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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of

No. H-05813-SD

REAL ESTATE OF THE PACIFIC INC;
VALARIE SUSAN SWANSON,
individually and as designated officer of
Real Estate of the Pacific Inc; KELLEN
TIMOTHY PORTER, individually and as
former branch manager of Real Estate of
the Pacific Inc's branch office located at
16915 Avenida de Acacias, Rancho Santa
Fe, California; OLIVIA MARIE
DUNHAM; NORTH COUNTY BROKER
NETWORK INC; BRIAN JOHN
WILLIAMS, individually and as designated
officer of North County Broker Network
Inc; and JOHN LAWRENCE MCKENZIE,

ACCUSATION

Respondents.

Complainant, Veronica Kilpatrick, a Supervising Special Investigator for the Department of Real Estate ("Department" or "DRE") of the State of California, acting in her official capacity as a Supervising Special Investigator, makes this Accusation against the following Respondents: REAL ESTATE OF THE PACIFIC INC ("REOTPI"); VALARIE SUSAN SWANSON ("SWANSON"), also known as Valarie Swanson, individually and as designated officer of REOTPI; KELLEN TIMOTHY PORTER ("PORTER"), individually and as former branch manager of REOTPI's branch office located at 16915 Avenida de Acacias, Rancho Santa Fe, California 92067 ("Avenida de Acacias Branch Office"); OLIVIA MARIE DUNHAM ("DUNHAM"), formerly known as

1 Olivia Marie Geilman; NORTH COUNTY BROKER NETWORK INC ("NCBNI"); BRIAN JOHN
2 WILLIAMS ("WILLIAMS"), individually and as designated officer of NCBNI; and JOHN
3 LAWRENCE MCKENZIE ("MCKENZIE"). Respondents REOTPI, SWANSON, DUNHAM,
4 NCBNI, WILLIAMS, and MCKENZIE are referred to collectively herein as "Respondents."
5 Complainant, for cause of Accusation against Respondents, is informed and alleges in her official
6 capacity as follows:

7 1. All references to the "Code" are to the California Business and Professions Code and
8 all references to "Regulation" or "Regulations" are to Title 10, Chapter 6 of the California Code of
9 Regulations.

10 **LICENSE HISTORY**

11 2. REOTPI has been licensed as a real estate corporation ("REC"), DRE real estate
12 license identification number ("License ID") 01767484, from on or about August 26, 2006, to the
13 present, with REOTPI's license scheduled to expire on or about October 14, 2026, unless renewed.
14 REOTPI has been licensed through the real estate broker ("REB") license of SWANSON, License
15 ID 01803552, from on or about September 10, 2020, to the present, and SWANSON is REOTPI's
16 designated officer ("D.O."). REOTPI was previously licensed through the REB license of Richard
17 Leon Hagen, License ID 01177122, from on or about April 29, 2009, until on or about September
18 10, 2020. REOTPI maintains multiple fictitious business names ("dba(s)"), licensed with the DRE,
19 including Pacific Sotheby's International Realty ("PSIR"), which has been active from on or about
20 October 25, 2010, to the present. REOTPI also maintains multiple branch offices, including the
21 branch office located at 16915 Avenida de Acacias, Rancho Santa Fe, California 92067 ("Avenida
22 de Acacias Branch Office"), which has been active from on or about April 4, 2014, to the present.
23 Based on DRE records to date, REOTPI currently maintains five (5) licensed dbas, and 15 branch
24 offices, and employs 59 broker associates and 491 salespersons.

25 3. SWANSON has been licensed as a REB, License ID 01803552, from on or about
26 December 10, 2013, to the present, with SWANSON's license scheduled to expire on or about
27 December 9, 2025, unless renewed. SWANSON was previously licensed as a real estate salesperson
28 ("RES") from on or about April 19, 2007, to on or about December 9, 2013.

4. PORTER has been licensed as a RES, License ID 01906594, from on or about May 31, 2012, through the present, with PORTER's license scheduled to expire on or about August 2, 2027, unless renewed. PORTER was employed by REOTPI from on or about February 26, 2021, to on or about August 1, 2023, and from on or about August 3, 2023, to on or about December 16, 2024. From on or about December 21, 2021, to August 1, 2023, PORTER was appointed by REOTPI to be the branch manager for REOTPI's Avenida de Acacias Branch Office, and PORTER was responsible for supervising the licensed activities of licensees assigned to REOTPI's Avenida de Acacias Branch Office. According to DRE records to date, PORTER was branch manager for the following 11 REOTPI branch offices between the start and end dates listed:

REOTPI Branch Office	Porter's Start Date	End Date
1. 155 S Highway 101 Ste 1-3, Solana Beach, CA	12/21/2021	03/13/2022
2. 687 S Coast Hwy Ste 103, Encinitas, CA	12/21/2021	08/01/2023
3. 687 S Coast Hwy Ste 102, Encinitas, CA	12/21/2021	08/01/2023
4. 2742 State St Ste 101, Carlsbad, CA	12/21/2021	08/01/2023
5. 1111 Prospect St, La Jolla, CA	12/21/2021	08/01/2023
6. 16915 Avenida De Acacias, Rancho Santa Fe, CA	12/21/2021	08/01/2023
7. 6024-D Paseo Delicias, Rancho Santa Fe, CA	12/21/2021	08/01/2023
8. 810 W Washington St, San Diego, CA	12/21/2021	10/25/2023
9. 16077 San Dieguito Rd Suite B1-B2, Rancho Santa Fe, CA	12/21/2021	11/22/2023
10. 330 S Cedros Ave Ste 203, Solana Beach, CA	12/21/2021	06/03/2024
11. 888 W Ash St, San Diego, CA	02/21/2023	08/01/2023

5. DUNHAM has been licensed as a RES, License ID 01856517, from on or about December 29, 2008, through the present, with DUNHAM's license scheduled to expire on or about February 4, 2026, unless renewed. DUNHAM is currently employed by REC Orchard Brokerage of California, Inc., License ID 02219388. According to DRE records to date, DUNHAM has been employed by the following eight (8) responsible brokers:

Dates of Employment	Name of REC	DRE License ID
1. 02/12/2025 to present	Orchard Brokerage of California, Inc.	02219388
2. 08/01/2023 to 02/11/2025	Lifestyles Realty Group, Inc.	02048992
3. 11/14/2022 to 07/31/2023	Real Estate of the Pacific Inc.	01767484
4. 06/15/2022 to 11/13/2022	Big Block Realty, Inc.	01885775
5. 11/02/2020 to 06/14/2022	Real Estate of the Pacific Inc.	01767484
6. 08/25/2020 to 11/01/2020	FHL Realty, Inc.	02085208
7. 08/24/2019 to 08/24/2020	Lifestyles Realty Group, Inc.	02048992
8. 04/18/2019 to 08/22/2019	Compass California, Inc.	01991628

