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FILED
FEB 26 2026
DEPARTMENT OF REAL ESTATE
By J. Taggart

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

10 * * *

11 In the Matter of the Accusation of)

12 EUGENE SHINSHUNG CHANG,)

13 Respondent.)

No. H-7488 SAC

ACCUSATION

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15 The Complainant, HEATHER NISHIMURA, a Supervising Special
16 Investigator of the State of California, for cause of Accusation against EUGENE
17 SHINSHUNG CHANG ("Respondent"), is informed and alleges as follows:

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19 The Complainant, HEATHER NISHIMURA, a Supervising Special Investigator
20 of the State of California, makes this Accusation in her official capacity.

21 2

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

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25 At all times mentioned, Respondent was and is licensed by the Department
26 individually as a restricted real estate broker, License ID No. 01784018. Unless renewed,
27 Respondent's restricted broker license will expire November 7, 2026.

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TRUST ACCOUNT # 1	
Bank Name and Location:	Bank of America 325 E Street Davis, CA 95616
Account No.:	XXXXXXXXX3544
Account Name:	Eugene Chang College Town Realty Trust Account
Purpose:	Trust Account #1 was used for the handling of trust funds from property management activities. Deposits consisted of rent and security deposit payments and owner contributions. Disbursements consisted of owner proceeds, security deposit disposition, repairs, maintenance payments and management fees.

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In the course of the property management activities described in Paragraph 5, and during the audit period described in Paragraph 4, Respondent violated the Code and various sections of the California Code of Regulations, Title 10, Chapter 6 (“Regulations”) described below:

Trust Account Accountability and Balances

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Trust Account #1

Based on the records provided during the audit, a bank reconciliation for Trust Account #1 was prepared for as of February 28, 2023. The adjusted bank balance was compared to the sum of the balances of the Trust Account Balance Report provided by Respondent, as follows:

Adjusted Bank Balance	(\$55,834.42)
Accountability	\$83,507.81
Trust Fund Shortage	<u>(\$139,342.23)</u>

1 A shortage of \$139,342.23 was found in Trust Account #1 as of February 28,
2 2023, based upon unidentified funds and negative balances. Respondent provided no evidence
3 during the audit that the owners of the trust funds had given their written consent to allow
4 Respondent to reduce the balance of the funds in Trust Account #1 to an amount less than its
5 existing aggregate trust fund liabilities, in violation of Section 10145(a) of the Code and Section
6 2832.1 of the Regulations.

7 Control Records

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9 Respondent failed to maintain an accurate written control record for Trust
10 Account #1 of all trust funds received and disbursed, including, but not limited to, failing to
11 record accurate dates when trust funds were received/deposited, as required by Section 10145(a)
12 of the Code and 2831 of the Regulations.

13 Separate Records

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15 Respondent failed to maintain accurate separate records for each beneficiary.
16 Respondent did not properly record dates of deposits received, failing to accurately account for
17 all funds which were received and disbursed from Trust Account #1 as required by Section
18 10145(a) of the Code and Section 2831.1 of the Regulations.

19 Disbursement of Management Fees

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21 Respondent disbursed at least \$2,253.15 from Trust Account #1 in the form of
22 unearned management fees, prior to receipt of the full amount of rent from beneficiaries, in
23 violation of section 10145(a) of the Code.

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PRIOR ADMINISTRATIVE ACTION

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Case No. H-7127 SAC

Effective November 8, 2022, in Department Case No. H-7127 SAC, the Real Estate Commissioner revoked the broker license and licensing rights of Respondent but granted the right to apply for a restricted broker license, based upon findings of trust fund handling violations, establishing grounds to discipline pursuant to Code Section 10177(g) (negligence or incompetence).

GROUNDWORK FOR DISCIPLINE

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The acts and/or omissions of Respondent as alleged above constitute grounds for the suspension or revocation of all licenses and license rights of Respondent, pursuant to Sections 10176(i)/10177(j) (fraud or dishonest dealing), 10177(d) (violations of real estate law) and/or 10177(g) (negligence or incompetence) of the Code.

COST RECOVERY

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The acts and/or omissions of Respondent as alleged above entitle the Department to reimbursement of the costs of its audit pursuant to Section 10148(b) 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 Department, 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.

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

6
7 Heather Nishimura

8 HEATHER NISHIMURA

9 Supervising Special Investigator

10 Dated at Sacramento, California,

11 This 26th day of February, 2026

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14 DISCOVERY DEMAND

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