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FILED

AUG 29 2025

DEPARTMENT OF REAL ESTATE
By B. Nicholas

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of:)
) No. H-3617 FR
FAR WEST PROPERTIES & FINANCIAL INC.,)
and MICHELLE ANN LUNG,) ACCUSATION
Respondents.)

The Complainant, RUBEN CORONADO, acting in his official capacity as a
Supervising Special Investigator of the State of California, for this Accusation against FAR
WEST PROPERTIES & FINANCIAL INC. ("FAR WEST") and MICHELLE ANN LUNG
("LUNG"), is informed and alleges as follows:

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FAR WEST is presently licensed and/or has license rights under the Business and
Professions Code ("Code"), by the Department of Real Estate ("Department") as a corporate real
estate broker, License No. 01888981.

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LUNG is presently licensed and/or has license rights under the Code, by the
Department as a real estate broker, License No. 00920313.

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2 At all times mentioned, LUNG was the designated broker-officer of FAR WEST.
3 As the designated broker-officer, LUNG 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 FAR WEST for which a real estate license is required to ensure the compliance
6 of the corporation with the Real Estate Law and the Regulations.

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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.

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22 On or about October 3, 2018, LUNG executed a Property Management
23 Agreement ("PMA") with Jare C. and Judy C. to manage the property located at 1058 W.
24 Magill Ave, Fresno ("Magill Ave."). This agreement remained in place with Respondents
25 managing Magill Ave. until on or about March 7, 2024.

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On or about January 12, 2024, LUNG, as an agent of FAR WEST, representing herself and A. Lung, finalized a Residential Purchase Agreement ("RPA") to purchase Magill Ave. with Brian C. and Sam R. ("the Sellers"). LUNG and A. Lung, in the Seller Counter Offer No. 1, accepted the contractual term that the "Seller will make no repairs property sold as-is in present condition."

Despite LUNG knowing that the purchase contract she was a party to dictated that no repairs were to be made to Magill Ave., LUNG made repairs to Magill Ave. as the property manager. LUNG charged the cost of the repairs to the Sellers through the existing PMA. LUNG made no attempt to inform the sellers that she was making repairs to Magill Ave. under the PMA. LUNG ordered or had the following repairs completed and/or charged the Sellers for materials during the period the RPA was in force:

- 1) Home Depot- \$105.08
- 2) Maintenance and installation of fireplace metal cap- \$350.00
- 3) Clean gutters and replace bottom 3 vents- \$350
- 4) Home inspection report/multiple repairs- \$275.00
- 5) Clean master bath sink drains and remove hair- \$52.00
- 6) Reverse hot and cold on bathtub valve- \$52.00
- 7) Home Depot- \$62.20
- 8) HVAC closet repairs- drywall, duct work etc.- \$250.00
- 9) HVAC inspection- \$85.00
- 10) Replace four feet of damaged baseboard, reinstall silicone in master bath, prime and paint about 18 feet of baseboard, prime and paint about 13 feet of baseboard in the guest restroom- \$500

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Respondents charged the Sellers a 10% "Overhead and service fee" in excess of the actual cost of the repairs, for the above-mentioned repairs pursuant to the PMA.

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On or about January 24, 2024, a cancellation of the RPA between the Sellers and the Lungs was finalized.

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Respondents breached their fiduciary duties to the Sellers by ordering repairs to Magill Ave. and charging a service fee on top of the cost of the repair, while bound by the RPA which stated the Sellers will make no repairs.

PRIOR ADMINISTRATIVE ACTION

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On November 22, 2019, in DRE Case No. H-3162 FR, a Decision was rendered revoking the real estate broker and real estate corporation licenses of Respondents, effective December 30, 2019, but granting Respondents the right to the issuance of a restricted real estate broker license and a restricted real estate corporation license.

GROUND FOR DISCIPLINE

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The acts and/or omissions as described above in Paragraphs 1-10 constitute grounds for the suspension or revocation of the license and license rights of Respondents pursuant to Sections 10176(a) (making any substantial misrepresentation), 10176(i) (fraud or dishonest dealing), 10177(g) (negligence or incompetence), and/or 10177(j) (fraud or dishonest dealing) of the Code.

COST RECOVERY

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The Department will seek to recover the costs of the investigation and prosecution of this case pursuant to Section 10106 of the Code which provides, in pertinent part, that in any

1 order issued in resolution of a disciplinary proceeding before the Department, the Commissioner
2 may request the administrative law judge to direct a licensee found to have committed a violation
3 of this part to pay a sum not to exceed the reasonable costs of the investigation and enforcement
4 of the case.

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

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12 RUBEN CORONADO
13 Supervising Special Investigator

14 Dated at Fresno, California,
15 this 20th day of August, 2025.
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18 DISCOVERY DEMAND

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