1 According to SWANSON, DUNHAM was associated with REOTPI's Avenida de Acacias Branch
2 Office.

3 6. NCBNI has been licensed as a REC, License ID 01875005, from on or about
4 December 23, 2009, to the present, with NCBNI's license scheduled to expire on or about December
5 22, 2025, unless renewed. NCBNI has been licensed through the REB license of WILLIAMS,
6 License ID 01387853, from on or about December 23, 2009, to the present, and WILLIAMS is
7 NCBNI's D.O. NCBNI has a mortgage loan originator license ("MLO") endorsement from the
8 DRE, and is licensed through the Nationwide Multistate Licensing System & Registry ("NMLS"),
9 NMLS No. 338671. Based on DRE records to date, NCBNI currently maintains the following two
10 (2) licensed dbas: The Broker Network ("TBN"), active as of April 12, 2013, and Home Financing
11 Specialists, active as of December 3, 2018. Based on DRE records to date, NCBNI currently
12 maintains one (1) branch office, and employs three (3) broker associates and 15 salespersons.

13 7. WILLIAMS has been licensed as a REB, License ID 01387853, from on or about
14 February 22, 2006, to the present, with WILLIAMS's license scheduled to expire on or about
15 February 21, 2026, unless renewed. WILLIAMS has an MLO endorsement from the DRE, and is
16 licensed through NMLS, NMLS No. 244235. WILLIAMS was previously licensed as a RES from
17 on or about June 26, 2003, to on or about February 21, 2006.

18 8. MCKENZIE is currently licensed as a RES, License ID 00961100, with no broker
19 affiliation, or NBA. Because MCKENZIE is licensed NBA, MCKENZIE's license is currently in a
20 non-working status. MCKENZIE was originally licensed as a RES on or about June 3, 1987, and
21 MCKENZIE has license rights through the present, with MCKENZIE's license scheduled to expire
22 on or about October 18, 2028, unless renewed. Previously, MCKENZIE was employed by NCBNI
23 from on or about July 16, 2010, to on or about September 18, 2024.

24 **ACTIVITIES REQUIRING A REAL ESTATE LICENSE**

25 9. At all times alleged herein, in San Diego County, California, Respondents engaged
26 in the performance of activities requiring a real estate license pursuant to Code section 10130, and
27 acted, ordered, caused, authorized and/or participated in licensed activities for another or others for
28 compensation or in expectation of compensation within the meaning of Code section 10131(a):

1 selling or offering to sell, buying or offering to buy, soliciting prospective sellers or buyers of,
2 soliciting or obtaining listings of, or negotiating the purchase or sale of real property.

3 a. At all times alleged herein, REOTPI acted by and through SWANSON as its
4 D.O. pursuant to Code Section 10159.2, and SWANSON was responsible for ensuring
5 compliance with the Real Estate Law. At all times alleged herein, REOTPI acted by and
6 through SWANSON and PORTER for the licensed activities of licensees assigned to
7 REOTPI's Avenida de Acacias Branch Office pursuant to Code sections 10164(a), 10164(b),
8 and 10177(h).

9 b. At all times alleged herein, NCBNI acted by and through WILLIAMS as its
10 D.O. pursuant to Code Section 10159.2, and WILLIAMS was responsible for ensuring
11 compliance with the Real Estate Law.

12 **FACTS DISCOVERED BY DRE**

13 10. On or about November 14, 2023, the DRE received a complaint from J.H. and A.H.^{1/}
14 regarding DUNHAM and PSIR, the dba licensed to REOTPI, alleging that on or about January 12,
15 2023, escrow closed on real property purchased by J.H. and A.H. ("Buyers") located at 28949 Miller
16 Road, Valley Center, CA 92082 ("Miller Property"), in which DUNHAM represented the Buyers
17 as their real estate agent on behalf of PSIR. J.H. and A.H. alleged that DUNHAM provided them
18 with incorrect and/or false information regarding the license status of a structural engineer that they
19 hired based on DUNHAM's referral, and regarding whether a termite inspection had been done.
20 Based on information discovered by the DRE, the chronology of events is as follows.

21 11. The Buyers, J.H. and A.H., are a married couple who have been licensed foster
22 parents for over 20 years. In or about November 2022, the Buyers were looking to buy a home they
23 could use both as their primary residence for their family and in which they could also provide a
24 day space for foster kids. The Buyers were working with DUNHAM as their real estate agent and
25 had communicated their desire to DUNHAM that they wanted the home they purchased to provide
26 space for foster children during the daytime. The Buyers wanted to provide a space for foster
27

28 ^{1/} Initials are used in place of an individual's full name to protect their privacy. Documents containing an individual's full name will be provided during the discovery phase of this case to Respondent and/or his attorney(s), after service of a timely and proper request for discovery on Complainant's counsel.

1 children similar to the model used by Isaiah 117 House, an organization that provides comforting
2 homes for children who have been removed from their family homes by child welfare services,
3 where children can wait in a safe and friendly place and get clean clothes, toys, and blankets, before
4 they are placed with foster parents. Isaiah 117 House takes its name from Isaiah 1:17 in the Bible,
5 which states: "defend the cause of the fatherless."

6 12. On or about November 10, 2022, N.H. and S.H. ("Sellers") signed an exclusive
7 Residential Listing Agreement to sell the Miller Property for \$699,000.00, with MCKENZIE, on
8 behalf of NCBNI, dba TBN.

9 13. On or about November 12, 2022, MCKENZIE listed the Miller Property through the
10 San Diego Multiple Listing Service ("MLS"). The MLS listing for the Miller Property stated the
11 following in pertinent part:

12 Own a piece of Valley Center history! Built in 1885 Sherrards Chapel was the first
13 Church in Valley Center. Converted over the years into a house, with added kitchen,
14 and bedrooms, this sits on 3 acres looking over the valley. It is in impeccable
15 condition, and sits adjacent to the Valley Center Cemetery. Home is now over 2000
sf, and was originally 1000 sf. Home now has a 3 car detached garage, and lots of
storage.

