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1 2 3 4 5 6 7	DEPARTMENT OF REAL ESTATE P. O. Box 137007 Sacramento, CA 95813-7007 Telephone: (916) 576-8700	
8	BEFORE THE STATE OF CALIFORNIA	
9	DEPARTMENT OF REAL ESTATE	
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12	To:) NO. H-3345 FR	
12	BLUE SKY CENTRAL PROPERTY) ORDER TO DESIST AND REFRAIN MANAGEMENT INC and) (B&P Code Section 10086)	
14	KENNETH ANDREW TURNER)	
15	The Real Estate Commissioner (Commissioner) of the California Department of	
16	Real Estate (Department) caused an investigation to be made of the activities of BLUE SKY	
17	CENTRAL PROPERTY MANAGEMENT INC (BLUE SKY) and KENNETH ANDREW	
18	TURNER (TURNER), including engaging in the business of, acting in the capacity of,	
19	advertising, or assuming to act as a real estate broker in the State of California within the	
20	meaning of Section 10131 (b) of the California Business and Professions Code (Code). Based	
21	upon the findings of that investigation as set forth below, the Commissioner has determined and	
22	is of the opinion that:	
23	BLUE SKY and TURNER has violated Section 10130 of the Code by engaging in	ļ
24	the business of or acting as a real estate broker, within the meaning of Section 10131 (b)	
25	(Engaging in Property Management Activities) of the Code without first having obtained a real	
26	estate broker license from the Department. Furthermore, based on the investigation, the	
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Commissioner hereby issues the following Findings of Fact, Conclusions of Law, and Desist and 1 2 Refrain Order under the authority of Section 10086 of the Code. 3 FINDINGS OF FACT 4 1. On January 11, 2007, the Department issued a real estate broker license to 5 TURNER, license number 01354806. 6 2. On October 5, 2007, the Department issued a real estate broker corporation 7 license to BLUE SKY, license number 01831031, with TURNER as the designated broker 8 officer. 9 3. On January 19, 2018, in Case No. H-3158 FR, the Department filed an Accusation against BLUE SKY and TURNER alleging grounds for the suspension or revocation 10 11 of all licenses and licensing rights pursuant to Sections 10176 (i), 10177(d), 10177(g), and 10177 (h) of the Code, in conjunction with Sections 10145 and 10159.2 of the Code, and Sections 2725, 12 13 2831.2 and 2832.1 of Title 10 of the California Code of Regulations (Regulations). 14 4. Effective October 8, 2018, in Case No. H-3158 FR, the Commissioner revoked the licenses and licensing rights of BLUE SKY and granted the right to the issuance of a 15 16 restricted real estate broker corporation license pursuant to Section 10156.5, provided BLUE 17 SKY made application therefor and paid an appropriate fee for the restricted license within 90 18 days from the effective date of the Decision. 19 5. Effective October 8, 2018, in Case No. H-3158 FR, the Commissioner 20 revoked the licenses and licensing rights of TURNER and granted the right to the issuance of a 21 restricted real estate broker license pursuant to Section 10156.5, provided TURNER made application therefor and paid an appropriate fee for the restricted license within 90 days from the 22 23 effective date of the Decision. 24 6. BLUE SKY failed to apply for a restricted real estate broker corporation license and pay the appropriate fees within 90 days of the effective date of the Order and 25 26 Decision. 27 ///

TURNER failed to apply for a restricted real estate broker corporation license
 and pay the appropriate fees within 90 days of the effective date of the Order and Decision.

8. Since October 8, 2018, BLUE SKY and TURNER have not been licensed in
any capacity by the Department.

9. During the period of the time set out below, BLUE SKY and TURNER
performed one or more of the following acts for another or others, for compensation or in
expectation of compensation, within the meaning of Section 10131 (b) of the Code including
leasing, renting, or offering places to rent, negotiating the sale or purchase of leases of real
property or collecting rents on real property for compensation or in expectation of compensation.

10 10. On or about November 7, 2019, and continuing intermittently through January 11 30, 2020, the Department conducted a follow-up audit of the records of BLUE SKY. The auditor 12 examined the records for the period of November 1, 2018, through October 31, 2019 (the audit 13 period). According to statements made by TURNER and documents examined, BLUE SKY 14 continued performing property management activities, with TURNER as the designated broker 15 officer, after the licenses of BLUE SKY and TURNER had been revoked in Case No. H-3158 16 FR. During the audit period, BLUE SKY performed property management activities on behalf of 17 property owners and collected annual trust funds of approximately \$4.8 million. The property management activities included collecting rent and security deposits for real property, soliciting 18 19 for tenants, advertising and responsibility for repairs and maintenance.

11. During the audit period, BLUE SKY collected management fees from the rent
 in connection with the property management activities described above.

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CONCLUSIONS OF LAW

Based on the Findings of Fact contained in Paragraphs 1 through 11, above,
BLUE SKY and TURNER has performed and/or participated in property management activities
which require a real estate broker license under Sections 10130 and 10131(b) of the Code. Thus,
BLUE SKY and TURNER violated Section 10130 of the Code.

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1	DESIST AND REFRAIN ORDER	
2	Based on the Findings of Fact and Conclusions of Law stated herein, BLUE SKY	
3	CENTRAL PROPERTY MANAGEMENT INC and KENNETH ANDREW TURNER IS	
4	HEREBY ORDERED to immediately Desist and Refrain from performing any and all acts	
5	within the State of California for which a real estate broker license is required, in particular, to	
6	immediately Desist and Refrain from providing or participating in property management services	
7	for others and for compensation unless and until a real estate broker license is obtained.	
8	DATED: (c-3.2)	
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10	DOUGLAS R. McCAULEY	
11	REAL ESTATE COMMISSIONER	I
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14	- <u>NOTICE</u> -	
15	Business and Professions Code Section 10139 provides that "Any person acting	
16	as a real estate broker or real estate salesperson without a license or who advertises using words	
17	indicating that he or she is a real estate broker without being so licensed shall be guilty of a	
18	public offense punishable by a fine not exceeding twenty thousand dollars (\$20,000), or by	
19	imprisonment in the county jail for a term not to exceed six months, or by both fine and	
20	imprisonment; or if a corporation, be punished by a fine not exceeding sixty thousand dollars	
21	(\$60,000)"	
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