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FILED

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BUREAU OF REAL ESTATE
By B. Nicholas

8 BEFORE THE BUREAU OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)

12 TENANTFINDERS INCORPORATED, and)
13 TILTON MARK QUON,)

14 Respondents.)

CalBre No. H-12029 SF

ACCUSATION

15 The Complainant, ROBIN S. TANNER, a Supervising Special Investigator of the
16 State of California, for cause of Accusation against TENANTFINDERS INCORPORATED, and
17 TILTON MARK QUON (collectively "Respondents"), are informed and allege as follows:

18 PRELIMINARY ALLEGATIONS

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20 The Complainant, ROBIN S. TANNER, a Supervising Special Investigator of
21 the State of California, makes this Accusation in her official capacity.

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

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At all times mentioned, Respondent TENANTFINDERS INCORPORATED (TI) was and is licensed by the State of California Bureau of Real Estate (Bureau) as a restricted real estate broker corporation.

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At all times mentioned, Respondent TILTON MARK QUON (QUON) was and is licensed by the Bureau individually as a real estate broker, and as the designated broker officer of TI. As said designated broker officer, QUON was responsible pursuant to Section 10159.2 of the Code for the supervision of the activities of the officers, agents, real estate licensees, and employees of TI for which a license is required.

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

6

At all times mentioned, Respondents engaged in the business of, acted in the capacity of, advertised, or assumed to act as real estate brokers 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, Respondents 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.

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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 November 19, 2015, through November 20, 2015, an audit was
7 conducted of the records of TI. The auditor herein examined the records for the period of
8 November 1, 2014, through October 31, 2015.

9 9

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:

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ACCOUNT # 1	
21 Bank Name and Location:	Wells Fargo
22	P.O. Box 6995, Portland, OR 97228-6995
23 Account No.:	XXXXXXX1887
24 Entitled:	Tenantfinders Inc. Trust Account
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In the course of the real estate activities described in Paragraph 6, above, and during the audit period, Respondents:

a) Collected and retained unearned fees, compensation, and/or profit in the amount of \$24,060.40 for the period November 2014 to October 2015, from homeowners in connection with payment for property management maintenance and repair services performed by vendors, and failed to disclose the collection of the unearned fees, compensation, and/or profit to the homeowners, in violation of Sections 10145(a)(1) and 10176(g) of the Code. Specifically, Respondents contracted with vendors to perform various services on the properties they managed for homeowners. Vendors would bill Respondents at a discounted rate, but Respondents would collect payment from homeowners at the full rate. Respondents retained the profit from the vendor discount for themselves without fully disclosing the profit to homeowners; and

b) conducted real estate activities using the fictitious business names "Tenantfinders of California", without first registering these fictitious names with the Bureau as required by Section 10159.5 of the Code and Section 2731 of Title 10 of the California Code of Regulations (Regulations).

The acts and/or omissions of Respondents as alleged in the First Cause of Action constitute grounds for the suspension or revocation of all licenses and license rights of Respondents pursuant to the following provisions of the Code and Regulations:

As to Paragraph 11(a), under Section 10176(g) of the Code; and

As to Paragraph 11(a), under Section 10177(d) and/or 10177(g) of the Code, in conjunction with Section 10159.5 of the Code, and Section 2731 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.

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Respondent QUON failed to exercise reasonable supervision over the acts of TI 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 QUON as described in Paragraph 14, constitutes failure on the part of QUON, as designated broker-officer for TI, to exercise reasonable supervision and control over the licensed activities of TI 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 QUON 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.

PREVIOUS ADMINISTRATIVE PROCEEDINGS

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Effective August 2, 2010, in Case No. H-10820 SF, the Real Estate Commissioner issued an Order which revoked the real estate broker license of TI, for violation of Section 10177(d) of the Code, but granted the right to a restricted real estate broker license, on terms, conditions, and restrictions set forth in the Order.

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Effective August 27, 2012, in Case No. H-11357 SF, the Real Estate Commissioner issued an Order which suspended the real estate broker license of TI for forty-five (45) days, stayed upon terms and conditions, for violation of Sections 2726 and 2832 of the Regulations, and Sections 10145, 10177(d) and 10177(g) of the Code.

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COST RECOVERY

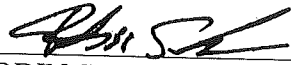
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The acts and/or omissions of Respondents as alleged above, entitle the Bureau to reimbursement of the costs of its audit pursuant to Section 10148(b) of the Code.

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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 Business and Professions Code), for the cost of the investigation and enforcement of this case as permitted by law, for the cost of the Bureau's audit as permitted by law, and for such other and further relief as may be proper under the provisions of law.


ROBIN S. TANNER
Supervising Special Investigator

Dated at Oakland, California,
this 17th day of November, 2016

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.