16 14. On or about November 20, 2022, DUNHAM, on behalf of the Buyers, prepared an
17 offer to purchase the Miller Property for \$650,000.00 using a form titled California Residential
18 Purchase Agreement and Joint Escrow Instructions ("RPA"), which was digitally signed by the
19 Buyers using DocuSign on November 20, 2022.

20 15. On or about November 22, 2022, the Sellers of the Miller Property, digitally signed
21 a counter offer to the Buyers, using a form titled Seller Multiple Counter Offer, which included but
22 was not limited to a proposed sale price of \$685,000.00, and a close of escrow date of January 5,
23 2023, with the Sellers to remain in possession of the Miller Property until January 31, 2023, at
24 \$75.00 per day.

25 16. The Sellers were considering offers from different buyers, however, after Buyers J.H.
26 and A.H. informed the Sellers that they intended to use the Miller Property as a space for foster
27 children, and sent the Sellers information about Isaiah 117, the Sellers agreed to sell to the Buyers.

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1 J.H. believes that the Sellers picked the Buyers over others because the Buyers intended to provide
2 a space for foster children.

3 17. On or about November 23, 2022, the Buyers accepted the Sellers' counter offer and
4 digitally signed the Seller Multiple Counter Offer form.

5 18. On or about December 2, 2022, Triton Home Inspections ("Triton") conducted an
6 inspection of the Miller Property on behalf of the Buyers and prepared a report. Triton's report,
7 under the heading, "5: Foundation, Crawlspace & Structure," stated the following, in relevant part:

8 a. Under the subheading, "Limited Height," the Triton report stated:

9 All sections of the crawl space here, were not evaluated due to lack of access
10 because the width was too narrow. Their condition is unknown except for
11 what was observed from the entrance, so areas not traversed are excluded
from this inspection. Recommend that conditions be corrected to allow a
full evaluation of all crawl space areas.

12 b. Under the subheading, "5.1.1 Foundation: Support Posts," the Triton report
13 stated:

14 Some of the structure's support posts are supported with layers of wood.
15 This may have been the original installation, but it is recommended to install
posts that are of today's building standards.

16 These posts may be doing their job, but are not of today's building standards.

17 Also, more posts may be needed at some parts of the floor beams.

18 Recommendation
Contact a qualified professional.

19 Triton's report included photos of the Miller Property's support posts, stacked wood, and concrete
20 blocks and piers. According to J.H., the Triton inspector verbally recommended that the Buyers
21 have a structural engineer inspect the foundation.

22 19. Unbeknownst to the Buyers or Triton, there was a hatch in the living room that
23 provided access to the crawl space which the Sellers did not disclose. J.H., at least one of the Sellers,
24 and the agents for both parties were present on or about December 2, 2022, when the inspector from
25 Triton stated that it was "too tight a fit" to access the crawl space from a hatch outside the kitchen,
26 however, neither the Sellers, nor MCKENZIE, who was present, informed the inspector that the
27 crawl space could be accessed from another hatch in the living room. Accessing the crawl space

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1 would have allowed the Triton inspector to identify a crack in a support beam, and he also would
2 have identified wood rot in the subflooring below the bathroom and in a support beam, as was
3 identified by Triton in its report dated May 5, 2023, prepared after the close of escrow, and after the
4 Buyers asked Triton to conduct a further inspection.

5 20. On or about December 4, 2022, based on Triton's recommendations for the Miller
6 Property in its December 2, 2022 report, including installing structural support posts meeting
7 "today's building standards," the Buyers informed DUNHAM in an email that they could not afford
8 to purchase the house if it required installing support beams under the house, noted that the Seller
9 told the Buyers that he had installed new beams under the house about 20 years prior, but that the
10 Buyers were not sure if the new beams were the stacked layers of wood identified by Triton, and
11 asked DUNHAM to advise them. DUNHAM replied to the Buyers the same day, stating among
12 other things:

13 I will get these photos of the post and piers to my contractor who would let us know
14 the cost to properly upgrade these posts to what is required along with the seismic
15 strapping that would be installed if you were building a raised foundation home
 today.

16 Apparently, DUNHAM'S reference to "photos of the post and piers" meant the photos included in
17 subsection 5.1.1 about the Foundation in Triton's report.

18 21. On or about December 7, 2022, DUNHAM followed up with the Buyers by e-mail,
19 stating in part:

20 I spoke with the two contacts I have for foundations and they recommend review
21 by a structural engineer since the brick wall around the entire perimeter. They stated
22 that is more structural than the piers in place....those are necessary but less than the
 perimeter wall.

23 22. On or about December 13, 2022, DUNHAM e-mailed the Buyers stating she had
24 located a structural engineer to conduct an inspection of the Miller Property. On or about December
25 14, 2022, at 7:06 a.m., Mike Devine ("Devine"), the structural engineer located by DUNHAM, sent
26 an e-mail message to the Buyers and DUNHAM attaching a proposal to inspect the Miller Property,
27 with the subject line: "28949 Miller – Preliminary Structural Site Observation." In Devine's
28 proposal, he stated that a lump sum fee of \$2,000.00 was due in advance. The same day at 1:14 p.m.,

1 DUNHAM e-mailed the Buyers using Devine's subject line, stating: "Hold tight on paying anything
2 until I can verify his license. I'm awaiting the confirmation from this contact prior to confirming."
3 The same day at 1:45 p.m., DUNHAM e-mailed the Buyers again using Devine's subject line,
4 stating in part: "Confirmed and all set. He's a limited structural engineer per the state so he can
5 access buildings for structural integrity and reporting purposes."

6 23. On or about December 14, 2022, at 6:37 p.m., J.H. e-mailed DUNHAM using
7 Devine's subject line, stating in part: "[D]o you know what it means by limited Structural engineer?"
8 The same day at 6:59 p.m., DUNHAM replied to J.H., stating: "He is limited as he has semi-retired
9 so he now does less scopes of work. He only does visual site inspections for commercial and
10 residential buildings and refers all plans and further work to his full time partner."

