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**DEPT. OF REAL ESTATE**  
By *Zoni*

9 DEPARTMENT OF REAL ESTATE  
10 STATE OF CALIFORNIA

11 \* \* \*

12 In the Matter of the Accusation against ) No. H-05487 SD  
13 )  
14 AMERICA'S FINEST PROPERTY ) **ACCUSATION**  
15 MANAGEMENT INC; )  
16 )  
17 MIRANDA WISE, as designated officer of )  
18 America's Finest Property Management Inc; )  
19 )  
20 HECTOR MANUEL RUIZ; )  
21 )  
22 AHUAGE REALTY GROUP INC; and )  
23 )  
24 JORGE LUIS AHUAGE, as designated officer )  
25 of Ahuage Realty Group Inc, )  
26 )  
27 Respondents. )

22 The Complainant, Veronica Kilpatrick, a Supervising Special Investigator of the  
23 State of California, makes this Accusation in her official capacity, and for cause of Accusation  
24 against Respondents AMERICA'S FINEST PROPERTY MANAGEMENT INC, MIRANDA

26 DRE Accusation against America's Finest Property Management Inc et al., H-05487 SD

1 WISE, HECTOR MANUEL RUIZ, AHUAGE REALTY GROUP INC, and JORGE LUIS  
2 AGUAGE (collectively, "Respondents"), is informed and alleges as follows:

3 1.

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

6 **DRE LICENSE HISTORY**

7 **RESPONDENT AMERICA'S FINEST PROPERTY MANAGEMENT INC (AFPM)**

8 2.

9 According to Department of Real Estate (DRE) records to date and publicly  
10 accessible online ([https://www2.dre.ca.gov/PublicASP/pplinfo.asp?License\\_id=01299956](https://www2.dre.ca.gov/PublicASP/pplinfo.asp?License_id=01299956)),  
11 AMERICA'S FINEST PROPERTY MANAGEMENT INC (AFPM) is presently licensed and/or  
12 has license rights under the Real Estate Law as a real estate corporation (broker) (REC), DRE  
13 license ID 01299956, expiring on January 24, 2025.

14 3.

15 According to DRE records to date and publicly accessible online at the  
16 aforementioned webpage, AFPM was originally licensed by the DRE on or about January 25,  
17 2001; its mailing and main address of record on file with the DRE are the same: 680 Telegraph  
18 Canyon Rd, Ste 203, Chula Vista, CA 91910; and its license is presently associated with: one (1)  
19 real estate salesperson (RES), HECTOR MANUEL RUIZ.

20 4.

21 According to DRE records to date and publicly accessible online, MIRANDA  
22 WISE is presently the designated officer of record for AFPM until her officer affiliation expires  
23 on January 24, 2025 (with the expiration of AFPM's license).

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1 5.

2 **RESPONDENT MIRANDA WISE (WISE)**

3 According to DRE records to date and publicly accessible online  
4 ([https://www2.dre.ca.gov/publicasp/pplinf.asp?License\\_id=01192558](https://www2.dre.ca.gov/publicasp/pplinf.asp?License_id=01192558)), MIRANDA WISE  
5 (WISE), is presently licensed and/or has license rights under the Real Estate Law as a real estate  
6 broker (REB), DRE license ID 01192558, expiring on January 10, 2023.

7 6.

8 According to DRE records to date and publicly accessible online at the  
9 aforementioned webpage, WISE was originally licensed by the DRE as a RES on or about January  
10 27, 1995, and as a REB on or about January 11, 1999; her mailing address of record on file with  
11 the DRE is P M B #280, 8810-C Jamacha Blvd, Spring Valley, CA 91977; her main address of  
12 record on file with the DRE is 1932 Dain Dr, Lemon Grove, CA 91945; and she has one (1) DBA  
13 under her license, for Wise Management, active as of January 11, 1999.

14 7.

15 According to DRE records to date and publicly accessible online, WISE is presently  
16 the designated officer of record for AFPM until her officer affiliation expires on January 24, 2025  
17 (with the expiration of AFPM's license).

18 8.

19 **HECTOR MANUEL RUIZ (RUIZ)**

20 According to DRE records to date and publicly accessible online  
21 ([https://www2.dre.ca.gov/PublicASP/pplinf.asp?License\\_id=01199813](https://www2.dre.ca.gov/PublicASP/pplinf.asp?License_id=01199813)), HECTOR MANUEL  
22 RUIZ (RUIZ), is presently licensed and/or has license rights under the Real Estate Law as a  
23 RES, DRE license ID 01199813, expiring on July 26, 2023.

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1 9.

2 According to DRE records to date and publicly accessible online at the  
3 aforementioned webpage, RUIZ was originally licensed by the DRE on or about July 27, 1995 and  
4 his mailing address of record on file with the DRE 680 Old Telegraph Cyn Rd #203, Chula Vista,  
5 CA 91910.

6 10.

7 According to DRE records to date and publicly accessible online, RUIZ is presently  
8 licensed under responsible REB AFPM.

9 11.

