

1 TRULY SUGHRUE, Counsel
2 State Bar No. 223266
3 Bureau of Real Estate
4 P.O. Box 137007
5 Sacramento, CA 95813-7007
6 Telephone: (916) 263-8672
7 (916) 263-8676 (Direct)
8 Fax: (916) 263-3767

FILED

SEP 27 2017

BUREAU OF REAL ESTATE

By H. Dury

9 BEFORE THE BUREAU OF REAL ESTATE
10 STATE OF CALIFORNIA

11 * * *

12 In the Matter of the Accusation of

13 DEBRA K. LOFFMAN,

Respondent.

No. H-6590 SAC

ACCUSATION

14 The Complainant, TRICIA D. PARKHURST, a Supervising Special Investigator
15 of the State of California, for cause of Accusation against DEBRA K. LOFFMAN (Respondent),
16 is informed and alleges as follows:

17 1

18 The Complainant, TRICIA D. PARKHURST, a Supervising Special Investigator
19 of the State of California, makes this Accusation in her official capacity.

20 2

21 Respondent is presently licensed and/or has license rights under the Real Estate
22 Law, Part 1 of Division 4 of the Business and Professions Code (Code).

23 3

24 At all times mentioned, Respondent was and is licensed by the Bureau
25 individually as a real estate broker.

26 ///

27 ///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

4

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

5

On or about March 16, 2017, and continuing intermittently through April 4, 2017, an audit was conducted of the records of Respondent. The auditor herein examined the records for the period of January 1, 2016, through January 31, 2017.

6

While acting as a real estate broker as described in Paragraph 4, Respondent accepted or received funds in trust (trust funds) from or on behalf of owners and tenants in connection with the leasing, renting, and collection of rents on real property or improvements thereon, as alleged herein, and thereafter from time-to-time made disbursements of said trust funds.

7

The trust funds accepted or received by Respondent as described in Paragraph 6 were deposited or caused to be deposited by Respondent into trust accounts which were maintained by Respondent for the handling of trust funds, and thereafter from time-to-time Respondent made disbursements of said trust funds, identified as follows:

///

///

///

ACCOUNT # 1	
Bank Name and Location:	First Citizens Bank Central Bank Operations P.O. Box 27131 Raleigh, NC 27611-7131
Account No.:	XXXXXXXX4211
Entitled:	Loffman Property Management Debbie Loffman Owner Trust Account

8

In the course of the activities described in Paragraph 4, Respondent:

(a) Caused, suffered, or permitted the balance of funds in Account #1 to be reduced to an amount which, as of December 31, 2016, was approximately \$8,583.36 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) Commingled with its own money or property, the money or property of others which was received or held by Respondents in trust in violation of Section 10176(e) of the Code;

(c) Collected and retained unearned fees, compensation, profit, and/or failed to disclose failed to reveal the full amount of compensation from homeowners in connection with payment for property management maintenance and repair services performed by Respondent, in violation of Section 10176(g) of the Code Specifically, Respondent failed to disclose Respondent was charging a 5 percent markup to owners for repairs and maintenance performed.

9

The facts alleged above are grounds for the suspension or revocation of Respondent's license and license rights under the following sections of the Code and Regulations:

///

///

///

1 As to Paragraph 10(a), under Sections 10176(i), 10177(d), and/or 10177(g) of the
2 Code in conjunction with Section 10145 of the Code and Section 2832.1 of the Regulations;

3 As to Paragraph 10(b), under Section 10176(e) of the Code;

4 As to Paragraph 10(c) under Section 10176(g) of the Code.

5 COST RECOVERY

6 10

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

10 11

11 Section 10106 of the Code provides, in pertinent part, that in any order issued in
12 resolution of a disciplinary proceeding before the Bureau, the Commissioner may request the
13 Administrative Law Judge to direct a licensee found to have committed a violation of this part to
14 pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

15 WHEREFORE, Complainant prays that a hearing be conducted on the allegations
16 of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary
17 action against all licenses and license rights of Respondent under the Code, for the cost of
18 investigation and enforcement as permitted by law, for the cost of the audit, and for such other
19 and further relief as may be proper under other provisions of law.

20
21 

22 TRICIA D. PARKHURST
23 Supervising Special Investigator

24 Dated at Sacramento, California,
25 this 26th day of September, 2017.

DISCOVERY DEMAND

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