11 24. On or about December 20, 2022, based on the information that DUNHAM provided
12 to the Buyers, the Buyers hired Devine and paid him \$2,000.00 to conduct a structural site inspection
13 of the Miller Property. Devine conducted the inspection and provided the Buyers with a report dated
14 December 29, 2022 ("Devine Report"). In the summary section of the Devine Report, Devine wrote,
15 among other things: "There is no evident distress or 'red flags' that would stop this real estate
16 transaction from a structural standpoint." On page 26 of the Devine Report, Devine listed his
17 qualifications, in part, as follows: "Michael Devine is a retired California licensed civil engineer
18 (CE45633) and structural engineer (SE4011). He was licensed as a CE from 1991 to 2021 and as an
19 SE from 1996 to 2021"

20 25. However, and unbeknownst to the Buyers until July 2023, both the structural
21 engineer license issued to Devine, license number 4011, and the civil engineer license issued to
22 Devine, license number 45633, had been revoked by the California Board for Professional
23 Engineers, Land Surveyors, and Geologists, effective September 24, 2020. Thus, at the time that
24 Devine conducted the inspection and completed his report for the Miller Property, he was not
25 licensed as a civil engineer or a structural engineer, and he practiced or offered to practice civil and
26 structural engineering in California without legal authorization, in apparent violation of the
27 California Professional Engineers Act.

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1 26. On or about December 24 and 27, 2022, the Sellers and Buyers, respectively, signed
2 Addendum No. 1 to the RPA, in which the parties agreed that the sale price for the Miller Property
3 would be \$672,000.00; and that the close of escrow date would be January 6, 2023.

4 27. On or about January 2, 2023, J.H. e-mailed DUNHAM with the subject line,
5 "Termite," asking if a termite inspection had been done on the Miller Property. On or about January
6 3, 2023, DUNHAM replied to J.H.'s e-mail message stating: "Termite was done and no active
7 infestation was found. They did note with the wood paneling to ensure yearly checks and maintain
8 rain gutters as the wet weather or excessive moisture can be Damaging. Otherwise nothing noted."
9 During the DRE's investigation of this transaction, DUNHAM stated that she, in fact, had never
10 heard from the termite company regarding the Miller Property at issue.

11 28. On or about January 5 and 6, 2023, the Buyers executed a form titled Amendment of
12 Existing Agreement Terms No. 1, digitally signed via DocuSign, stating, "1. Close of Escrow is
13 hereby extended to January 13, 2023," and "2. Seller will not remain in property after closing. Time
14 of possession of property to be upon notice of recordation." On or about January 5, 2023, the Buyers
15 and Sellers signed a form titled "Amended/Additional Escrow Instructions" stating that the Buyers
16 and Sellers agreed to amend the closing of escrow to January 13, 2023.

17 29. On or about January 13, 2023, escrow closed on the Miller Property.

18 30. By arrangement between the Buyers and Sellers, the Buyers agreed to allow the
19 Sellers to remain on the property as tenants after the close of escrow. On information and belief, the
20 Sellers needed to remain on the property longer than expected for health needs of one of the Sellers.

21 31. On or about April 13, 2023, the Buyers received the keys to the Miller Property and
22 began renovations.

23 32. On or about April 27, 2023, J.H.'s foot went through the flooring in the living room
24 of the Miller Property. The same day, J.H. sent a text message to DUNHAM informing her that
25 J.H.'s foot went through the floor and that a contractor had verbally informed J.H., after her foot
26 went through the floor, that the inspection should have noted that the wood was rotten, and the
27 support frames were not sufficient. Upon discovering such issues, the Buyers canceled their planned
28 May 5, 2023, move-in date to the Miller Property.

1 33. On or about April 28, 2023, J.H. e-mailed DUNHAM asking her, among other things,
2 to provide the termite report that was done on the Miller Property.

3 34. On or about May 1, 2023, DUNHAM replied to J.H. that she was working through
4 her notes to determine who did the termite inspection. It was later discovered that no termite
5 inspection had been performed prior to close of escrow because, as DUNHAM later admitted, she
6 failed to arrange a termite inspection.

7 35. On or about May 5, 2023, the Buyers had another inspection performed by Triton on
8 the Miller Property, and, this time, Triton was informed of the hatch in the living room to access the
9 crawl space. In its Residential Report for the Miller Property dated May 5, 2023, Triton stated that
10 wood rot was observed at the subflooring below the bathroom, the support beam was showing signs
11 of wood rot, and all rotted wood should be replaced.

12 36. Also, on or about May 5, 2023, the Buyers had a termite inspection of the Miller
13 Property conducted by Orkin Residential Services ("Orkin"). Orkin found visible damage, an active
14 termite infestation, dry rot, and subterranean termites.

15 37. On or about May 9, 2023, another termite inspection of the Miller Property was
16 conducted at DUNHAM's request by Spartan Termite Inc. ("Spartan"). Spartan prepared a wood
17 destroying pests and organisms inspection report for the Miller Property, dated May 9, 2023, Report
18 Number 13797, in which Spartan stated it found evidence of subterranean termite infestation,
19 drywood termite infestations, termite damaged wood members, and dry-rot and fungus damaged
20 wood members. Spartan recommended, among other things, a subarea spray-out, chemical treatment
21 of visible and accessible infestations, replacing a damaged door, and removing, replacing and/or
22 repairing damaged wood member(s) as necessary.

23 38. By on or about May 23, 2023, Brian Coleman of Brian Coleman Construction
24 ("Coleman") had completed repairs to the subfloor in the living room of the Miller Property at a
25 cost of \$5,800.00. Coleman also repaired window frames in the upstairs bedroom at a cost of
26 \$550.00. A bedroom window fell out because of wood rot when Coleman attempted to replace it.

27 39. On or about May 23, 2023, DUNHAM e-mailed Spartan, with a copy to J.H.,
28 requesting that Spartan send an authorization via DocuSign to J.H., and stating that DUNHAM

1 would stay in contact with Cody Frost ("Frost"), Spartan's owner, for payment of treatment and
2 repairs. The same day, Spartan sent a Work Authorization to J.H., referencing Spartan Report
3 Number 13797, in which Spartan itemized work to be done on the Miller Property and listed the
4 total cost as \$14,200.00 to complete the work ("Work Authorization"). Also, on or about May 23,
5 2023, DUNHAM e-mailed the Buyers stating, among other things:

6 I am happy to take care of anything that came up on the termite inspection that
7 Spartan Termite performed. I do believe that comes with some of the flooring items
8 to a total of \$14,200. I believe that addresses my end of the outstanding items since
there was a failure to get the termite inspection during escrow.

9 40. On or about May 29, 2023, J.H. digitally signed the Work Authorization that she
10 received from Spartan.

11 41. On or about June 12, 2023, the Buyers first learned that the foundation for the house
12 at the Miller Property was failing.