10 **RESPONDENT AHUAGE REALTY GROUP INC. (ARG)**

11 According to DRE records to date and publicly accessible online  
12 ([https://www2.dre.ca.gov/PublicASP/pplinfo.asp?License\\_id=01842491](https://www2.dre.ca.gov/PublicASP/pplinfo.asp?License_id=01842491)), AHUAGE REALTY  
13 GROUP INC. (ARG) is presently licensed and/or has license rights under the Real Estate Law as  
14 a REC, DRE license ID 01842491, expiring on December 11, 2025.

15 12.

16 According to DRE records to date and publicly accessible online at the  
17 aforementioned webpage, ARG was originally licensed by the DRE on or about August 27, 2013;  
18 its mailing and main address of record on file with the DRE are the same: 4275 Executive Square  
19 Suite 200, La Jolla, CA 92037; its license is presently associated with: five (5) RES; and it has one  
20 (1) branch office located at RUIZ' mailing address of record on file with the DRE.

21 13.

22 According to DRE records to date and publicly accessible online, JORGE LUIS  
23 AHUAGE is presently the designated officer of record for ARG until his officer affiliation expires  
24 on December 11, 2025 (with the expiration of ARG's license).

25 ///

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14.

**JORGE LUIS AHUAGE (AHUAGE)**

According to DRE records to date and publicly accessible online ([https://www2.dre.ca.gov/publicasp/pplinfo.asp?License\\_id=01124056](https://www2.dre.ca.gov/publicasp/pplinfo.asp?License_id=01124056)), JORGE LUIS AHUAGE (AHUAGE), is presently licensed and/or has license rights under the Real Estate Law as a REB, DRE license ID 01124056, expiring on January 7, 2025.

15.

According to DRE records to date and publicly accessible online at the aforementioned webpage, AHUAGE was originally licensed by the DRE as a RES on or about November 12, 1991, and as a REB on or about January 8, 2005; his mailing and main address of record on file with the DRE are the same as that of ARG; and he has one (1) DBA under his license, for Ahuage Equity Investments, active as of January 8, 2005.

16.

According to DRE records to date and publicly accessible online, AHUAGE is presently the designated officer of record for ARG until his officer affiliation expires on January 11, 2025 (with the expiration of ARG's license) and a REB associate for UMRO Realty Corp., DRE license ID 01904054.

17.

At all times mentioned, in the State of California, AFPM, WISE, ARG, and AHUAGE conducted licensed activities within the meaning of Code Section 10131<sup>1</sup> and

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<sup>1</sup> Pursuant to Code Section 10131 Broker Defined, "A real estate broker within this meaning of this part is a person who, for a compensation or in expectation of a compensation, regardless of the form or time of payment, does or negotiates to do one or more of the following acts for another or others: (a) Sells or offers to sell, buys or offers to buy, solicits prospective sellers or purchasers of, solicits or obtains listings of, or negotiates the purchase, sale or exchange of real property or a business opportunity. (b) Leases or rents or offers to lease or rent, or places for rent, or solicits listings of places for rent, or solicits for prospective tenants, or negotiates the sale, purchase or exchanges of leases on real property, or on a business opportunity, or collects rents from real property, or improvements thereon, or from business opportunities. (c) Assists or offers to assist in filing an application for the purchase or lease of, or in locating or entering upon, lands owned by the state or federal government. (d) Solicits borrowers or

1 performed real estate activities, which require a real estate license, including, but not limited to  
2 activities performed by their employees, agents and RES, including, but not limited to RUIZ.

3 **FACTS DISCOVERED BY THE DRE**

4 18.

5 **RUIZ' EMPLOYMENT AND LICENSE AFFILIATIONS**

6 According to DRE records to date, RUIZ RES license affiliation history for the  
7 period 2014 to the present is as follows:

- 8 A. from April 11, 2022 up to and including the present, RUIZ' RES license is  
9 affiliated with AFPM  
10 B. from December 15, 2017 to April 10, 2022, RUIZ' RES license was affiliated  
11 with ARG; and  
12 C. from May 12, 2014 to August 26, 2017, RUIZ' RES license was affiliated with  
13 ARG.

14 19.

15 **RUIZ' REAL ESTATE ACTIVITIES DURING HIS AFFILIATION WITH ARG**

16 According to an e-mail dated April 13, 2022 from AHUAGE to the DRE,  
17 AHUAGE represented, among other things, that:

- 18 A. he is aware that RUIZ has a "very small portfolio of management contacts;"  
19 B. RUIZ is no longer an affiliated RES of ARG, as he has changed licensure to  
20 "his own corporation," AFPM;  
21 C. he has instructed, and RUIZ has complied with deletion of his website,  
22 hectormruiz.com; and

23  
24 lenders for or negotiates loans or collects payments or performs services for borrowers or lenders or note owners in  
25 connection with loans secured directly or collaterally by liens on real property or on a business opportunity. (e) Sells  
26 or offers to sell, buys or offers to buy, or exchanges or offers to exchange a real property sales contract, or a  
27 promissory note secured directly or collaterally by a lien on real property or on a business opportunity, and performs  
services for the holders thereof."

