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FILED
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DEPARTMENT OF REAL ESTATE
By J. Taggart

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of SUPERIOR HOMES AND PROPERTIES, TYLER RAY DOUGHTY, individually and as designated officer of Superior Homes and Properties, Respondents.	No. H-12829 SF ACCUSATION

The Complainant, STEPHANIE YEE, a Supervising Special Investigator of the State of California, for cause of Accusation against SUPERIOR HOMES AND PROPERTIES and TYLER RAY DOUGHTY (collectively referred to as "Respondents"), is informed and alleges as follows:

1

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

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

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3

Respondent SUPERIOR HOMES AND PROPERTIES ("SHP") was licensed by the Department as a real estate broker corporation, License ID No. 02130481, on or about December 7, 2020. SHP's corporate broker license expired December 6, 2024.

4

Respondent TYLER RAY DOUGHTY ("DOUGHTY") was and is licensed by the Department as of March 25, 2020, as a real estate broker, License ID 01373846. Unless renewed DOUGHTY's broker license will expire on September 22, 2028. DOUGHTY was the designated officer-broker of SHP at all relevant times mentioned herein. As a designated officer-broker, DOUGHTY 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 SHP for which a license is required.

5

On or about September 15, 2020, SHP filed for and was subsequently granted California corporate status with the Secretary of State. On or about April 2, 2024, SHP was designated delinquent status with the Franchise Tax Board and as a result its corporate status with the California Secretary of State was suspended, thereby ceasing its right to transact intrastate business in California.

6

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

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AUDIT OK240067

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On or about February 2, 2026, the Department completed its audit (OK240067) of the books and records of SHP's property management activities described in Paragraph 8 below. The accounting and other records of SHP were examined for the period from January 1, 2024, to June 30, 2025 ("audit period").

8

At all times mentioned, Respondents engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate broker within the State of California within the meaning of Sections 10131(b) of the Code, including 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 solicited for prospective tenants of real property or improvements thereon, and collected rents from real property or improvements thereon.

9

While acting as a real estate broker as described in Paragraph 8, Respondents accepted or received funds in trust ("trust funds") from or on behalf of owners and tenants in connection with the leasing, renting, and collection of rents on real property or improvements thereon, as alleged herein, and thereafter from time-to-time made disbursements of trust funds. The trust funds accepted or received by Respondents were deposited or caused to be deposited by Respondents into accounts which were maintained by Respondents for the handling of trust funds, and thereafter from time-to-time Respondents made disbursements of said trust funds, identified as follows:

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BANK ACCOUNT # 1	
Bank Name and Location:	JP Morgan Chase Bank 1886 Camden Ave, San Jose, California 95124
Account No.:	XXXXX7629
Account Name:	Superior Homes and Properties
Purpose:	Bank Account #1 was used for deposits and disbursements related to the management of properties. Deposits consisted of rents collected from tenants. Disbursements were payments of expenses related to the properties managed, remittances to owners, payment of management fees and business expenses.

10

In the course of the property management activities described in Paragraph 8, and during the audit period described in Paragraph 7, Respondents violated the Code and various sections of the California Code of Regulations, Title 10, Chapter 6 (Regulations) described below:

Trust Account Accountability and Balances

11

Bank Account #1

Based on the records provided during the audit, a bank reconciliation for Bank Account #1 was prepared for as of June 30, 2025. The adjusted bank balance of Bank Account #1 was compared to the total balance of its accountability.

Adjusted Bank Balance	$2,413.52
Accountability	$18,696.43
Trust Fund Shortage	($16,282.91)

A shortage of $16,282.91 was found in Bank Account #1 as of June 30, 2025. The cause of the shortage was due to identified negative balances in eight (8) owner accounts. Respondents provided no evidence that the owners of the trust funds had given their written consent to allow Respondents to reduce the balance of the funds in Bank Account #1 to an amount less than its existing aggregate trust fund liabilities, in violation of Code section 10145(a) and section 2832.1 of the Regulations.

