

FILED

OCT 28 2025

DEPT. OF REAL ESTATE

By 

1 KATHY YI, Counsel (SBN 236736)
2 Department of Real Estate
3 320 West 4th Street, Suite 350
4 Los Angeles, California 90013-1105
5 Telephone: (213) 559-5990
6 Direct: (213) 443-9268
7 Email: kathy.yi@dre.ca.gov
8 *Attorney for Complainant*

9 BEFORE THE DEPARTMENT OF REAL ESTATE
10 STATE OF CALIFORNIA

11 * * *

12 In the Matter of the Accusation against) No. H-12776 SF
13)
14 NOVA PROPERTY MANAGEMENT) ACCUSATION
15 GROUP; and)
16 STEVEN KURT HUMPFLE, individually)
17 and as designated officer for Nova)
18 Property Management Group;)
19 Respondents.)
20)
21)
22)
23)

24 The Complainant, Stephanie Yee, a Supervising Special Investigator for the
25 Department of Real Estate ("Department") of the State of California, for cause of Accusation
26 against NOVA PROPERTY MANAGEMENT GROUP and STEVEN KURT HUMPFLE,
27 a.k.a. "Steven K. Humpfle," individually and as designated officer for NOVA PROPERTY
MANAGEMENT GROUP (collectively "Respondents"), alleges as follows:

1.

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

///

///

1 2.

2 All references to the "Code" are to the California Business and Professions
3 Code, all references to the "Real Estate Law" are to Part 1 of Division 4 of the Code, and all
4 references to "Regulations" are to the Regulations of the Real Estate Commissioner, Title 10,
5 Chapter 6, California Code of Regulations.

6 3.

7 Respondents are presently licensed and/or have license rights under the Real
8 Estate Law (Part 1 of Division 4 of the Code). Respondents have renewal rights pursuant to
9 Code section 10201. The Department retains jurisdiction pursuant to Code section 10103.

10 LICENSE HISTORY

11 (NOVA PROPERTY MANAGEMENT GROUP)

12 4.

13 a. On April 10, 2013, the Department initially issued a real estate corporation
14 license (DRE license ID 01932040) to Respondent NOVA PROPERTY MANAGEMENT
15 GROUP ("NPMG"), which is set to expire on April 9, 2029, unless renewed.

16 b. According to Department records to date, NPMG employs one (1)
17 salesperson under its license.

18 c. The designated officer ("D.O.") of NPMG is STEVEN KURT HUMPFLE, a
19 real estate broker with DRE License ID 01355861.

20 (STEVEN KURT HUMPFLE)

21 5.

22 a. On August 28, 2007, the Department initially issued a real estate broker
23 license (DRE license ID 01355861) to Respondent STEVEN KURT HUMPFLE
24 ("HUMPFLE"), which is set to expire on August 27, 2027, unless renewed.

25 b. HUMPFLE is currently the D.O. of NPMG and was the D.O. of NPMG
26 during the audit period from October 1, 2022 to November 30, 2023.

27 c. HUMPFLE is currently the D.O. of another real estate corporation, Blue Line

1 Capital Group Inc. (DRE License ID 01833913).

2 d. According to current DRE records to date, HUMPFLE has a mortgage loan
3 originator (“MLO”) license endorsement (NMLS ID 272839).

4 BROKER ACTIVITIES

5 6.

6 At all times relevant herein Respondents were engaged in the business of, acted
7 in the capacity of, advertised or assumed to act as a real estate broker, within the meaning of
8 Code section 10131(b), in that Respondents’ activities included, for a compensation or in
9 expectation of a compensation, leasing or renting or offering to lease or rent, or placing for
10 rent, or soliciting listings of places for rent, or soliciting for prospective tenants, or negotiating
11 the sale, purchase or exchanges of leases on real property, or collecting rents from real
12 property, or improvements thereon.

13 CAUSE FOR ACCUSATION

14 (AUDIT OK 23-0038)

15 7.

16 From November 30, 2023 to May 29, 2024, the Department conducted an audit
17 examination of the books and records of NPMG. The audit examination was limited to
18 NPMG’s property management activity only, as described in paragraph 6 above, and covered
19 the period of time from October 1, 2022 to November 30, 2023 (“audit period”). The primary
20 purpose of the examination was to determine whether NPMG conducted its real estate
21 activities in accordance with the Real Estate Law and the Commissioner’s Regulations.

22 8.

