

FILED

OCT 25 2021

DEPT. OF REAL ESTATE
By _____

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

10 * * *

<p>11 In the Matter of the Accusation of</p> <p>12</p> <p>13 CARI ANN DROLET;</p> <p>14 WEST RESIDENTIAL, INC. formerly The</p> <p>15 Edgar Fine Group, Inc.; and</p> <p>16 MICHAEL EDGAR WEST, individually and as</p> <p>17 designated officer of West Residential, Inc..</p> <p>18 Respondents.</p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>	<p>No. H-05217 SD</p> <p>ACCUSATION</p>
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19 The Complainant, Veronica Kilpatrick, a Supervising Special Investigator of the
20 State of California, for cause of Accusation against Respondents CARI ANN DROLET
21 (“DROLET”), WEST RESIDENTIAL, INC. formerly The Edgar Fine Group, Inc. (“WRI”)¹,
22 and MICHAEL EDGAR WEST, individually and as designated officer of West Residential
23 Inc. (collectively “Respondents”), is informed and alleges as follows:

24 _____
25 ¹ WRI changed its name from The Edgar Fine Group, Inc. to West Residential, Inc. with the
26 California Secretary of State (corporate number C4101639) on or about April 29, 2021 and
27 with the Department of Real Estate on or about June 7, 2021. From on or about June 4, 2018 to
June 6, 2021, WRI was licensed with the Department of Real Estate as The Edgar Fine Group,
Inc. As a result, West Residential, Inc. and The Edgar Fine Group, Inc. are the same entity for
all purposes herein.

1 1.

2 The Complainant, Veronica Kilpatrick, a Supervising Special Investigator of the
3 State of California, makes this Accusation in her official capacity.

4 2.

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

8 3.

9 A. DROLET: Respondent DROLET is presently licensed and/or has
10 license rights issued by the Department of Real Estate as a real estate salesperson (license no.
11 01823385). On or about October 1, 2007, DROLET was originally licensed as a real estate
12 salesperson, and has been so licensed since then. DROLET's sponsoring broker has been WRI
13 from on or about August 24, 2018 through the present.

14 B. WRI: Respondent WRI is presently licensed and/or has license rights
15 issued by the Department of Real Estate as a real estate corporate broker (license no.
16 02067323). On or about June 4, 2018, WRI was originally licensed as a corporate real estate
17 broker, and has been so licensed since then. From on or about June 4, 2018 through the
18 present, WEST was and is the designated officer of WRI. WRI was licensed as "The Edgar
19 Fine Group, Inc." from on or about June 4, 2018 to June 6, 2021. WRI's fictitious business
20 names are "EZ-TC California" and "Michael West, Broker" both from on or about June 4, 2018
21 through the present and "Lotus Realty Group" from on or about August 6, 2018 through the
22 present.

23 C. WEST: Respondent WEST is presently licensed and/or has license
24 rights issued by the Department of Real Estate as a real estate broker (license no. 01861187) of
25 WRI. On or about January 30, 2013, WEST was originally licensed as a real estate broker, and
26 has been so licensed since then. From on or about March 25, 2009 to January 29, 2013, WEST
27 was licensed as a real estate salesperson. WEST's fictitious business names are "The Edgar

1 Fine Group California” from on or about February 4, 2016 through the present and “West
2 Residential” from on or about August 17, 2021 through the present.

3 4.

4 Whenever acts referred to below are attributed to DROLET, those acts are
5 alleged to have been done by DROLET, acting by herself, or by and/or through one or more
6 agents, associates, affiliates, and/or co-conspirators, including, but not limited to WRI and
7 WEST.

8 5.

9 Whenever acts referred to below are attributed to WRI, those acts are alleged to
10 have been done by WRI, acting by itself, or by and/or through one or more agents, associates,
11 affiliates, and/or co-conspirators, including but not limited to DROLET and WEST.

12 6.

13 Whenever acts referred to below are attributed to WEST, those acts are alleged
14 to have been done by WEST, acting by himself, or by and/or through one or more agents,
15 associates, affiliates, and/or co-conspirators, including but not limited to DROLET and WRI.

16
17 FIRST CAUSE OF ACCUSATION

18 (FRAUD AND DISHONEST DEALING, ETC.: DROLET AND WRI)

19 7.

20 Incorporated herein are Paragraphs 3 through 6, above.

21 8.

22 On or about July 15, 2019, DROLET and WRI dba Lotus Realty Group entered
23 into a Residential Listing Agreement with Kyle K. (“Owner”) wherein DROLET and WRI
24 agreed to sell the Owner’s property at 4538 Golden Ridge Dr., Oceanside, CA 92056
25 (“Property”) with a listing price of \$349,999.²

26
27 ² Kyle K. was the trustee of his parents’ trust, which owned the Property.

