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FILED

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DEPARTMENT OF REAL ESTATE
By B. Nicholas

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of:)
12) No. H-3556 FR
13 RENT FRESNO and)
14 PHILLIP JEFFREY TELIHA)
15) ACCUSATION
16 Respondents.)

17 The Complainant, RUBEN CORONADO, acting in his official capacity as a
18 Supervising Special Investigator of the State of California, for this Accusation against RENT
19 FRESNO ("RF") and PHILLIP JEFFREY TELIHA ("TELIHA"), sometimes collectively
20 referred to as Respondents, is informed and alleges as follows:

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22 RF is presently licensed and/or has license rights under the Real Estate Law, Part
23 1 of Division 4 of the Business and Professions Code ("Code"), by the Department of Real
24 Estate ("Department") as a corporate real estate broker.

25 2

26 TELIHA is presently licensed and/or has license rights under the Code as a real
27 estate broker.

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2 At all times mentioned, TELIHA was the designated broker-officer of RF. As
3 the designated broker-officer, TELIHA was responsible, pursuant to Section 10159.2 of the
4 Code, for the supervision of the activities of officers, agents, real estate licensees and
5 employees of TELIHA for which a real estate license is required to ensure the compliance of
6 the corporation with the Real Estate Law and the Regulations.

7 4

8 At all times mentioned, Respondents engaged in the business of, acted in the
9 capacity of, advertised, or assumed to act as a real estate broker within the State of California
10 within the meaning of Section 10131(b) of the Code, including the operation and conduct of a
11 property management business with the public wherein, on behalf of others, for compensation or
12 in expectation of compensation, Respondents leased or rented or offered to lease or rent, or
13 placed for rent, or solicited listings of places for rent, or solicited for prospective tenants, or
14 negotiated the sale, purchase or exchange of leases on real property, or on a business
15 opportunity, or collected rents from real property, or improvements thereon, or from business
16 opportunities.

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18 Whenever acts referred to below are attributed to Respondents, those acts are
19 alleged to have been done by Respondents, acting by themselves, or by and/or through one or
20 more known or unknown agents, associates, and/or co-conspirators.

21 6

22 On or about November 20, 2023, the Department completed its audit (FR23-
23 0008) of the books and records of RF's property management activities described above in
24 Paragraph 4. The auditor examined property management records for the period of August 1,
25 2022, through July 31, 2023

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1 FIRST CAUSE OF ACTION

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3 Complainant refers to Paragraphs 1 through 6, above, and incorporates the same,
4 herein.

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6 While acting as a real estate broker as described in Paragraph 4, above, and within
7 the audit period, Respondents accepted or received funds in trust ("trust funds") from or on
8 behalf of property owners, lessees and others in connection with property management activities,
9 and deposited or caused to be deposited those funds into bank accounts maintained by
10 Respondents at Premier Valley Bank, 225 E. River Park Circle, Suite 180, Fresno, CA 93720, as
11 described below:

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TRUST ACCOUNT #1 ("T/A1")	
Account No.:	XXXXXX2068
Entitled:	Rent Fresno DBA Management Company Trust Account

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16 And thereafter from time to time made disbursements of said trust funds.

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18 In the course of the activities described in Paragraph 4, in connection with the
19 collection and disbursement of trust funds, it was determined that:

20 (a) An accountability was performed on account T/A1, and as of June 30,
21 2023, a shortage of \$36,841.78 was revealed in violation of Section
22 10145(a) (handling of trust funds) of the Code;

23 (b) Respondents failed to obtain written permission from the owners of the
24 trust funds in account T/A1 to allow the balances to drop below
25 accountability, in violation of Section 2832.1 (trust fund handling for
26 multiple beneficiaries) of Title 10, Chapter 6, California Code of
27 Regulations ("Regulations");

- 1 (c) Respondents failed to maintain an adequate control record for T/A1 in
2 violation of Section 10145(a) of the Code and Section 2831 (trust fund
3 records to be maintained) of the Regulations;
- 4 (d) Respondents failed to maintain complete and accurate separate records
5 for T/A1 in violation of Section 10145(a) of the Code and Section
6 2831.1 (separate record for each beneficiary or transaction) of the
7 Regulations;
- 8 (e) Respondents failed to perform and maintain a monthly reconciliation
9 comparing the balance of all separate beneficiary or transaction
10 records for T/A1 in violation of Section 10145(a) of the Code and
11 Section 2831.2 (trust account reconciliation) of the Regulations.

12 10

13 The acts and/or omissions described above constitute violations of
14 Sections 2831, 2831.1, 2831.2, and 2832.1 of the Regulations and Section 10145 of the
15 Code and are grounds for discipline under the aforementioned Section and/or Sections
16 10177(d) (willful disregard of real estate laws) and 10177(g) (negligence/incompetence
17 licensee) of the Code.

18 SECOND CAUSE OF ACTION

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20 Complainant refers to Paragraphs 1 through 10, above, and incorporates the
21 same, herein.

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23 At times mentioned above, TELIHA was responsible, as the supervising
24 designated broker/officer for RF, for the supervision and control of the activities conducted on
25 behalf of RF's business by its employees to ensure its compliance with the Real Estate Law and
26 Regulations. TELIHA failed to exercise reasonable supervision and control over the property
27 management activities of RF. In particular, TELIHA permitted, ratified and/or caused the

1 conduct described above to occur, and failed to take reasonable steps, including but not limited
2 to, the handling of trust funds, supervision of employees, and the implementation of policies,
3 rules, and systems to ensure the compliance of the business with the Real Estate Law and the
4 Regulations.

5 13

6 The above acts and/or omissions of TELIHA violate Section 2725 (broker
7 supervision) of the Regulations and Section 10159.2 (responsibility/designated officer) of the
8 Code and constitute grounds for disciplinary action under the provisions of Sections 10177(d),
9 10177(g) and 10177(h) (broker supervision) of the Code.

10 COSTS OF INVESTIGATION AND ENFORCEMENT

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12 Section 10106 of the Code provides, in pertinent part, that in any order issued in
13 resolution of a disciplinary proceeding before the Department, the Commissioner may request
14 the Administrative Law Judge to direct a licensee found to have committed a violation of this
15 part to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the
16 case.

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18 The acts and/or omissions of Respondents as alleged above, entitle the Department
19 to reimbursement of the costs of its audit pursuant to Section 10148(b) of the Code.

20 WHEREFORE, Complainant prays that a hearing be conducted on the allegations
21 of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary
22 action against all licenses and license rights of Respondents under the Real Estate Law, for the

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1 cost of investigation and enforcement as permitted by law, and for such other and further relief
2 as may be proper under other provisions of law.

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5 RUBEN CORONADO
6 Supervising Special Investigator

7 Dated at Fresno, California,
8 this 18th day of September 2024.

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10 DISCOVERY DEMAND

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12 Pursuant to Sections 11507.6, *et seq.* of the *Administrative Procedure Act*, the
13 Department hereby makes demand for discovery pursuant to the guidelines set forth in the
14 *Administrative Procedure Act*. Failure to provide Discovery to the Department may result in the
15 exclusion of witnesses and documents at the hearing or other sanctions that the Office of
16 Administrative Hearings deems appropriate.