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D. ARG does not engage in any property management activities, as it exclusively represents buyers and sellers in sales transactions.

20.

According to the Paragraph 4G. of the Independent Contractor Agreement with Binding Arbitration Option (C.A.R. Form ICA-BA, Rev. 4/15) dated and executed November 21, 2016 by and between AHUAGE/ARG as “Broker” and RUIZ as “Associate-Licensee,” property management, loan brokerage and business brokerage are prohibited activities that RUIZ as the Associate-Licensee agreed not to engage in without the express written consent of AHUAGE/ARG.

21.

According to an e-mail dated May 5, 2022 from AHUAGE to the DRE, AHUAGE represented that:

- A. he knew RUIZ participated in property management with “his company” AFPM, and
- B. RUIZ participated in only sales activities under ARG’s license.

22.

AFPM HAS NEVER HAD RES UNDER ITS LICENSE

According to an email dated May 18, 2022 from WISE to the DRE, WISE represented that:

- A. AFPM has not, and has never had, since its 2001 inception, any RES;
- B. AFPM is owned by RUIZ; and
- C. she is the Vice President, REB and Officer of AFPM.

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23.

According to a DRE interview with WISE on July 5, 2022, WISE represented, among other things, that:

- A. AFPM is owned by RUIZ;
- B. WISE is the Vice President of AFPM and has zero ownership;
- C. WISE conducts property management activities under Wise Management, which is a separate entity apart from AFPM;
- D. the main real estate activity of AFPM is property management;
- E. WISE and RUIZ bought the residential portfolio and the self-storage portfolio, respectively, in 1999, when they both worked for the same company, and RUIZ set up AFPM with WISE as the REB;
- F. RUIZ always performed property management activities under AFPM;
- G. RUIZ shows WISE bank statements but RUIZ maintains and is the only signatory on the trust account; and
- H. she meets with RUIZ three (3) times per year and is paid a \$100 monthly flat fee by RUIZ.

24.

RUIZ' REAL ESTATE ACTIVITIES

According to an e-mail dated April 15, 2022 from RUIZ to the DRE, RUIZ represented that:

- A. he was no longer associated with ARG, and that his DRE license was associated with AFPM;
- B. he has deleted mentions of ARG from his website and Facebook account;
- C. he manages a "small portfolio of management contracts," as follows:
  - i. 680 Telegraph Canyon Road (trust account -2286);



- ii. 1829 Cherbourg Drive, Chula Vista, CA (trust account -8516);
- iii. 1619 Copper Penny Drive, Chula Vista, CA (trust account -8516);
- iv. 1565 Circulo Brindisi, Chula Vista, CA (trust account -8516);;
- v. 3013 Gayla Court, Spring Valley, CA (trust account -8516); and
- vi. 73 Milan Court, Chula Vista, CA (trust account -8516); and

D. he is no longer seeking additional management contracts.

According to the bank statements that RUIZ attached to his April 15, 2022 email, AFPM maintains three (3) bank accounts with Union Bank for trust fund deposits. The account ending -8516, in the name “America’s Finest Property Management, Inc. in Trust for Residential Properties” is the only account that is a trust account. The other two (2) account (accounts ending-2286 and -3018) are not trust accounts.

25.

RUIZ’ PROPERTY MANAGEMENT ACTIVITIES UNER AFPM

First European Ventures LP: 10499 Austin Drive, Spring Valley, CA

(Aggravation)

A. (Aggravation) On December 11, 2000, a property management agreement (PMA) was drafted between AFPM and First European Ventures LP, for the management of real property located at 10499 Austin Drive, Spring Valley, CA 91978 (Rancho San Diego Self-Storage), for the management term beginning January 1, 2001 and ending December 31, 2001. There is no subsequent PMA after the expiration date; however, on April 15, 2022, RUIZ represented to the DRE that he has been “managing Rancho San Diego Self Storage since January 1, 2001.” RUIZ was listed on the PMA as property manager (and President) for AFPM.

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1 26.

2 David and Judith B.: 73 Millan Ct., Chula Vista, CA

3 A. (Aggravation) On January 8, 2014, a PMA was drafted between AFPM and  
4 David and Judith B., for the management of real property located at 73 Millan Ct., Chula Vista,  
5 CA 91910 (Millan Ct.), for the management term beginning January 8, 2014 and ending January  
6 7, 2015. There is no subsequent PMA after the expiration date; however, on April 15, 2022, RUIZ  
7 represented that Millan Ct. is one of the properties he currently manages. RUIZ signed the PMA  
8 as property manager for AFPM.

9 B. On January 1, 2022, RUIZ was listed as the agent for AFPM on the Millan Ct.  
10 lease for tenants Julia E. and Jose J. for the lease term January 1, 2022 to December 31, 2022.

11 27.