1 9.

2 On or about July 24, 2019, Daniel T., a real estate broker, submitted an offer of
3 \$270,000 on behalf of his company, Golden Gate Realty and Investments, on the Property to
4 DROLET.

5 10.

6 On or about July 29, 2019, DROLET informed Daniel T. the Property had
7 foundation issues, and asked if Daniel T. wanted to proceed with his offer.

8 11.

9 On or about July 30, 2019 at approximately 9:31 a.m., Daniel T. informed
10 DROLET that he would get back to him after he heard from his engineer. That same day, at
11 approximately 6:16 p.m., Daniel T. informed DROLET that his offer was now \$240,000.

12 12.

13 On or about August 1, 2019 at approximately 10:15 a.m., Daniel T. informed
14 DROLET again that his offer was \$240,000, and that it was his best offer. DROLET responded
15 that the Owner choose another buyer for the Property.

16 13.

17 On or about August 1, 2019 at approximately 1-2 p.m., the Owner who was
18 unaware of Daniel T.'s offer, accepted REIG Asset Management, LLC's offer of \$220,000.
19 DROLET represented both Daniel T. and REIG Asset Management, LLC as a dual agent.

20 14.

21 On or about August 9, 2019, the Owner sold the Property to REIG Asset
22 Management, LLC for \$220,000. As the dual agent, DROLET received commissions as both
23 the seller's agent and the buyer's agent.

24 15.

25 Later that same day on August 9, 2019, REIG Asset Management, LLC sold the
26 Property to SoCal Metro Holdings, LLC for \$287,500.

27 ///

1 16.

2 DROLET failed to inform the Owner of Daniel T.'s offer of \$270,000 and/or his
3 offer of \$240,000 prior to the sale of the Property to REIG Asset Management, Inc. on August
4 9, 2019. The Owner was not aware of any of Daniel T.'s offers until after the Property was
5 sold to REIG Asset Management, LLC and then SoCal Metro Holdings, LLC.

6 17.

7 The conduct, acts, and/or omissions of Respondents DROLET and WRI, as
8 described above constitute making substantial misrepresentations and fraud and/or dishonest
9 dealing, and are cause for the suspension or revocation of all real estate licenses and license
10 rights of Respondent under the provisions of Code sections 10176(a), 10176(b), 10176(i),
11 10177(d), and 10177(g) and/or 10177(j).

12
13 SECOND CAUSE OF ACCUSATION

14 (BROKER SUPERVISION: WRI AND WEST)

15 18.

16 Incorporated herein are Paragraphs 3 through 17, above.

17 19.

18 Based on the above facts, WRI did not exercise reasonable control and
19 supervision over the activities conducted by its employees and/or licensees, including, but not
20 limited to, DROLET, as necessary to secure full compliance with real estate laws, which
21 constitutes a breach of fiduciary duty with respect to its real estate consumers and clientele.
22 WRI's conduct and violations are cause for the suspension or revocation of its real estate
23 license and license rights pursuant to Code sections 10177(h) and Regulations section 2725.

24 20.

25 Based on the above facts, WEST did not exercise reasonable control and
26 supervision over the activities conducted by its employees and/or licensees, including, but not
27 limited to, DROLET and WRI as necessary to secure full compliance with real estate laws,

1 which constitutes a breach of fiduciary duty with respect to its real estate consumers and
2 clientele. WEST's conduct and violations are cause for the suspension or revocation of his real
3 estate license and license rights pursuant to Code sections 10177(h) and Regulations section
4 2725.

5
6 COSTS

7 21.

8 Code section 10106 provides, in pertinent part, that in any order issued in
9 resolution of a disciplinary proceeding before the bureau, the Commissioner may request the
10 administrative law judge to direct a licensee found to have committed a violation of this part to
11 pay a sum not to exceed the reasonable costs of investigation and enforcement of the case.

12 WHEREFORE, Complainant prays that a hearing be conducted on the
13 allegations of this Accusation and that upon proof thereof, a decision be rendered imposing
14 disciplinary action against all licenses and/or license rights under the Real Estate Law (Part 1 of
15 Division 4 of the California Business and Professions Code) of Respondents CARI ANN
16 DROLET, WEST RESIDENTIAL, INC., and MICHAEL EDGAR WEST, individually and as
17 designated officer of WRI, for the cost of investigation and enforcement as permitted by law,
18 and for such other and further relief as may be proper under applicable provisions of law.

19 Dated at San Diego, California: October 25, 2021

20
21 *Veronica Kilpatrick*

22 Veronica Kilpatrick
23 Supervising Special Investigator

24 cc: Cari Ann Drolet
25 West Residential, Inc.
26 Michael Edgar West
27 Veronica Kilpatrick
Sacto.