13 42. Also, on or about June 12, 2023, Spartan began repairs to the Miller Property in
14 accordance with the Work Authorization. On or about June 19, 2023, Spartan completed the work,
15 at a cost of \$14,200.00, which included a subarea spray-out, chemically treating visible and
16 accessible infestations, replacing a damaged door, and removing, replacing and/or repairing dry-rot
17 and fungus damaged wood members including the handrail, trim, fascia, rafter tail, siding, post trim,
18 baluster, roof sheathing, joist, slat, shadow board, and blocking. During the time that Spartan was
19 making repairs, one of Spartan's employees told the Buyers that there was so much wood rot that at
20 some point Spartan had to stop replacing wood. The Spartan employee also said that all the fascia
21 boards needed to be replaced, but that Spartan had to put a cap on replacing fascia boards because
22 DUNHAM was only willing to pay for treatment and repairs of active areas.

23 43. Also, on or about June 12, 2023, the Buyers had the Miller Property assessed by
24 Mark Sauer ("Sauer"), a general contractor and consultant in construction. Sauer prepared a report
25 on or about June 14, 2023, regarding his visit to the Miller Property, in which he determined that
26 the house is an adobe residence, the original building was constructed of un-stabilized adobe, and
27 the house was built on a raised floor with a brick foundation. Sauer's report included a drawing of
28 how to repair the foundation for the adobe building.

1 44. On or about June 14, 2023, the Buyers had Michel Khozam ("Khozam") of ZMK
2 Construction inspect the Miller Property and provide a quote for repairs. On or about June 18, 2023,
3 at 9:04 a.m., J.H. e-mailed Khozam, asking for a quote for repairs to the Miller Property, noting that
4 Khozam's advice was to tear the house down and rebuild it, but that the Buyers wanted to see the
5 costs. On or about June 18, 2023, at 2:51 p.m., Khozam replied that he respectfully declined to
6 provide services.

7 45. From mid-June to mid-July 2023, the Buyers sought quotes from contractors to repair
8 the foundation. Only a few contractors responded, and only verbal quotes were provided. At some
9 point before the end of June 2023, the Buyers had received a verbal quote from one contractor to
10 repair the foundation at a cost of \$400,000 to \$500,000, and they had received another verbal quote
11 from another contractor of \$900,000 to rebuild the house.

12 46. On or about July 7 and 21, 2023, Richard Stevens ("Stevens"), a licensed civil
13 engineer, who is also related to J.H., assessed the Miller Property. Stevens provided a "comment
14 letter," dated July 25, 2023, regarding the Devine Report, among other things. Stevens stated he was
15 providing the letter as a family member and friend and did not hold himself out to be a qualified
16 structural engineer or an expert on the specialized adobe construction of the home. Stevens
17 discovered that Devine's structural and civil engineer licenses had been revoked and stated that the
18 Devine Report was prepared in violation of the California Professional Engineers Act, which bars
19 individuals with revoked licenses from practicing structural engineering. When Stevens related this
20 information to the Buyers, it was the first time they had learned that Devine's structural and civil
21 engineer licenses were revoked. Stevens also identified numerous deficiencies in the Devine Report,
22 including any confirmation that critical aspects of the house were structurally inspected, and the
23 absence of inspection findings. Stevens opined that the Devine Report failed to meet a basic standard
24 of care for a structural engineering evaluation.

25 47. On or about July 21, 2023, based on the lack of response from contractors, the
26 amount of money it would cost to repair the foundation of the Miller Property—money that the
27 Buyers did not have—based on verbal quotes, combined with mortgage payments, the Buyers
28 decided to put the Miller Property up for sale, "As Is." Because the Sellers could not afford the

1 extensive repairs required, they had to sell the uninhabitable Miller Property house at a significant
2 loss. According to J.H., two potential buyers of the Miller Property backed out of purchasing it after
3 they learned the foundation was failing.

4 48. On or about August 10, 2023, Frost informed J.H. that Spartan placed a lien on the
5 Miller Property to recover the balance due for Spartan's treatment and repairs. On or about August
6 10, 2023, at 9:16 p.m., J.H. e-mailed Vicki Boynton, general counsel for PSIR ("Boynton"), with a
7 copy to DUNHAM, informing Boynton that Spartan was about to place a lien on the Miller Property,
8 and that the Buyers were having to sell the house. J.H. asked Boynton to take care of it so the Buyers
9 could sell the home. On or about August 10, 2023, at 9:39 p.m., DUNHAM replied to J.H., and
10 copied Boynton, stating:

11 I promise I have been working as hard as I can to pay down the balance due to Cody
12 [Frost]. I have kept in constant communication with him about my situation. I know
13 this is my financial burden to pay and I am still doing everything I can to do that I
14 have just fallen on extremely hard financial times. I am still trying to get a loan to
15 pay him in full and will continue to pursue that option I will leave it to Vicki
16 [Boynton] to speak further but I wanted to at least speak my peace to know that I
17 did not just walk away or stop paying Spartan Termite because I just simply didn't
18 want to pay.

19 49. On or about August 11, 2023:

20 a. In e-mail messages sent by Boynton to J.H. and others, Boynton stated that
21 DUNHAM had previously agreed to make payments to Spartan over time and worked out a
22 payment plan with Spartan, but that Boynton found out on August 10, 2023, that payments
23 had not been made by DUNHAM and Boynton was working with Spartan to resolve the
24 issue.

25 b. At 7:05 a.m., Boynton e-mailed Frost, Spartan's owner, stating that she
26 represented DUNHAM and asking how much was currently owed.

27 c. At 7:07 a.m., Frost replied to Boynton attaching an "up-to-date invoice with
28 the balance due."

d. At 7:10 a.m., Boynton replied to J.H., copying DUNHAM and Frost, stating,
among other things that, "I was advised that Olivia [DUNHAM] had an agreement with
Spartan to pay this office but have reached out to them for a resolution via a separate email."

1 e. At 7:14 a.m., Frost replied to Boynton, copying J.H., and DUNHAM, stating:

2 [DUNHAM] did have an agreement that she has failed to meet time and time again
3 the last one being this past Monday [8/07/2023] she has not reached out besides
4 responding to our request for payment and her last email was sent last night stating
5 she still cannot come up with one single dollar or even accept any sort of payment
6 plan. so unless we receive payment we will continue to try to retrieve said payment
by any, and all means necessary and unless you want to pay it, we will continue to
reach out to [DUNHAM], yourself and [J.H.] and remind her that I will be directing
my attorney to fully execute the lien at the county clerks office if not resolved
ASAP.

7 f. At 7:17 a.m., Boynton replied to Frost stating, "I should be able to resolve
8 this today."