12 Oluwatoyin D. and Oluwafunmilola D.: 1619 Copper Penny Dr., Chula Vista, CA

13 (Aggravation)

14 A. (Aggravation) On April 17, 2015, a PMA was drafted between AFPM and  
15 Oluwatoyin D. and Oluwafunmilola D., for the management of real property located at 1619  
16 Copper Penny Dr., Chula Vista, CA 91915 (Copper Penny) for the management term beginning  
17 May 1, 2015 and ending April 30, 2016. There is no subsequent PMA after the expiration date;  
18 however, on April 15, 2022, RUIZ represented that Copper Penny is one of the properties he  
19 currently manages. RUIZ signed the PMA as property manager for AFPM.

20 B. On December 6, 2021, RUIZ signed as the agent for AFPM on the Copper Penny  
21 lease for Alan and Itzel C. for the lease term January 1, 2022 to December 31, 2022.

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1 28.

2 Mark P. and Blanca M.: 1829 Cherbourg, Chula Vista, CA

3 A. (Aggravation) On July 11, 2016, a PMA was drafted between AFPM and Mark  
4 P. and Blanca M., for the management of real property located at 1829 Cherbourg, Chula Vista,  
5 CA 91913 (Cherbourg), for the management term of July 11, 2016 to July 10, 2017. There is no  
6 subsequent PMA after the expiration date; however, on April 15, 2022, RUIZ represented that  
7 Cherbourg is one of the properties he currently manages. RUIZ signed the PMA as property  
8 manager for AFPM.

9 B. On March 15, 2022, RUIZ signed as the agent for AFPM on the Copper Penny  
10 lease for tenants Maria P. and Armando A. for the lease term April 1, 2022 to March 31, 2023.

11 29.

12 Flyinfolu P. DBA Prominent LLC: 1565 Circulo Brindisi, Chula Vista, CA

13 On October 1, 2019, a PMA was drafted between AFPM and Flyinfolu P. DBA  
14 Prominent LLC, for the management of real property located at 1565 Circulo Brindisi, Chula Vista,  
15 CA 91915 (Circulo Brindisi), for the management term of October 1, 2019 to October 31, 2020.  
16 There is no subsequent PMA after the expiration date; however, on April 15, 2022, RUIZ  
17 represented that Circulo Brindisi is one of the properties he currently manages. RUIZ signed the  
18 PMA as property manager for AFPM. On June 9, 2021, RUIZ signed as the agent for AFPM on  
19 the Circulo Brindisi lease for tenants Shama H., Frank H., Brailand H., and Christine H. for the  
20 lease term July 1, 2021 to July 31, 2022.

21 30.

22 Albert Y.: 3013 Gayla Court, Spring Valley, CA

23 On October 17, 2019, a PMA was drafted between AFPM and Albert Y., for the  
24 management of real property located at 3013 Gayla Court, Spring Valley, CA 91978 (Gayla  
25 Court), for the management term of October 17, 2019 to November 30, 2020. There is no  
26

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1 subsequent PMA after the expiration date; however, on April 15, 2022, RUIZ represented that  
2 Gayla Court is one of the properties he currently manages. RUIZ signed the PMA as property  
3 manager for AFPM. On June 9, 2021, RUIZ signed as the agent for AFPM on the Gayla Court  
4 lease for tenants Richard S. and Amber S. for the lease term February 21, 2020 to February 20,  
5 2021.

6 31.

7 Brian K. and The Andrews Family Trust: 680 Telegraph Canyon Rd., Chula Vista, CA

8 On February 28, 2022, a PMA was drafted between AFPM and Brian K. and The  
9 Andrews Family Trust for the management of real property located at 680 Telegraph Canyon Rd.,  
10 Chula Vista, CA 91910 (Telegraph Canyon), for the management term of March 1, 2022 to  
11 February 28, 2023. On April 15, 2022, RUIZ represented that Telegraph Canyon is one of the  
12 properties he currently manages. RUIZ signed the PMA as property manager for AFPM.

13 32.

14 First European Ventures LP: 10499 Austin Drive, Spring Valley, CA

15 On April 17, 2022, a PMA was drafted between AFPM and Brian K. and The  
16 Andrews Family Trust for the management of Rancho San Diego Self-Storage (real property  
17 located at 10499 Austin Drive, Spring Valley, CA 91978, for the management term of April 17,  
18 2022 to April 16, 2023. RUIZ signed the PMA as property manager for AFPM.

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1 purchase or exchanges of leases of real property, or on a business opportunity, or  
2 collects rents from real property, or improvements thereon, or from business  
3 opportunities.

4 (c) Assists or offers to assist in filing an application for the purchase or lease of,  
5 or in locating or entering upon, lands owned by the state or federal government.

6 (d) Solicits borrowers or lenders for or negotiates loans or collects payments or  
7 performs services for borrowers or lenders or note owners in connection with  
8 loans secured directly or collaterally by liens on real property or on a business  
9 opportunity.

10 (e) Sells or offers to sell, buys or offers to buy, or exchanges or offers to exchange  
11 a real property sales contract, or a promissory note secured directly or collaterally  
12 by a lien on real property or on a business opportunity, and performs services for  
13 the holders thereof.”

14 35.

