

**FILED**

DEC 01 2021

DEPT. OF REAL ESTATE

By \_\_\_\_\_

1 DIANE LEE, Counsel (SBN 247222)  
2 Department of Real Estate  
3 320 West 4th Street, Suite 350  
4 Los Angeles, California 90013

4 Telephone: (213) 576-6982  
5 (Direct) (213) 576-6907

6  
7  
8 BEFORE THE DEPARTMENT OF REAL ESTATE  
9 STATE OF CALIFORNIA

10 \* \* \*

11	In the Matter of the Accusation of	)	No. H-42144 LA
		)	
12	MILLENNIUM PROPERTY	)	
	MANAGEMENT, INC.; and	)	
13	JANIS JOHNSON, individually and as	)	<u>ACCUSATION</u>
	designated officer of Millennium Property	)	
14	Management, Inc.,	)	
		)	
15		)	
	Respondents.	)	
16		)	

17  
18 The Complainant, Veronica Kilpatrick, a Supervising Special Investigator of the  
19 State of California, acting in her official capacity, for cause of Accusation against  
20 MILLENNIUM PROPERTY MANAGEMENT, INC. ("MPMI") and JANIS JOHNSON  
21 ("JOHNSON"), individually and as designated officer of Millennium Property Management,  
22 Inc., is informed and alleges as follows:

23 1.

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

26 ///

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

2.

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

(License History: MPMI and JOHNSON)

3.

a. MPMI is presently licensed by the Department Real Estate as a real estate corporation (license no. 01276057). MPMI was so licensed on or about May 26, 2000 to March 13, 2012; October 10, 2012 to October 9, 2016; and June 15, 2021 through the present. MPMI was not licensed in any capacity with the Department of Real Estate from on or about October 10, 2016 to June 14, 2021. At no time has MPMI had a fictitious business name registered with the Department of Real Estate. From on or about May 26, 2000 through the present, MPMI's designated officer has been JOHNSON.

b. JOHNSON is presently licensed and/or issued by the Department of Real Estate as a real estate broker (license no. 01106061). JOHNSON was originally licensed as a real estate broker on May 19, 2000, and has been so licensed since then. Prior to being licensed as a real estate broker, JOHNSON was licensed as a real estate salesperson.

4.

Whenever acts referred to below are attributed to MPMI and/or JOHNSON, those acts are alleged to have been done by MPMI and/or JOHNSON, acting by itself/herself/themselves, or by and/or through one or more agents, associates, affiliates, and/or co-conspirators.

///

///

///

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

5.

At all times mentioned, in the County of Los Angeles, MPMI and JOHNSON were engaged in the business of a real estate broker conducting licensed activities within the meaning of Code section 10131(b) (“[l]eases or rents or offers to lease or rent, or places for rent, or solicits listings of places for rent, or solicits for prospective tenants, or negotiates the sale, purchase, or exchanges of leases on real property, or on a business opportunity, or collects rents from real property, or improvements thereon, or from business opportunities”).

(Property Management Audit)

6.

On or about August 31, 2021, the Department of Real Estate completed an audit examination of the books and records of MPMI to determine whether MPMI and JOHNSON handled and accounted for trust funds and conducted their real estate activities in accordance with the Real Estate Law and Regulations. The audit examination covered a period of time beginning on September 1, 2018 and ending on December 31, 2020. The audit examination revealed violations of the Code and the Regulations set forth in the following paragraphs, and more fully discussed in Audit Report LA200105 and the exhibits and work papers attached to said audit report.

Bank Accounts

7.

At all times mentioned, in connection with the activities described in Paragraph 5, above, MPMI and JOHNSON accepted or received funds including funds in trust (“trust funds”) from or on behalf of actual or prospective parties, such as sellers and buyers of real property, and thereafter made deposits and/or disbursements of such funds. From time to time herein mentioned, during the audit period, said trust funds were deposited and/or maintained

1 by MPMI and JOHNSON in twenty-one (21) single beneficiary bank accounts, including  
2 the following three (3) bank accounts:

3 "Millennium Property Management, Inc."  
4 \*\*\*\*2391  
5 Union Bank  
6 P.O. Box 60368  
7 Phoenix, AZ 85082-0368 B/A 1

7 "Millennium Property Management, Inc."  
8 \*\*\*\*\*8151  
9 Union Bank  
10 P.O. Box 60368  
11 Phoenix, AZ 85082-0368 B/A 2

10 "Millennium Property Management, Inc."  
11 \*\*\*\*\*8186  
12 Union Bank  
13 P.O. Box 60368  
14 Phoenix, AZ 85082-0368 B/A 3

14 8.