9 g. At 7:19 a.m., Frost replied to Boynton, J.H., and DUNHAM, stating:

10 I really hope so for everybody's best interest, but Olivia [DUNHAM] has exhausted
11 all of my patients [*sic*] as it is painfully clear that she has been lying this entire time
12 so with all due respect you have until end of day. Otherwise, we move forward with
more drastic measures.

13 h. Thereafter on or about August 11, 2023, DUNHAM's employing broker,
14 Real Estate of the Pacific Inc., dba PSIR, issued check number 2430 in the amount of
15 \$10,000.00 made payable to Spartan Termite, with a reference to 13797-1, the same Report
16 Number used by Spartan in its Work Authorization for the Miller Property.

17 50. On or about September 13, 2023, a representative from South Coast Piering Inc., dba
18 Saber ("Saber"), a licensed contractor specializing in foundation repair, inspected the Miller
19 Property. In an email message dated September 16, 2023, from Saber to J.H., regarding Saber's
20 inspection, the representative stated:

21 The brick foundation showed signs of settlement and deterioration.

22 We recommend the foundation be rebuilt which require[s] a structural engineer to
23 design and build for your home. [O]nce a new foundation is built, We can come in
24 and add floor support with the SmartJacks system. Adjustable Galvanized beams
that will hold the floor up and support the weight of the home.

25 Saber provided an estimate for permanently stabilizing the floors at the property at a cost of
26 \$8,425.76, but Saber would only do this work after another contractor and structural engineer
27 completely rebuilt the foundation.

28 51. On or about October 16, 2023, the Buyers had Private Eyes Engineers assess the
Miller Property at a cost of \$1,500.00. On or about October 19, 2023, Massood Gaskari, a licensed

1 civil engineer, and the founder of Private Eyes Engineers, prepared a Limited Engineering
2 Performance Assessment – Foundation, for the Miller Property, in which he found that the
3 foundation for the original structure was insufficient for today’s building practice, and provided the
4 following conclusion and recommendation:

5 Variations in the floor elevation are excessive. The northerly wall is bowed. The
6 structure is in distress requiring repair and/or major retrofit. It lacks adequate
7 foundation and lacks adequate floor framing support. We recommend our clients
limit access to the building until such a time that the structural system of the
building is properly retrofitted.

8 52. On or about October 16, 2023, the Buyers re-sold the Miller Property “As Is” for
9 \$625,000, and escrow closed on or about October 20, 2023. The Buyers thus had to resell the Miller
10 Property for \$47,000 less than their purchase price because they could not afford the extensive
11 repairs to the foundation to make the house habitable, and could not afford to continue to make
12 mortgage payments on the Miller Property. The Buyers also incurred additional closing costs.

13 53. On or about December 30, 2024, the Buyers filed a complaint in the San Diego
14 County Superior Court against the Sellers, DUNHAM, and REOTPI, alleging fraud by intentional
15 misrepresentation, fraud by nondisclosure, fraud by negligent misrepresentation, broker negligence,
16 negligence, breach of contract, and constructive fraud. On or about January 10, 2025, the Buyers
17 filed a First Amended Complaint. On or about April 2, 2025, DUNHAM and REOTPI filed a cross-
18 complaint in the same action against NCBNI and MCKENZIE, for equitable indemnity, equitable
19 contribution, and declaratory relief. As alleged in the First Amended Complaint filed by the Buyers,
20 the Buyers suffered more than a \$47,000 loss in the resale of the Miller Property:

21 The difference between the price [Buyers] paid and the fair market value of the
22 property at close of escrow was over \$100,000, to [Buyers’] damage [Buyers]
23 also paid over \$46,600 in various inspection and repair costs for the Property, paid
24 over \$8,700 in mortgage interest, lost the use of the Property, paid Mike Devine
\$2,000 for his inspection and report, and lost \$27,000 in rental income from being
forced to reside in their own investment property, all to their damage

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

26 54. In the course of the activities alleged above in Paragraph 9, and based on the facts
27 discovered by the DRE, as alleged in Paragraphs 10 through 53 above, Respondents acted in
28 violation of the Code and Regulations as follows.

1 FIRST CAUSE OF ACCUSATION: BREACH OF FIDUCIARY DUTIES

2 55. Complainant realleges and incorporates by reference all of the allegations contained
3 in the previous paragraphs as though fully set forth herein.

4 56. At all relevant times herein, while acting as real estate broker, salesperson, and agent
5 of J.H. and A.H., REOTPI and DUNHAM owed J.H. and A.H. fiduciary duties, including, but not
6 limited to the following: duty of reasonable care and skill; duty of good faith; duty of loyalty; duty
7 of utmost care, integrity, honesty, and loyalty in dealings with the Buyer; duty to avoid conflicts of
8 interest; duty of fullest disclosure of all material facts affecting J.H. and A.H.'s rights and interests;
9 duty to learn the material facts that may affect J.H. and A.H.'s decision to purchase the Miller
10 Property because REOTPI, and DUNHAM were hired for their professional knowledge and skill
11 and were expected to perform the necessary research and investigation in order to know those
12 important matters that will affect the Buyers' decision; duty to counsel and advise the Buyers
13 regarding the propriety and ramifications of their decision; duty to disclose reasonably obtainable
14 material information; and a duty to investigate facts not known to DUNHAM and to disclose all
15 material facts that might reasonably be discovered.

16 57. In the course of the activities described above in Paragraph 9(a), and based on the
17 facts discovered by the DRE, as alleged in Paragraphs 10 through 53 above, REOTPI's and
18 DUNHAM's acts and/or omissions constitute breaches of their fiduciary duties. Such breaches
19 include but are not limited to:

20 a. Knowing that the Miller Property was originally built in 1885 as a church,
21 was made out of adobe—at a time that predated the adoption of state and local building
22 codes—and was an atypical residential property containing "red flags," failing to exercise
23 reasonable diligence to adequately investigate the property, and/or recommend licensed
24 experts—whose licenses were not revoked—to do so, to ascertain reasonably discoverable
25 defects that the foundation was failing, and there was extensive termite infestation and dry-
26 rot, resulting in a failure to inform the Buyers of facts materially affecting the value or
27 desirability of the property;

28 ///

1 b. Informing the Buyers that a termite inspection had been done finding no
2 active infestation when no such inspection had been done;

3 c. Recommending a structural engineer to inspect the Miller Property whose
4 civil and structural engineer licenses had been revoked; and

5 d. Agreeing to pay the total costs for Spartan to treat the termite infestations and
6 repair damaged wood, then failing to make payments, resulting in Spartan threatening to
7 place a lien on the Miller Property in August 2023 while the Buyers were trying to sell the
8 property.