15 **Unlawful Employment or Payment of Compensation – Penalty**

16 (Code Section 10137)

17 Pursuant to Code Section 10137 *Unlawful Employment or Payment of*  
18 *Compensation – Penalty:*

19 “It is unlawful for any licensed real estate broker to employ or compensate,  
20 directly or indirectly, any person for performing any of the acts within the scope of this chapter  
21 who is not a license real estate broker, or a real estate salesperson licensed under the broker  
22 employing or compensating him or her, or to employ or compensate, directly or indirectly, any  
23 licensee for engaging in any activity for which a mortgage loan originator license endorsement is  
24 required, if that licensee does not hold a mortgage loan originator license endorsement; provided,  
25 however, that a licensed real estate broker may pay a commission to a broker of another state.

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1 No real estate salesperson shall be employed by or accept compensation for activity requiring a  
2 real estate license from any person other than the broker under whom he or she is at the time  
3 licensed. It is unlawful for any licensed real estate salesperson to pay any compensation for  
4 performing any of the acts within the scope of this chapter to any real estate licensee except  
5 through the broker under whom he or she is at the time licensed. For a violation of any of the  
6 provisions of this section, the commissioner may temporarily suspend or permanently revoke the  
7 license of the real estate licensee, in accordance with the provisions of this part relating to  
8 hearings.”

9 36.

10 **Penalties for Unlicensed Person**

11 **(Code Section 10139)**

12 Pursuant to Code Section 10139 *Penalties for Unlicensed Person*:

13 “Any person acting as a real estate broker, real estate salesperson, or mortgage  
14 loan originator without a license or license endorsement, or who advertises using words  
15 indicating that he or she is a real estate broker, real estate salesperson, or mortgage loan  
16 originator without being so licensed or without having obtained a license endorsement, shall be  
17 guilty of a public offense punishable by a fine not exceeding twenty thousand dollars (\$20,000),  
18 or by imprisonment in the county jail for a term not to exceed six months, or by both fine and  
19 imprisonment; or if a corporation, be punished by a fine not exceeding sixty thousand dollars  
20 (\$60,000). If a Real Estate Fraud Prosecution Trust Fund, as described in Section 27388 of the  
21 Government Code, exists in the county where a person or corporation is convicted, any fine  
22 collected from the person in excess of ten thousand dollars (\$10,000) or any fine collected from  
23 the corporation in excess of fifty thousand dollars (\$50,000) shall be deposited in that Real Estate  
24 Fraud Prosecution Trust Fund.”

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**Handling of Trust Funds – Interest-Bearing Accounts**

**(Code Section 10145 (selected portions))**

Pursuant to Code Section 10145 *Handling of Trust Funds* (selected portions):

“(a)(1): A real estate broker who accepts funds belonging to others in connection with a transaction subject to this part shall deposit all those funds that are not immediately placed into a neutral escrow depository or into the hands of the broker’s principal, into a trust fund account maintained by the broker in a bank or recognized depository in this state. All funds deposited by the broker in a trust account shall be maintained there until disbursed by the broker in accordance with instructions from the person entitled to the funds.

(2) Withdrawals may be made from a trust fund account of an individual broker only upon the signature of that broker, or in the case of a corporate broker, only upon the signature of an officer through whom the corporation is licensed pursuant to Section 10158 or 10211, or one, or more, of the following persons if specifically authorized in writing by the individual broker or officer:

(A) A real estate salesperson licensed to the broker.

(B) Another broker acting pursuant to a written agreement with the individual broker that conforms to the requirements of this part and any regulations promulgated pursuant to this part.

(C) An unlicensed employee of the individual broker, if the broker has fidelity bond coverage equal to at least the maximum amount of the trust funds to which the unlicensed employee has access at any time. For purposes of this section, bonds providing coverage may be written with a deductible of up to 5 percent of the coverage amount. For bonds with a deductible, the employing broker shall have evidence of financial



1 responsibility that is sufficient to protect members of the public against a  
2 loss subject to the deductible amount.

3 Evidence of financial responsibility shall include one or more of the  
4 following:

5 (i) Separate fidelity bond coverage adequate to cover the amount  
6 of the fidelity bond deductible.

7 (ii) A cash deposit held in a separate account, apart from other  
8 funds of the broker, the broker's employees, or the broker's  
9 principals, in a bank or recognized depository in this state adequate  
10 to cover the amount of the fidelity bond deductible and held  
11 exclusively and solely for the purpose of paying the fidelity bond  
12 deductible amount.

13 (iii) Any other evidence of financial responsibility approved by the  
14 commissioner.

15 (3) An arrangement under which a person enumerated in subparagraph  
16 (A),(B), or (C) of paragraph (2) is authorized to make withdrawals from a trust fund account of a  
17 broker shall not relieve an individual broker, nor the broker-officer of a corporate broker  
18 licensee, from responsibility or liability as provided by law in handling trust funds in the broker's  
19 custody.

20  
21 (b) A real estate broker acting as a principal pursuant to Section 10131.1 shall  
22 place all funds received from others for the purchase of real property sales contracts or  
23 promissory notes secured directly or collaterally by liens on real property in a neutral escrow  
24 depository unless delivery of the contract or notes is made simultaneously with the receipt of the  
25 purchase funds.

