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**FILED**

JAN 02 2019

DEPARTMENT OF REAL ESTATE

By St. Knapp

9 BEFORE THE DEPARTMENT OF REAL ESTATE

10 STATE OF CALIFORNIA

11 \* \* \*

12 In the Matter of the Accusation of )

13 WINDSOR MANAGEMENT )  
14 CORPORATION, and ELIZABETH BUNKER )  
15 GRIGGS )

No. H-12356 SF

ACCUSATION

16 Respondents. )

17 The Complainant, ROBIN S. TANNER, a Supervising Special Investigator of the  
18 State of California, for cause of Accusation against WINDSOR MANAGEMENT  
19 CORPORATION (WMC), and ELIZABETH BUNKER GRIGGS (GRIGGS) (collectively  
20 "Respondents"), is informed and alleges as follows:

21 PRELIMINARY ALLEGATIONS

22 1

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

25 2

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

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2 At all times mentioned after July 14, 2017, WMC was and is licensed by the State  
3 of California Department of Real Estate (Department) as a real estate broker corporation. At no  
4 time prior to July 14, 2017, was WMC licensed in any capacity. GRIGGS is an officer, director,  
5 and 100 percent shareholder of WMC.

6  
7 At all times mentioned, GRIGGS was and is licensed by the Department as a real  
8 estate broker. At all times mentioned after July 14, 2017, GRIGGS was and is licensed as the  
9 designated broker officer of WMC. As said designated officer-broker, GRIGGS was and is  
10 responsible pursuant to Section 10159.2 of the Code for the supervision of the activities of the  
11 officers, agents, real estate licensees, and employees of WMC for which a license is required.

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

18  
19 At all times mentioned, Respondents engaged in the business of, acted in the  
20 capacity of, advertised, or assumed to act as real estate brokers in the State of California, within  
21 the meaning of Section 10131(b) of the Code in the operation and conduct of a property  
22 management business with the public wherein, on behalf of others, for compensation or in  
23 expectation of compensation, Respondents leased or rented and offered to lease or rent, and  
24 placed for rent, and solicited listings of places for rent, and solicited for prospective tenants of  
25 real property or improvements thereon, and collected rents from real property or improvements  
26 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.

5 8

6 On or about January 26, 2018 through January 30, 2018, an audit was conducted  
7 of the records of WMC. The auditor herein examined the records for the period of January 1,  
8 2016, through December 31, 2017.

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.

15 10

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:	First Republic Bank 111 Pine Street San Francisco, CA 94111
22 Account No.:	XXXXXXXX1324
23 Entitled:	Windsor Management LLC for the Benefit of WSA Village

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25  
26  
27

	Green LLC
ACCOUNT # 2	
Bank Name and Location:	Wells Fargo P.O. Box 6995 Portland, OR 97228
Account No.:	XXXXXX2042
Entitled:	117 Ocean Avenue, LLC

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

(a) failed to deposit trust funds into one or more trust funds accounts in the name of WMC as trustee at a bank or other financial institution, in conformance with Section 10145 of the Code and Section 2832 of Title 10 of the California Code of Regulations (Regulations);

(b) caused, permitted, and/or allowed, the possible withdrawal of trust funds from Account # 2 by a person, Felicia Woytak, who was not licensed to the broker and not covered by a fidelity bond in violation of Section 2834 of the Regulations; and

(c) failed to disclose license identification numbers on his website, [www.windstorm.com](http://www.windstorm.com), in violation of Section 10140.6(b) of the Code and Section 2773 of the Regulations.

12

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 of the Regulations;

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1 As to Paragraph 11(b), under Section 10177(d) and/or 10177(g) of the Code in  
2 conjunction with Section 10145 of the Code and Section 2834 of the Regulations;

3 As to Paragraph 11(c), under Sections 10177(d) and/or 10177(g) of the Code in  
4 conjunction with Section 2773 of the Regulations and Section 10140.6(b) of the Code.

5 SECOND CAUSE OF ACTION

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

9 14

10 Prior to July 14, 2017, GRIGGS willfully caused, suffered, permitted, and/or  
11 disregarded the real estate law by allowing WMC to perform the acts and conduct the real estate  
12 activities described in Paragraph 6, including but not limited to the activities described in  
13 Paragraph 15, below.

14 15

15 Prior to July 14, 2017, in the course of the employment and activities described in  
16 Paragraph 14, GRIGGS, on behalf of WMC, solicited prospective tenants for, negotiated rental  
17 agreements for, and/or collected rents from real properties owned by another or others, including  
18 but not limited to the collection of rents for thirty – two commercial complexes totaling two  
19 hundred units on behalf of 32 owners.

20 16

21 In acting as described above, GRIGGS willfully caused, suffered, and/or  
22 permitted, WMC to violate and/or willfully disregard Section 10130 of the Code.

23 17

24 The facts alleged in the Second Cause of Action are grounds for the suspension  
25 or revocation of Respondents' licenses and license rights pursuant to Section 10130 of the Code  
26 in conjunction with Section 10177(d) of the Code.

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1 THIRD CAUSE OF ACTION

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3 Each and every allegation in Paragraphs 1 through 17, inclusive, is incorporated  
4 by this reference as if fully set forth herein.

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6 Respondent GRIGGS failed to exercise reasonable supervision over the acts of  
7 WMC in such a manner as to allow the acts and events described above to occur.

8 20

9 The acts and/or omissions of GRIGGS as described in Paragraph 19, constitutes  
10 failure on the part of GRIGGS, as designated broker-officer for WMC, to exercise reasonable  
11 supervision and control over the licensed activities of WMC as required by Section 10159.2 of  
12 the Code and Section 2725 of the Regulations.

13 21

14 The facts described above as to the Third Cause of Action constitute cause for the  
15 suspension or revocation of the licenses and license rights of Respondent GRIGGS under Section  
16 10177(g) and/or Section 10177(h) of the Code, and Section 10159.2 of the Code in conjunction  
17 with Section 10177(d) of the Code.

18 COST RECOVERY

19 22

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

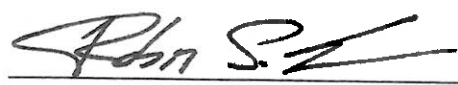
22 23

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

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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 licenses and license rights of Respondents under the Code, for the cost of investigation and enforcement 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 24<sup>th</sup> day of December 2018.

DISCOVERY DEMAND

Pursuant to Sections 11507.6, *et seq.* of the Government Code, the Department 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 Department 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.