9 REOTPI's and DUNHAM's acts and/or omissions constitute a violation of their fiduciary duties,
10 and **Civil Code sections 1102.4, 2079.13(a), and 2079.16**, and constitute cause for the suspension
11 or revocation of REOTPI's and DUNHAM's real estate licenses and license rights under the
12 provisions of **and Code sections 10177(d) and/or 10177(g)**.

13 SECOND CAUSE OF ACCUSATION:

14 NEGLIGENCE, INCOMPETENCE AND/OR WILLFUL DISREGARD

15 58. Complainant realleges and incorporates by reference all of the allegations contained
16 in the previous paragraphs as though fully set forth herein.

17 59. The overall conduct of DUNHAM is violative of the Real Estate Law and constitutes
18 cause for the suspension or revocation of the real estate licenses and license rights of DUNHAM
19 under the provisions of **Code Section 10177(d)** for willful disregard of the Real Estate Law, and in
20 the alternative, **Code Section 10177(g)** for negligence or incompetence in performing acts for which
21 she is required to hold a license.

22 THIRD CAUSE OF ACCUSATION:

23 NEGLIGENT OR INTENTIONAL MISREPRESENTATION

24 60. Complainant realleges and incorporates by reference all of the allegations contained
25 in the previous paragraphs as though fully set forth herein.

26 61. As alleged in paragraph 13 above, MCKENZIE listed the Miller Property using the
27 words: "Own a piece of Valley Center history! Built in 1885 Sherrards Chapel was the first Church
28 in Valley Center. . . . It is in impeccable condition." On one or more occasions MCKENZIE

1 reiterated to J.H. that the Seller, N.H., was diligent in maintaining the property and used words to
2 the effect he kept the property in excellent and/or top-notch condition.^{2/}

3 62. As alleged above, the Miller Property was originally built in 1885, and made out of
4 adobe, before state and local building codes had been adopted. The Miller Property is an atypical
5 property presenting “red flags.” Indeed, it is a historic building. Facts regarding its structural history
6 and deterioration over the course of 137 years since it was first built is information material to value
7 and desirability of the property that required reasonable investigation and disclosure to the Buyers.

8 63. On or about November 28, 2022, MCKENZIE digitally signed the Real Estate
9 Transfer Disclosure Statement (“TDS”) for the Miller Property.

10 a. In section II.(B), Seller’s Information, in response to the question, “Are you
11 (Seller) aware of any significant defects/malfunctions in any of the following,” the box for
12 “Yes” was checked, the boxes for “Driveways” and “Other Structural Components” were
13 checked, and in the blank section below, next to the word “Describe,” was written, “Other
14 Exterior Structural Components: cracks in adobe walls.” There was no mention that the
15 foundation was unsound, or the current existence of termite infestation or dry-rot.

16 b. In Section III., Agent’s Inspection Disclosure, under the preprinted statement,
17 “THE UNDERSIGNED, BASED ON THE ABOVE INQUIRY OF THE SELLER(S) AS
18 TO THE CONDITION OF THE PROPERTY AND BASED ON A REASONABLY
19 COMPETENT AND DILIGENT VISUAL INSPECTION OF THE ACCESSIBLE AREAS
20 OF THE PROPERTY IN CONJUNCTION WITH THAT INQUIRY, STATES THE
21 FOLLOWING,” MCKENZIE only checked the box next to “See attached Agent Visual
22 Inspection Disclosure (AVID Form),” and provided no further information in this section.

23 64. On or about December 2, 2022, when Triton conducted the first inspection of the
24 Miller Property, at least one of the Sellers and MCKENZIE were present. When the inspector could
25 not access the crawl space from a hatch outside the kitchen, neither the Seller who was present nor
26 ///

27
28 ^{2/} In December 2023, however, a local newspaper ran an article about the historic Miller Property house, and quoted the
seller, N.H., describing the house at the time he bought it in or about 1999 as “a disaster, structurally and in every other
way.” (Lerner, *Survival uncertain for town’s first church*, Valley Roadrunner (Dec. 13, 2023).)

1 MCKENZIE informed the inspector that the crawl space could be accessed from another hatch in
2 the living room, nor did MCKENZIE think to ask the Seller if there was another access point.

3 65. On or about January 9, 2023, MCKENZIE digitally signed the Agent Visual
4 Inspection Disclosure ("AVID") form. In the AVID form, MCKENZIE only reported holes in wall
5 from hanging pictures in the living room, paint fading on cabinets in the kitchen, and no issues in
6 the hall/stairs, bedrooms, and bathrooms. The sections for "Other," "Addendum for additional
7 rooms/structures," and "other Observed or Known Conditions Not Specified Above," were all left
8 blank. In the section for "Exterior Building and Yard – Front/Sides Back," MCKENZIE wrote,
9 "Backyard has raw dirt where septic was repaired. Crack in concrete leading to back, side door."
10 Again, there was no mention the foundation was unsound and no mention of termites and wood rot.

11 66. MCKENZIE's representations that the Miller Property was in impeccable condition,
12 and that the Seller maintained it in excellent and/or top notch condition, were false. At the time he
13 made these representations, MCKENZIE either knew they were false, or had no reasonable grounds
14 for believing the representations were true at the time he made them. Had MCKENZIE conducted
15 a reasonably competent and diligent inspection, and a reasonable investigation into the condition of
16 this atypical property, he would have confirmed that his representations were false. The true facts
17 were that there was extensive subterranean termite infestation and dry-rot, the foundation was
18 failing, and the structure of the house, originally constructed of adobe, was in such distress that
19 Massood Gaskari, a licensed civil engineer, recommended that access to the building be limited until
20 it was retrofitted. In other words, the house was uninhabitable without major repairs and retrofitting.
21 Regarding the foundation, Gaskari wrote in his assessment:

22 The structure is in distress requiring repair and/or major retrofit. It lacks adequate
23 foundation and lacks adequate floor framing support. We recommend our clients
24 limit access to the building until such a time that the structural system of the
building is properly retrofitted.

25 Contractors gave verbal quotes to repair the foundation at a cost of \$400,000 to \$500,000, or to
26 rebuild the house for \$900,000. The Seller, N.H., was quoted in a local newspaper stating that at the
27 time he originally purchased the property in or about 1999 that the Miller Property house was "a
28 disaster, structurally and in every other way." This was not a house in "impeccable condition."