1 (c) A real estate salesperson who accepts trust funds from others on behalf of the  
2 broker under whom he or she is licensed shall immediately deliver the funds to the broker or, if  
3 so directed by the broker, shall deliver the funds into the custody of the broker's principal or a  
4 neutral escrow depository or shall deposit the funds into the broker's trust fund account."

5  
6 (g) The broker shall maintain a separate record of the receipt and disposition of all  
7 funds described in subdivisions (a) and (b), including any interest earned on the funds..."

8 38.

9 **Trust Account Withdrawals**

10 **(Regulation 2834)**

11 Pursuant to Regulation 2834 *Trust Account Withdrawals*:

12 (a) "Withdrawals may be made from a trust fund account of an individual broker  
13 only upon the signature of the broker or one or more of the following persons if specifically  
14 authorized in writing by the broker:

15 (1) a salesperson licensed to the broker.

16 (2) a person licensed as a broker who has entered into a written agreement  
17 pursuant to Section 2726 with the broker.

18 (3) an unlicensed employee of the broker with fidelity bond coverage at  
19 least equal to the maximum amount of the trust funds to which the  
20 employee has access at any time.

21 (b) Withdrawals may be made from the trust fund account of a corporate broker  
22 only upon the signature of:

23 (1) an officer through whom the corporation is licensed pursuant to  
24 Section 10158 or 10211 of the Code or

1 (2) one of the persons enumerated in paragraph (1), (2) or (3) of  
2 subdivision (a) above, provided that specific authorization in writing is  
3 given by the officer through whom the corporation is licensed and that the  
4 officer is an authorized signatory of the trust fund account.

5 (c) An arrangement under which a person enumerated in paragraph (1), (2) or (3)  
6 of subdivision (a) above is authorized to make withdrawals from a trust fund account of a broker  
7 shall not relieve an individual broker, nor the broker-officer of a corporate broker licensee, from  
8 responsibility or liability as provided by law in handling trust funds in the broker's custody."

9 39.

10 **Broker Supervision**

11 **(Code Section 10159.2 and Regulation 2725)**

12 Pursuant to Code Section 10159.2 *Responsibility of Corporate Officer in Charge*:

13 "(a) The officer designated by a corporate broker licensee pursuant to Section  
14 10211 shall be responsible for the supervision and control of the activities conducted on behalf  
15 of the corporation by its officers and employees as necessary to secure full compliance with the  
16 provisions of this division, including the supervision of salespersons licensed to the corporation  
17 in the performance of acts for which a real estate license is required.

18 (b) A corporate broker licensee that has procured additional licenses in  
19 accordance with Section 10158 through officers other than the officer designated pursuant to  
20 Section 10211 may, by appropriate resolution of its board of directors, assign supervisory  
21 responsibility over salespersons licensed to the corporation to its broker-officers.

22 (c) A certified copy of any resolution of the board of directors assigning  
23 supervisory responsibility over real estate salespersons licensed to the corporation shall be filed  
24 with the Real Estate Commissioner within five days after the adoption or modification thereof."

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Pursuant to Regulation 2725 *Broker Supervision*:

“A broker shall exercise reasonable supervision over the activities of his or her salespersons. Reasonable supervision includes, as appropriate, the establishment of policies, rules, procedures and systems to review, oversee, inspect and manage:

- (a) Transactions requiring a real estate license.
- (b) Documents which may have a material effect upon the rights or obligations of a party to the transaction.
- (c) Filing, storage and maintenance of such documents.
- (d) The handling of trust funds.
- (e) Advertising of any service for which a license is required.
- (f) Familiarizing salespersons with the requirements of federal and state laws relating to the prohibition of discrimination.
- (g) Regular and consistent reports of licensed activities of salespersons.

The form and extent of such policies, rules, procedures and systems shall take into consideration the number of salespersons employed and the number and location of branch offices. A broker shall establish a system for monitoring compliance with such policies, rules, procedures and systems. A broker may use the services of brokers and salespersons to assist in administering the provisions of this section so long as the broker does not relinquish overall responsibility for supervision of the acts of salespersons licensed to the broker.”

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**Salesperson and Broker Associate Retention and Termination**

**(Code Section 10161.8)**

Pursuant to Code Section 10161.8 *Salesperson and Broker Associate Retention and Termination:*

“(a) The commissioner shall specify the manner in which a responsible broker shall provide notice to the commissioner of an affiliation with a real estate licensee or by which a real estate licensee shall provide notice of a change of address or affiliation.

(b) Whenever a responsible broker retains a real estate salesperson to conduct activities requiring a license, the responsible broker shall notify the commissioner in a manner specified by the commissioner.

(c) Whenever a responsible broker retains a real estate broker to conduct activities requiring a license, the responsible broker shall provide notice to the commissioner in a manner specified by the commissioner.

(d) Whenever an affiliation with a real estate licensee is terminated, the responsible broker shall provide notice to the commissioner in a manner specified by the commissioner.

(e) Whenever a real estate licensee acquires a business address different from the address shown in the records maintained by the commissioner, the licensee shall notify the commissioner in a manner specified by the commissioner.”

