Section 10016 of the Code defines a real estate salesperson, in pertinent part, as follows:

[A] natural person licensed as a salesperson...and who, for a compensation or in expectation of a compensation, is retained by a real estate broker to do one or more of the acts set forth in Sections 10131, 10131.1, 10131.2...

18.

Section 10130 of the Code provides, in part, as follows:

It is unlawful for any person to engage in the business of, act in the capacity of, advertise as, or assume to act as a real estate broker or a real estate salesperson within this state without first obtaining a real estate license from the department, or to engage in the business of, act in the capacity of, advertise as, or assume to act as a mortgage loan originator within this state without having obtained a license endorsement.

19.

Section 10131 of the Code defines a real estate broker, in pertinent part, as follows:

A real estate broker within the meaning of this part is a person who, for a compensation or in expectation of a compensation, regardless of the form or time of payment, does or negotiates to do one or more of the following acts for another or others:

(a) Sells or offers to sell, buys or offers to buy, solicits prospective sellers or purchasers of, solicits or obtains listings of, or negotiates the purchase, sale or exchange of real property or a business opportunity.

20.

Section 10159.2 of the Code provides, in part, as follows:

The officer designated by a corporate broker licensee pursuant to Section 10211 shall be responsible for the supervision and control of the activities conducted on behalf of the corporation by its officers and employees as necessary to secure full compliance with the provisions of this division, including the supervision of salespersons licensed to the corporation in the performance of acts for which a real estate license is required.

Suspended Corporate Status

At all times mentioned in Paragraphs 8 through 13 above, Respondent SREGI engaged in the business of a corporate real estate broker in that it engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate broker within the meaning of Code Section 10131(a), during a period of time when its powers, rights and privileges were suspended by the California Franchise Tax Board in violation of Regulations section 2742(c).

No Broker Affiliation – Unlicensed Broker Activity

18.

At all times mentioned in Paragraphs 11 through 13 above, Respondent PHAM was licensed by the Department as a real estate salesperson but not employed by a licensed real

1 estate broker in violation of Code sections 10016, 10130, and 10131(a).

2 Responsibility of Corporate Officer in Charge

3 19.

4 The conduct, acts and/or omissions of Respondent DAO, individually and as designated
5 officer of Respondent SREGI, as set forth in Paragraphs 6 through 15 above, in failing to
6 adequately supervise the activities of Respondent SGREI and of its employees are in violation
7 of Sections 10159.2(a) and 10177(h) of the Code.

8 Willful Disregard of the Real Estate Law

9 20.

10 The conduct, acts and/or omissions of Respondents, as described in Paragraphs 6
11 through 15 above, constitute cause for the suspension or revocation of the license and license
12 rights of Respondents under Code section 10177(d), for willful disregard of the Real Estate
13 Law.

14 Negligence and/or Incompetence

15 21.

16 The conduct, acts and/or omissions of Respondents, as described in Paragraphs 6
17 through 15 above, constitute cause for the suspension or revocation of the license and license
18 rights of Respondents under Code section 10177(g), for negligence and/or incompetence.

19 INVESTIGATION AND ENFORCEMENT COSTS

20 22.

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

26 WHEREFORE, Complainant prays that a hearing be conducted on the allegations of
27 this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary
28 action against all the licenses and/or license rights of Respondents SUPERIOR REAL ESTATE

1 GROUP, INC., THOMAS DAO, and MELANIE HIEU PHAM under the Real Estate Law, for
2 the costs of investigation and enforcement as permitted by law, and for such other and further
3 relief as may be proper under other applicable provisions of law.

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5 Dated at San Diego, California this 31 day of January, 2022.
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10 Veronica Kilpatrick
11 Supervising Special Investigator
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25 cc: SUPERIOR REAL ESTATE GROUP, INC.
26 THOMAS DAO
27 MELANIE HIEU PHAM
28 Veronica Kilpatrick
Sacto.