Trust Account Reconciliation

12

Respondents failed to perform and/or maintain records of the required monthly reconciliation that compares the total balance of all separate beneficiaries or transaction records with the balance of the record of all trust funds received and disbursed for Bank Account #1 as required by Code section 10145(a) and section 2831.2 of the Regulations.

Unlicensed Corporate Broker Activities

13

Respondent SHP continued to perform property management activities, including collecting management fees from owners, depositing trust funds and negotiating leases after expiration of its license on December 6, 2024. SHP negotiated a lease on January 29, 2025, for a property located at 743 Miller Street in San Jose, California 95110. Between January 2025 and June 2025, SHP collected, then deposited and disbursed trust funds from Bank Account #1 on behalf of property owners. SHP performed broker activities with an expired license in violation of section 10130 of the Code.

Secretary of State Corporate Standing

14

On or about April 2, 2024, and through at least December 6, 2024, SHP was designated delinquent status with the Franchise Tax Board and as a result its corporate status with the California Secretary of State was suspended, thereby ceasing its right to transact intrastate business in California. During that period, Respondents negotiated property management agreements and lease agreements for a property located at 1565 Silacci Drive, Campbell, CA 95008. As a result, while Respondent SHP was designated not in good standing by the California Secretary of State, it engaged in broker activities in violation of Code section 10211 and section 2742 of the Regulations.

Failure to Designate Trust Accounts

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Respondents failed to properly designate Bank Account #1 as a Trust Account in the name of SHP as trustee in violation of Code section 10145(a) and section 2832 of the Regulations.

Failure to Notify/Unaffiliated Broker

16

Without notifying the Department of Real Estate Commissioner, Respondents permitted Richard Turnwall, a licensed but unaffiliated broker with SHP, to perform property management activities on behalf of SHP, by signing property management and lease agreements in connection with a property located at 1565 Silacci Drive, Campbell, CA 95008, in violation of Code Section 10161.8 and section 2752 of the Regulations.

Unlicensed Bank Account Signatory

17

Respondents permitted a licensed but unaffiliated broker, Richard Turnwall, to be listed as an authorized signatory for Bank Account #1 without maintaining any fidelity bond coverage on his behalf, in violation of Code section 10145(a) section 2834 of the Regulations.

Nondisclosed Real Estate ID Number on Website

18

Respondents' solicited SHP's property management business through a public facing website located at https://www.superiorhp.com which failed to list SHP's Department of Real Estate Identification Number on at least two occasions on June 17, 2025, and December 18, 2025, in violation of Code Section 10140.6 and section 2773 of the Regulations.

FAILURE TO SUPERVISE

19

Respondent DOUGHTY failed to exercise reasonable supervision over the acts of SHP. DOUGHTY permitted, ratified and/or caused the conduct described above, to occur, and failed to take reasonable steps, including, but not limited to, the handling of trust funds, supervision of employees, and the implementation of policies, rules, procedures, and systems to ensure the compliance of the corporation with the Real Estate Law and the Regulations.

20

The acts and/or omissions of DOUGHTY as described in paragraph 19 above, constitutes failure on the part of DOUGHTY, as designated officer-broker for SHP, to exercise reasonable supervision and control over the licensed activities of SHP as required by Code section 10159.2 and section 2725 of the Regulations.

GROUNDS FOR DISCIPLINE

21

The acts and/or omissions of Respondents SHP and DOUGHTY as alleged in paragraphs 10-18 above constitute grounds for the suspension or revocation of all licenses and license rights of Respondents pursuant to sections 10177(d) (violation of real estate laws) and/or 10177(g) (negligence or incompetence) of the Code.

22

The acts and/or omissions of DOUGHTY as alleged in paragraphs 19 and 20 constitute grounds for the suspension or revocation of all licenses and license rights of DOUGHTY under sections 10177(d) (violation of real estate laws), 10177(g) (negligence or incompetence), and 10159.2/10177(h) (failure to reasonably supervise) of the Code.

COST RECOVERY

23

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

24

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.

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 Respondent(s) under the Code, for the cost 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 the provisions of law.

STEPHANIE YEE
Supervising Special Investigator

Oakland SY
Dated at ~~Sacramento~~, California,
This 23rd day of July, 2026

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.