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**Broker-Salesman Relationship Agreements**

**(Regulation 2726)**

Pursuant to Regulation 2726 *Broker-Salesman Relationship Agreements*:

“Every real estate broker shall have a written agreement with each of his salesmen, whether licensed as a salesman or as a broker under a broker-salesman agreement. The agreement shall be dated and signed by the parties and shall cover material aspects of the relationship between the parties, including supervision of licensed activities, duties and compensation.”

**Notice of Change of Broker**

**(Regulation 2752)**

Pursuant to Regulation 2752 *Notice of Change of Broker*:

“Whenever a real estate salesperson enters the employ of a real estate broker, or whenever a real estate broker enters into a written agreement to act in the capacity of a salesperson to another broker, the responsible broker shall notify the Commissioner of that fact within five days. This notification shall be given on a form prepared by the Bureau and shall be signed by the responsible broker and the salesperson or broker acting as a salesperson. The form of notification shall provide for the furnishing of at least the following information:

- (1) Name and business address of the responsible broker.
- (2) Mailing address of the salesperson or broker acting as a salesperson, if different from the responsible broker’s business address.
- (3) Date when the salesperson or broker acting as a salesperson entered a written employment or retention agreement with the responsible broker.

1 (4) Certification by the salesperson that he or she has complied with the  
2 provisions of Section 10161.8(d) of the Business and Professions Code.

3 (5) When a salesperson is entering employment or a retention agreement, the  
4 name and business address of the real estate broker to whom the salesperson was  
5 last licensed and the date of termination of that relationship.

6 (6) When a salesperson is entering employment or a retention agreement,  
7 certification by the salesperson that the predecessor responsible broker has notice  
8 of the termination of the relationship.

9 As an acceptable alternative to (5) and (6) above, the form may be utilized by the predecessor  
10 responsible broker to give notice of the termination of the broker/salesperson contract  
11 relationship as required by Section 10161.8(b) of the Business and Professions Code if this  
12 notice is mailed to the Commissioner not more than ten days following such termination.

13 A responsible broker that is involved in a contract to employ or retain another broker to act in the  
14 capacity of a salesperson must give notice of the termination of that broker/broker contract  
15 relationship as required by Section 10161.8(b) of the Business and Professions Code by mailing  
16 such notice to the Commissioner not more than ten days following such termination.”

17 44.

18 **Branch or Division Managers – Appointment**

19 **(Code Section 10164)**

20 Pursuant to Code Section 10164 *Branch or Division Managers – Appointment*:

21 “(a) A responsible broker or corporate designated broker officer may appoint a  
22 licensee as a manager of a branch office or division of the responsible broker’s or corporate  
23 designated broker officer’s real estate business and delegate to the appointed manager the  
24 responsibility to oversee day-to-day operations, supervise the licensed activities of licensees, and  
25 supervise clerical staff employed in the branch office or division.

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1  
2 (b) Notwithstanding subdivision (a), nothing in this section shall be construed to  
3 limit the responsibilities of a responsible broker or a corporate designated broker officer pursuant  
4 to subdivision (h) of Section 10177. A licensee accepting appointment as a manager shall be  
5 subject to disciplinary action pursuant to Section 10165 for failure to properly supervise licensed  
6 activity pursuant to subdivision (a).

7 (c) Appointment of a manager shall only be made by means of a written contract  
8 in which the manager accepts the delegated responsibility. The appointing responsible broker or  
9 corporate designated broker officer shall retain a copy of the contract and send a notice to the  
10 department, in a form approved by the commissioner, identifying the appointed manager and the  
11 branch office or division the manager is appointed to supervise.

12 (d) A licensee shall not be appointed as a manager if any of the following apply:

13 (1) The licensee holds a restricted license.

14 (2) The licensee is or has been subject to an order of debarment.

15 (3) The licensee is a salesperson with less than two years of full-time real  
16 estate experience within five years preceding the appointment.

17 (e) Whenever an appointment of a branch manager is terminated or changed, the  
18 responsible broker or corporate designated broker officer shall immediately notify the  
19 commissioner thereof in writing.”

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1 45.

2 **Grounds for Revocation or Suspension**

3 **(Code Section 10176 (selected portions))**

4 Pursuant to Code Section 10176 *Grounds for Revocation or Suspension* (selected  
5 portions):

6 “The commissioner may, upon his or her own motion, and shall, upon the verified  
7 complaint in writing of any person, investigate the actions of any person engaged in the business  
8 or acting in the capacity of a real estate licensee within this state, and he or she may temporarily  
9 suspend or permanently revoke a real estate licensee at any time where the licensee, while a real  
10 estate licensee, in performing or attempting to perform any of the acts within the scope of this  
11 chapter has been guilty of any of the following:

12 (a) Making any substantial misrepresentation.

13 ...

14  
15 (i) Any other conduct, whether of the same or of a different character than  
16 specified in this section, which constitutes fraud or dishonest dealing...”

17 46.