23 During the audit period, NPMG maintained two (2) trust accounts at Mechanics
24 Bank for multiple beneficiaries, which was used for the handling of trust fund receipts and
25 disbursements for NPMG’s property management activity during the audit period:

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

Trust Account 1 ("TA 1")

Account Name: Nova Property Management Group
Client Trust Account
("Owner Trust")

Account Number: xxxxxx8821

Signatory: Steven K. Humpfle

Trust Account 2 ("TA 2")

Account Name: Nova Property Management Group
Client Trust Account
("Tenant Trust")

Account Number: xxxxxx6465

Signatory: Steven K. Humpfle
(VIOLATIONS OF THE REAL ESTATE LAW)

9.

Said audit examination, as described above in paragraph 7, revealed violations of the Code and the Regulations, as set forth in the following paragraphs, and more fully discussed in Audit Report No. OK 23-0038 and the exhibits and work papers attached to the audit report.

(a) Trust Fund Accountability and Balances
(Code section 10145(a) and Regulation 2832.1)

Shortage in TA 1: As of the cutoff date of September 29, 2023, the total accountability of TA 1 was not equal to its adjusted bank balance. TA 1's adjusted bank balance of \$39,264.80 was reconciled to TA 1's accountability of \$65,291.88, which showed a shortage of <\$26,027.08> in TA 1. The total shortage of <\$26,027.08> was caused by (1) a negative balance in eleven (11) owner ledgers in the total amount of <\$10,016.66> and (2) unidentified shortage of <\$16,010.42>.

///

1 Shortage in TA 2: As of the cutoff date of September 29, 2023, the total
2 accountability of TA 2 was not equal to its adjusted bank balance. TA 2's adjusted bank
3 balance of \$179,465.61 was reconciled to TA 2's accountability of \$186,325.00, which showed
4 a shortage <\$6,859.39> in TA 2. The source of the <\$6,859.39> shortage in TA 2 could not be
5 identified.

6 Respondents failed to provide any evidence that the owners of the trust funds
7 had given their written consent to allow NPMG to reduce the balance of the funds in TA 1 and
8 in TA 2 to an amount less than the existing aggregate trust fund liabilities, in violation of Code
9 section 10145(a) and Regulation 2832.1.

10 **(b) Failure to Perform Reconciliation of Trust Fund Records**

11 **(Code section 10145(a) and Regulation 2831.2)**

12 During the audit period, NPMG failed to maintain an accurate monthly
13 reconciliation comparing the balance of the record of all trust funds received and disbursed
14 (control record) to the balance of all separate beneficiary or transaction records (separate
15 records) for TA 1 and TA 2, in violation of Code section 10145(a) and Regulation 2831.2. The
16 reconciliations provided by NPMG for TA 1 and TA 2 were limited to bank reconciliations
17 only.

18 **(c) Responsibility of Corporate Officer in Charge / Broker Supervision**

19 **(Code sections 10159.2 and Regulations 2725)**

20 Based on the above findings, D.O. HUMPFLE failed to exercise reasonable
21 and/or adequate supervision and control over the real estate activities conducted on behalf of
22 NPMG by its licensees and/or employees as necessary to secure full compliance with the real
23 estate laws. HUMPFLE failed to establish policies, rules, procedures, and systems to review,
24 oversee, inspect, and manage transactions requiring a real estate license and the handling of
25 trust funds, in violation of Code sections 10159.2 and 10177(h) and Regulation 2725.

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

10.

The conduct of Respondents described in Paragraph 9 above, violated the Code and Regulations as set forth below:

<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
9(a)	Code section 10145(a) and Regulation 2832.1
9(b)	Code section 10145(a) and Regulation 2831.2
9(c)	Code section 10159.2 and Regulation 2725

Each of the foregoing violations constitute cause for the suspension or revocation of the real estate license and/or license rights of Respondents under the provisions of Code sections 10177(d), 10177(g), and/or 10177(h).

COSTS
(AUDIT COSTS)

11.

Code section 10148(b) provides, in pertinent part, that the Real Estate Commissioner shall charge a real estate broker for the costs of any audit if the Commissioner has found in a final decision, following a disciplinary hearing, that the broker has violated Section 10145 of the Code or a regulation or rule of the Commissioner interpreting said Code section.

(INVESTIGATION AND ENFORCEMENT COSTS)

12.

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 investigation and enforcement of the case.

///
///

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

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 the licenses and/or license rights of Respondents under the Real Estate Law, for the costs of investigation and enforcement as permitted by law, for the cost of the audit, and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Oakland, California, on October 24, 2025



Stephanie Yee
Supervising Special Investigator

cc: Stephanie Yee
Audits – Sean Thee