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**FILED**

**APR 03 2025**

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-3594 FR  
13 LEGACY REAL ESTATE, INC. )  
14 and GUILLERMINA MADRID GARCIA ) ACCUSATION  
15 Respondents. )

16 The Complainant, RUBEN CORONADO, acting in his official capacity as a  
17 Supervising Special Investigator of the State of California, for this Accusation against LEGACY  
18 REAL ESTATE, INC. ("Legacy") and GUILLERMINA MADRID GARCIA ("GARCIA"),  
19 sometimes collectively referred to as Respondents, is informed and alleges as follows:

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

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

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

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

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

On or about October 10, 2024, the Department completed its audit (FR23-0058) of the books and records of Legacy's property management activities described above in Paragraph 4. The auditor examined property management records for the period of December 1, 2022, through May 31, 2024 ("the audit period").

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FIRST CAUSE OF ACTION

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

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While acting as a real estate broker as described in Paragraph 4, above, and within the audit period, Respondents accepted or received funds in trust ("trust funds") from or on behalf of property owners, lessees and others in connection with property management activities, and deposited or caused to be deposited those funds into bank accounts maintained by Respondents at Chase Bank, 200 South Court Street, Visalia, CA 93291, as described below:

TRUST ACCOUNT #1 ("T/A1")

Account No.:	XXXXX2002
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Entitled:	Legacy Real Estate, Inc. DBA Legacy Property Management Trust Account
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TRUST ACCOUNT #2 ("T/A2")

Account No.:	XXXXX2695
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Entitled:	Yessica Gonzalez Godinez by Legacy Real Estate, Inc. Agent
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TRUST ACCOUNT #3 ("T/A3")

Account No.:	XXXXX6106
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Entitled:	Sequoia Oaks Investments, LLC by Legacy Real Estate, Inc. Agent
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TRUST ACCOUNT #4 ("T/A4")

Account No.:	XXXXX5162
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Entitled:	Ulloa Investment Group, LLC by Legacy Real Estate, Inc. Agent
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TRUST ACCOUNT #5 ("T/A5")

Account No.:	XXXX6998
Entitled:	One Stop Investments, LLC by Legacy Real Estate, Inc. Agent
TRUST ACCOUNT #6 ("T/A6")	
Account No.:	XXXX1776
Entitled:	Cecilia Lauren Beavers by Legacy Real Estate, Inc. Agent

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

- (a) As of April 30, 2024, the total accountability for T/A1, T/A3, T/A4, T/A5, and T/A6 could not be determined due to inadequate record keeping in violation of Section 10145(a) (handling of trust funds) of the Code;
- (b) During the audit period, Respondents used the unlicensed fictitious business name "Legacy Property Management" in violation of Section 10159.5 (fictitious name) of the Code and Section 2731 (use of false or fictitious name) of Title 10, Chapter 6, California Code of Regulations ("Regulations");
- (c) During the audit period, Respondents failed to maintain an adequate records of all trust funds received and disbursed, a control record, for T/A1, T/A3, T/A4, T/A5, and T/A6 in violation of Section 10145 of the Code and Section 2831 (trust fund records to be maintained) of the Regulations;
- (d) During the audit period, Respondents failed to maintain a separate beneficiary or transaction records, a separate record, for T/A1 in violation of Section 10145 of the Code and Section 2831.1 (separate record for each beneficiary or transaction) of the Regulations;

1 (e) During the audit period, Respondents failed to perform and maintain a  
2 monthly reconciliation comparing the separate records to the control  
3 record for T/A1 in violation of Section 10145 of the Code and Section  
4 2831.2 (trust account reconciliation) of the Regulations.

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6 The act and/or omissions described above constitute violations of Section  
7 10145 of the Code and Sections 2831, 2831.1, and 2831.2 of the Regulations and, and are  
8 grounds for discipline under the aforementioned Section and/or Sections 10177(d)  
9 (willful disregard of real estate laws) and 10177(g) (negligence/incompetence licensee) of  
10 the Code.

11 SECOND CAUSE OF ACTION

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13 Complainant refers to Paragraphs 1 through 10, above, and incorporates the  
14 same, herein.

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16 At times mentioned above, Garcia was responsible, as the supervising designated  
17 broker/officer for Legacy, for the supervision and control of the activities conducted on behalf  
18 of Legacy's business by its employees to ensure its compliance with the Real Estate Law and  
19 Regulations. Garcia failed to exercise reasonable supervision and control over the property  
20 management activities of Legacy. In particular, Garcia permitted, ratified and/or caused the  
21 conduct described above to occur, and failed to take reasonable steps, including but not limited  
22 to, the handling of trust funds, supervision of employees, and the implementation of policies,  
23 rules, and systems to ensure the compliance of the business with the Real Estate Law and the  
24 Regulations.

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26 The above acts and/or omissions of Garcia violate Section 2725 (broker  
27 supervision) of the Regulations and Section 10159.2 (responsibility/designated officer) of the

1 Code and constitute grounds for disciplinary action under the provisions of Sections 10177(d),  
2 10177(g) and 10177(h) (broker supervision) of the Code.

3 COSTS OF INVESTIGATION AND ENFORCEMENT

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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  
8 part to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the  
9 case.

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

13 WHEREFORE, Complainant prays that a hearing be conducted on the allegations  
14 of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary  
15 action against all licenses and license rights of Respondents under the Real Estate Law, for the  
16 cost of investigation and enforcement as permitted by law, and for such other and further relief  
17 as may be proper under other provisions of law.

18   
19 RUBEN CORONADO  
20 Supervising Special Investigator

21 Dated at Fresno, California,

22 this 1<sup>st</sup> day of April, 2025.  
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DISCOVERY DEMAND

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