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FILED

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DEPARTMENT OF REAL ESTATE
By B. Nicholas

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of

JASMIN ALICE YEARGIN,

Respondent.

No. H-12717 SF

ACCUSATION

The Complainant, STEPHANIE YEE, a Supervising Special Investigator of the State of California, for cause of Accusation against JASMIN ALICE YEARGIN ("Respondent"), is informed and alleges as follows:

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The Complainant, STEPHANIE YEE, a Supervising Special Investigator of the State of California, makes this Accusation in her official capacity.

2

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

LICENSE HISTORY

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At all times mentioned, Respondent was and is licensed by the Department of Real Estate ("Department") as a real estate broker, License ID 01705894. Respondent was licensed by the Department as a real estate salesperson on or about August 29, 2005, and as a

1 real estate broker on or about December 29, 2016. Unless renewed, Respondent's broker
2 license will expire December 28, 2024.

3 Beginning January 24, 2017, Respondent was licensed to do business under the
4 fictitious business name "Miracle Mile Management".

5 4

6 At no times mentioned, was Mimi LLC licensed by the Department in any
7 capacity.

8 AUDIT OK22-0009

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10 On or about October 27, 2022, the Department completed its audit (OK22-0009)
11 of the books and records of Respondent's property management activities described in Paragraph
12 6. The auditor herein examined the records for the period of July 1, 2021, through June 30,
13 2022.

14 6

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

22 As of the audit examination, Respondent managed fifty-four (54) residential
23 properties, two (2) apartment complexes, and two (2) commercial complexes for fifty-two (52)
24 owners. Respondent collected approximately \$3 million in trust funds annually.

25 Respondent's property management services included, but were not limited to,
26 collecting rents and security deposits; soliciting tenants; advertising properties; making
27 mortgage, property tax, and insurance payments; and responsibility for repairs and maintenance.

1 For such property management services, Respondent charged a management fee between 6 and 8
2 percent of collected rents. Respondent also charged a lease execution fee of 6 percent of a one-
3 year lease.

4 7

5 While acting as a real estate broker as described in Paragraph 6, Respondent
6 accepted or received funds in trust (trust funds) from or on behalf of owners and tenants in
7 connection with the leasing, renting, and collection of rents on real property or improvements
8 thereon, as alleged herein, and thereafter from time-to-time made disbursements of said trust
9 funds.

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

ACCOUNT # 1	
Bank Name and Location:	Bank of Marin 999 Andersen Drive San Rafael, CA 94901
Account No.:	XXX6764
Account Name:	Mimi LLC dba Miracle Mile Management Property Management Trust
Description:	Account #1 was a multi-beneficiary account used to hold rents and security deposits and for disbursement of owners' proceeds, management fees, and expenses related to properties managed by Respondent.

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

Trust Account Accountability and Balances

Based on the records provided during the audit, a bank reconciliation for Account #1 was prepared as of June 30, 2022. The adjusted bank balance of Account #1 as of June 30, 2022, was compared to the beneficiaries' accountability for Account #1 as of June 30, 2022.

Adjusted Bank Balance	\$73,929.89
Accountability	<u>\$148,773.68</u>
Trust Fund Shortage	<u>(\$74,843.79)</u>

A shortage of \$74,843.79 was found in Account #1 as of June 30, 2022. \$27,012.65 of the shortage was due to multiple negative account balances. The remainder of the shortage in the amount of \$47,831.14 was unidentified.

Respondent provided no evidence that the owners of the trust funds had given their written consent to allow Respondent to reduce the balance of the funds in Account #1 to an amount less than the existing aggregate trust fund liabilities, in violation of Section 10145 of the Code and Section 2832.1 of the Regulations.

Trust Account Reconciliation

Respondent failed to reconcile the balance of separate beneficiary or transaction records with the control record of trust funds received and disbursed at least once a month, and/or failed to maintain a record of such reconciliations for Account #1, as required by Section 2831.2 of the Regulations.

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1 Trust Account Designation

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3 During the audit period, Account #1, an account used to hold trust funds, was not
4 designated as a trust account in the name of the broker or the broker's fictitious business name as
5 trustee, in violation of Section 10145 of the Code and Section 2832 of the Regulations. Account
6 #1 was titled "Mimi LLC dba Miracle Mile Management Property Management Trust."

7 GROUND FOR DISCIPLINE

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9 The acts and/or omissions of Respondent as alleged above constitute grounds for
10 the suspension or revocation of all licenses and license rights of Respondent, pursuant to the
11 following provisions of the Code and Regulations:

12 As to Paragraph 9, under Sections 10177(d) and/or 10177(g) of the Code in
13 conjunction with Section 10145 of the Code and Section 2832.1 of the Regulations;

14 As to Paragraph 10, under Sections 10177(d) and/or 10177(g) of the Code in
15 conjunction with Section 10145 of the Code and Section 2831.2 of the Regulations; and

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

18 COST RECOVERY

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

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24 Section 10106 of the Code provides, in pertinent part, that in any order issued in
25 resolution of a disciplinary proceeding before the Department, the Commissioner may request
26 the Administrative Law Judge to direct a licensee found to have committed a violation of this

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1 part to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the
2 case.

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

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10 STEPHANIE YEE
Supervising Special Investigator

11 Dated at Oakland, California,
12 this 5th day of February, 2024

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17 DISCOVERY DEMAND

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