18 **Further Grounds for Disciplinary Action**

19 **Code Section 10177 (selected portions)**

20 Pursuant to Code Section 10177 *Further Grounds for Disciplinary Action*  
21 (selected portions):

22 “The commissioner may suspend or revoke the license of a real estate licensee,  
23 delay the renewal of a license of a real estate licensee, or deny the issuance of a license to an  
24 applicant, who has done any of the following:

25 ...

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1 (d) Willfully disregarded or violated the Real Estate Law (Part 1 (commencing  
2 with Section 10000)) or Chapter 1 (commencing with Section 11000) of Part 2 or the rules and  
3 regulations of the commissioner for the administration and enforcement of the Real Estate Law  
4 and Chapter 1 (commencing with Section 11000) of Part 2.

5  
6 (g) Demonstrated negligence or incompetence in performing an act for which he  
7 or she is required to hold a license.

8 (h) As a broker licensee, failed to exercise reasonable supervision over the  
9 activities of his or her salespersons, or, as the officer designated by a corporate broker licensee,  
10 failed to exercise reasonable supervision and control of the activities of the corporation for which  
11 a real estate license is required...”

12 **VIOLATIONS OF THE REAL ESTATE LAW – CAUSES FOR DISCIPLINE**

13 47.

14 Complainant re-alleges and incorporates by reference the preceding paragraphs as  
15 set forth herein.

16 48.

17 In the course of the activities described above, and based on the facts discovered  
18 by the Department, as described above in Paragraphs 18 through 32, the acts and/or omissions of  
19 Respondent **AMERICA’S FINEST PROPERTY MANAGEMENT INC** are in violation of:  
20 **Code Section 10137; Code Section 10161.8 and Regulations 2726 and 2752; and Code**  
21 **Section 10145 and Regulation 2834**, and constitute cause for the suspension or revocation of all  
22 licenses, license rights and license endorsements of Respondent AMERICA’s FINEST  
23 PROPERTY MANAGEMENT INC. under the Real Estate Law.

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1 49.

2 In the course of the activities described above, and based on the facts discovered  
3 by the Department, as described above in Paragraphs 18 through 32, the acts and/or omissions of  
4 Respondent **MIRANDA WISE** are in violation of **Code Section 10137; Code Section 10159.2**  
5 **and Regulation 2725; Code Section 10164; and Code Sections 10177(d), (g) and (h)**, and  
6 constitute cause for the suspension or revocation of all licenses, license rights and license  
7 endorsements of Respondent MIRANDA WISE under the Real Estate Law.

8 50.

9 In the course of the activities described above, and based on the facts discovered  
10 by the Department, as described above in Paragraphs 18 through 32, the acts and/or omissions of  
11 Respondent **HECTOR MANUEL RUIZ** are in violation of **Code Sections 10130 and 10139**  
12 **and Code Section 10176(a)**, and constitute cause for the suspension or revocation of all licenses,  
13 license rights and license endorsements of Respondent HECTOR MANUEL RUIZ under the  
14 Real Estate Law.

15 51.

16 In the course of the activities described above, and based on the facts discovered  
17 by the Department, as described above in Paragraphs 18 through 32, the acts and/or omissions of  
18 Respondent **AHUAGE REALTY GROUP** are in violation of **Code Sections 10177(d), (g) and**  
19 **(h)**, and constitute cause for the suspension or revocation of all licenses, license rights and  
20 license endorsements of Respondent AHUAGE REALTY GROUP under the Real Estate Law.

21 52.

22 In the course of the activities described above, and based on the facts discovered  
23 by the Department, as described above in Paragraphs 18 through 32, the acts and/or omissions of  
24 Respondent **JORGE LUIS AHUAGE** are in violation of **Code Section 10159.2 and**  
25 **Regulation 2725 and Code Sections 10177(d), (g) and (h)**, and constitute cause for the

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27

1 suspension or revocation of all licenses, license rights and license endorsements of Respondent  
2 JORGE LUIS AHUAGE under the Real Estate Law.

3 COSTS

4 53.

5 **Code Section 10106** 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 part  
8 to pay a sum not to exceed the reasonable costs of investigation and enforcement of the case.

9 WHEREFORE, Complainant prays that a hearing be conducted on the allegations  
10 of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary  
11 action against all the licenses, license rights, and license endorsements of Respondents  
12 AMERICA'S FINEST PROPERTY MANAGEMENT INC, MIRANDA WISE, HECTOR  
13 MANUEL RUIZ, AHUAGE REALTY GROUP INC, and JORGE LUIS AHUAGE under the  
14 Real Estate Law (Part 1 of Division 4 of the Business and Professions Code), and for such other  
15 and further relief as may be proper under other applicable provisions of law.

16 Dated at San Diego, California

17 this 27 day of September 2022.

18  
19 *Veronica Kilpatrick*

20 \_\_\_\_\_  
21 Veronica Kilpatrick  
22 Supervising Special Investigator

22 cc: America's Finest Property Management Inc  
23 Miranda Wise  
24 Hector Manuel Ruiz  
25 Ahuage Realty Group Inc  
26 Jorge Luis Ahuage  
27 V. Kilpatrick  
Sacto.

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