1 67. MCKENZIE made these representations with the intention of inducing the Buyers to
2 act in reliance on these representations, or with the expectation that they would so act, so that the
3 Buyers would purchase the Miller Property.

4 68. The Buyers, in reliance on MCKENZIE's representations, and believing that the
5 building on the Miller Property was in impeccable condition and structurally sound, purchased the
6 Miller Property. The Buyers relied on MCKENZIE, who as an experienced and licensed real estate
7 salesperson, held himself out to the public as a professional with superior knowledge, skills, and
8 expertise in real estate in Valley Center. The Buyers relied on MCKENZIE's acquired skill and
9 superior knowledge of facts affecting the value of the property and justifiably believed he was
10 providing the most reliable information about the property. If it had not been for MCKENZIE's
11 representations, and the absence of information to indicate the true condition of the property, and if
12 the Buyers had known the true facts, the Buyers would not have purchased the Miller Property.

13 69. MCKENZIE's acts and/or omissions in failing to disclose the true condition of the
14 Miller Property were in violation of **Civil Code sections 1102.4, 2079, 2079.13(a), and 2079.16,**
15 **and Code sections 10176(a), 10176(i), 10177(j), and 10177(d) and/or 10177(g),** and constitute
16 cause for the suspension or revocation of MCKENZIE's real estate license and license right under
17 the provisions of **Code sections 10176(a), 10176(i), 10177(j), and 10177(d) and/or 10177(g).**

18 **FOURTH CAUSE OF ACCUSATION:**

19 **INADEQUATE SUPERVISION BY BRANCH MANAGER**

20 70. Complainant realleges and incorporates by reference all of the allegations contained
21 in the previous paragraphs as though fully set forth herein.

22 71. Based on the allegations contained in paragraphs 9(a), and 10 through 53 above, and
23 the First and Second Causes of Accusation above, as the branch manager for REOTPI's Avenida de
24 Acacias Branch Office who was responsible for supervising DUNHAM's licensed activities,
25 PORTER did not exercise adequate supervision over DUNHAM's licensed activities. PORTER's
26 acts and/or omissions were in violation of **Code section 10164, subdivisions (a) and (b),** and
27 constitute cause for the suspension or revocation PORTER's real estate license and license right
28 under the provisions of **Code section 10165.**

1 FIFTH CAUSE OF ACCUSATION

2 LIABILITY OF RESPONSIBLE BROKERS

3 72. Complainant realleges and incorporates by reference all of the allegations contained
4 in the previous paragraphs as though fully set forth herein.

5 73. Based on the allegations contained in paragraphs 9(a), and 10 through 53 above, and
6 the First, Second and Fourth Causes of Accusation above, REOTPI, as the responsible broker for
7 DUNHAM and PORTER, is liable for the acts and/or negligence of DUNHAM and PORTER.
8 REOTPI's acts and/or omissions are in violation of **Code sections 10010.5(b)(2), 10177(d) and/or**
9 **10177(g)** and constitute cause to suspend or revoke the real estate licenses and license rights of
10 REOTPI pursuant to **Code sections 10177(d) and/or 10177(g)**.

11 74. Based on the allegations contained in paragraphs 9(b), and 10 through 53 above, and
12 the Third Cause of Accusation above, NCBNI, as the responsible broker for MCKENZIE, is liable
13 for the acts and/or negligence of MCKENZIE. NCBNI's acts and/or omissions are in violation of
14 **Code sections 10177(d) and/or 10177(g)** and constitute cause to suspend or revoke the real estate
15 licenses and license rights of NCBNI pursuant to **Code sections 10177(d) and/or 10177(g)**.

16 SIXTH CAUSE OF ACCUSATION:

17 RESPONSIBILITY OF CORPORATE OFFICER IN CHARGE; BROKER SUPERVISION

18 75. Complainant realleges and incorporates by reference all of the allegations contained
19 in the previous paragraphs as though fully set forth herein.

20 76. Based on the allegations contained in paragraphs 9(a), and 10 through 53 above, and
21 the First, Second, Fourth, and Fifth Causes of Accusation above, SWANSON, as the broker of
22 record and D.O. of REOTPI, did not exercise adequate supervision and control over the real estate
23 activities conducted on behalf of REOTPI by its employees and licensees to ensure compliance with
24 the Real Estate Laws and Regulations. SWANSON failed to establish policies, rules and systems to
25 review, oversee, inspect, and manage transactions. SWANSON's acts and/or omissions were in
26 violation of **Code sections 10159.2 and 10177(h), and Regulation 2725**, and constitute cause to
27 suspend or revoke the real estate licenses and license rights of SWANSON pursuant to **Code**
28 **sections 10177(d) and/or 10177(g)**.

77. Based on the allegations contained in paragraphs 9(b), and 10 through 53 above, and the Third and Fifth Causes of Accusation above, WILIAMS, as the broker of record and D.O. of NCBNI, did not exercise adequate supervision and control over the real estate activities conducted on behalf of NCBNI by its employees and licensees to ensure compliance with the Real Estate Laws and Regulations. WILIAMS failed to establish policies, rules and systems to review, oversee, inspect, and manage transactions. WILIAMS's acts and/or omissions were in violation of **Code sections 10159.2 and 10177(h), and Regulation 2725**, and constitute cause to suspend or revoke the real estate licenses and license rights of WILIAMS pursuant to **Code sections 10177(d) and/or 10177(g).**

COSTS

(INVESTIGATION AND ENFORCEMENT COSTS)

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

WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action against all the licenses and license rights of Respondents REAL ESTATE OF THE PACIFIC INC, VALARIE SUSAN SWANSON, KELLEN TIMOTHY PORTER, OLIVIA MARIE DUNHAM, NORTH COUNTY BROKER NETWORK INC, BRIAN JOHN WILLIAMS, and JOHN LAWRENCE MCKENZIE under the Real Estate Law, for the costs of investigation and enforcement as permitted by law, and for such other and further relief as may be proper under other applicable provisions of law.

Dated at San Diego, California April 29, 2025

Veronica Kilpatrick
Supervising Special Investigator

1 cc: REAL ESTATE OF THE PACIFIC INC,
2 VALARIE SUSAN SWANSON
3 KELLEN TIMOTHY PORTER
4 OLIVIA MARIE DUNHAM
5 NORTH COUNTY BROKER NETWORK INC
6 BRIAN JOHN WILLIAMS
7 JOHN LAWRENCE MCKENZIE
8 Vista Realty, Inc.
9 Orchard Brokerage of California, Inc.
10 Veronica Kilpatrick
11 Sacto.
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