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**FILED**

NOV 17 2016

BUREAU OF REAL ESTATE

By B. Nicholas

BEFORE THE BUREAU OF REAL ESTATE

STATE OF CALIFORNIA

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In the Matter of the Accusation of

BIWOODS REAL ESTATE, and  
IRENE GRISELDA WOODS,

Respondents.

CalBre No. H-6464 SAC

ACCUSATION

The Complainant, THOMAS D. CAMERON, a Supervising Auditor of the State of California, for cause of Accusation against BIWOODS REAL ESTATE, and IRENE GRISELDA WOODS (collectively "Respondents"), are informed and allege as follows:

PRELIMINARY ALLEGATIONS

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The Complainant, THOMAS D. CAMERON, a Supervising Auditor of the State of California, makes this Accusation in his official capacity.

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Respondents are presently licensed and/or have license rights under the Real Estate Law, Part 1 of Division 4 of the Business and Professions Code (Code).

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2 At all times mentioned, Respondent BIWOODS REAL ESTATE (BIRE) was and  
3 is licensed by the State of California Bureau of Real Estate (Bureau) as a real estate broker  
4 corporation.

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6 At all times mentioned, Respondent IRENE GRISELDA WOODS (WOODS)  
7 was and is licensed by the Bureau individually as a real estate broker, and as the designated  
8 broker officer of BIRE. As said designated broker officer, WOODS was responsible pursuant to  
9 Section 10159.2 of the Code for the supervision of the activities of the officers, agents, real  
10 estate licensees, and employees of BIRE for which a license is required.

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12 Whenever reference is made in an allegation in this Accusation to an act or  
13 omission of BIRE, such allegation shall be deemed to mean that the officers, directors,  
14 employees, agents and real estate licensees employed by or associated with BIRE committed  
15 such acts or omissions while engaged in furtherance of the business or operation of BIRE and  
16 while acting within the course and scope of their corporate authority and employment.

17 6

18 At all times mentioned, Respondents engaged in the business of, acted in the  
19 capacity of, advertised, or assumed to act as real estate brokers in the State of California, within  
20 the meaning of Section 10131(b) of the Code in the operation and conduct of a property  
21 management business with the public wherein, on behalf of others, for compensation or in  
22 expectation of compensation, Respondents leased or rented and offered to lease or rent, and  
23 placed for rent, and solicited listings of places for rent, and solicited for prospective tenants of  
24 real property or improvements thereon, and collected rents from real property or improvements  
25 thereon.

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1 FIRST CAUSE OF ACTION

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3 Each and every allegation in Paragraphs 1 through 6, inclusive, is incorporated by  
4 this reference as if fully set forth herein.

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6 On or about August 29, 2016, and continuing intermittently through  
7 October 21, 2016, an audit was conducted of the records of BIRE. The auditor herein examined  
8 the records for the period of June 1, 2015, through July 31, 2016.

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10 While acting as a real estate broker as described in Paragraph 6, Respondents  
11 accepted or received funds in trust (trust funds) from or on behalf of owners and tenants in  
12 connection with the leasing, renting, and collection of rents on real property or improvements  
13 thereon, as alleged herein, and thereafter from time to time made disbursements of said trust  
14 funds.

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16 The trust funds accepted or received by Respondents as described in Paragraph 9  
17 were deposited or caused to be deposited by Respondents into trust accounts which were  
18 maintained by Respondents for the handling of trust funds, and thereafter from time-to-time  
19 Respondents made disbursements of said trust funds, identified as follows:

ACCOUNT # 1	
Bank Name and Location:	US Bank 2175 W. Grant Line Road Tracy, CA 95377
Account No.:	X XXX XXXX 8527
Entitled:	BIWOODS Real Estate Inc, DBA Regency Real Estate

In the course of the activities described in Paragraph 6, Respondents:

(a) caused, suffered, or permitted the balance of funds in Account #1 to be reduced to an amount which, as of July 31, 2016, was approximately \$23,237.40 less than the aggregate liability of Account #1 to all owners of such funds in violation of Section 10145 of the Code and Section 2832.1 of Title 10 of the California Code of Regulations (Regulations);

(b) converted approximately \$50,000 of trust funds to Respondents own use and benefit or to purposes not authorized by the rightful owners of said funds.

(c) failed to deposit trust funds into one or more trust funds accounts in the name of BIRE as trustee at a bank or other financial institution, in conformance with Section 10145 of the Code and Section 2832 of the Regulations.

The facts alleged in the First Cause of Action are grounds for the suspension or revocation of Respondents' licenses and license rights under the following sections of the Code and Regulations:

As to Paragraph 11(a), under Section 10177(d) and/or 10177(g) of the Code in conjunction with Section 10145 of the Code and Section 2832.1 of the Regulations;

As to Paragraph 11(b), under Section 10176(i);

As to Paragraph 11(c), under Sections 10177(d) and/or 10177(g) of the Code in conjunction with Section 10145 of the Code and Section 2832 of the Regulations;

#### SECOND CAUSE OF ACTION

Each and every allegation in Paragraphs 1 through 12, inclusive, is incorporated by this reference as if fully set forth herein.

Respondent WOODS failed to exercise reasonable supervision over the acts of BIRE in such a manner as to allow the acts and events described above to occur.

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The acts and/or omissions of WOODS as described in Paragraph 14, constitutes failure on the part of WOODS, as designated broker-officer for BIRE, to exercise reasonable supervision and control over the licensed activities of BIRE as required by Section 10159.2 of the Code and Section 2725 of the Regulations.

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The facts described above as to the Second Cause of Action constitute cause for the suspension or revocation of the licenses and license rights of Respondent WOODS under Section 10177(g) and/or Section 10177(h) of the Code, and Section 10159.2 of the Code in conjunction with Section 10177(d) of the Code.

COST RECOVERY

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The acts and/or omissions of Respondents as alleged above, entitle the Bureau to reimbursement of the costs of its audit pursuant to Section 10148(b) (audit costs for trust fund handling violation) of the Code.

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Section 10106 of the Code provides, in pertinent part, that in any order issued in resolution of a disciplinary proceeding before the Bureau, 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 the 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 discipline on all licenses and license rights of Respondents under the Real Estate Law (Part 1 of Division 4 of the


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1 Business and Professions Code), for the cost of the investigation and enforcement of this case as  
2 permitted by law, for the cost of the Bureau's audit as permitted by law, and for such other and  
3 further relief as may be proper under the provisions of law.  
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6 THOMAS D. CAMERON  
Supervising Auditor

7 Dated at Sacramento, California,

8 this 10<sup>th</sup> day of November, 2016  
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10 DISCOVERY DEMAND

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