15 In the course of activities described in Paragraphs 5 and 7, above, and during the  
16 audit examination period in Paragraph 7, above, Respondents MPMI and JOHNSON acted in  
17 violation of the Code and the Regulations as set forth below<sup>1</sup>:

18  
19 <sup>1</sup> The audit found that during the time Respondent MPMI failed to be licensed, Respondents  
20 MPMI and JOHNSON also:

- 21 • Did not designate B/A 1, B/A 2, and B/A 3 as trust accounts, in violation of Code section  
22 10145 and Regulation section 2832.
- 23 • Did not deposit trust funds into a trust account within three (3) business days of receiving  
24 the trust funds, in violation of Code section 10145 and Regulation section 2832.
- 25 • Permitted Morris Huberman, an unlicensed and unbonded person, to be an authorized  
26 signatory on B/A 1, in violation of Code section 10145 and Regulations section 2834.
- 27 • Permitted Ryan Leigh Johnson, a licensed salesperson (license no. 01835979) who was  
and is not under MPMI's broker license from on or about October 10, 2016 through the  
present, to be an authorized signatory on B/A 1, in violation of Code section 10145 and  
Regulations section 2834. Ryan Leigh Johnson did not have a broker from on or about  
October 10, 2016 to August 6, 2020, and his broker was JOHNSON from on or about  
August 7, 2020 through the present.

1 (a) Engaged in acts, practices, and/or activities that require a real estate license  
2 within the meaning of California Business and Professions Code section 10131(b) without  
3 being licensed by the Department of Real Estate from on or about October 10, 2016 to June 14,  
4 2021, in violation of Code section 10130.

5 (b) The overall conduct of Respondents MPMI and JOHNSON constitute a  
6 failure on Respondent JOHNSON's part, as officer designated by a corporate broker licensee,  
7 to exercise the reasonable supervision and control over the licensed activities of MPMI as  
8 required by Code section 10159.2 and Regulations section 2725.

9 9.

10 The conduct of Respondents MPMI and JOHNSON described in Paragraph 8,  
11 above, violated the Code and the Regulations as set forth below:

<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
12 8(a)	Code section 10130
13 8(b)	Code section 10159.2 and Regulations section 2725

14 The foregoing violations constitute cause for discipline of the real estate license and license  
15 rights of Respondents MPMI and JOHNSON under the provisions of Code sections 10177(d),  
16 10177(g), and 10177(h).  
17

18 (COSTS)

19 10.

20 Code section 10106 provides, in pertinent part, that in any order issued in  
21 resolution of a disciplinary proceeding before the Department of Real Estate, the Commissioner  
22 may request the administrative law judge to direct a licensee found to have committed a  
23

1 violation of this part to pay a sum not to exceed the reasonable costs of investigation and  
2 enforcement of the case.

3 11.

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

8 WHEREFORE, Complainant prays that a hearing be conducted on the  
9 allegations of this Accusation and that upon proof thereof, a decision be rendered imposing  
10 disciplinary action against the license and license rights of MILLENNIUM PROPERTY  
11 MANAGEMENT, INC. and JANIS JOHNSON under the Real Estate Law (Part 1 of Division  
12 4 of the California Business and Professions Code), for the cost of investigation and  
13 enforcement pursuant to Code section 10106 and as permitted by law, and for such other  
14 and further relief as may be proper under other applicable provisions of law, including costs of  
15 audit pursuant to Code section 10148(b).

16 Dated at San Diego, California: 12/01/2021

17  
18 *Veronica Kilpatrick*  
19 \_\_\_\_\_  
20 Veronica Kilpatrick  
21 Supervising Special Investigator  
22  
23

24 cc: Millennium Property Management, Inc.  
25 Janis Johnson  
26 Veronica Kilpatrick  
27 Sacto  
Enforcement  
Audits – Chambers Tse