Department of Real Estate 320 West 4th Street, Ste. 350 Los Angeles, California 90013-1105 Telephone: (213) 576-6982

FILED

APR - 8 2010

DEPARTMENT OF REAL ESTATE
BY:

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

In the Matter of the Accusation of

WEST COAST PROPERTY SPECIALISTS

INC., doing business as
Renttoday.us; and MIA SHELLEY MELLE,
Individually and as designated
officer of West Coast Property
Specialists Inc.,

No. H-36250 LA L-2009100792

STIPULATION
AND
AGREEMENT

Respondents,

It is hereby stipulated by and between Respondents
WEST COAST PROPERTY SPECIALISTS INC. and MIA SHELLEY MELLE,
individually and as designated officer of West Coast Property
Specialists Inc., (sometimes collectively referred to as
"Respondents"), and the Complainant, acting by and through
Elliott Mac Lennan, Counsel for the Department of Real Estate, as
follows for the purpose of settling and disposing of the
Accusation ("Accusation") filed on September 22, 2009, in this
matter:

- 1. All issues which were to be contested and all evidence which was to be presented by Complainant and Respondents at a formal hearing on the Accusation, which hearing was to be held in accordance with the provisions of the Administrative Procedure Act ("APA"), shall instead and in place thereof be submitted solely on the basis of the provisions of this Stipulation and Agreement ("Stipulation").
- 2. Respondents have received, read and understand the Statement to Respondent, the Discovery Provisions of the APA and the Accusation filed by the Department of Real Estate in this proceeding.
- 3. Respondents timely filed a Notice of Defense pursuant to Section 11506 of the Government Code for the purpose of requesting a hearing on the allegations in the Accusation. Respondents hereby freely and voluntarily withdraw said Notice of Defense. Respondents acknowledge that they understand that by withdrawing said Notice of Defense they thereby waive their right to require the Commissioner to prove the allegations in the Accusation at a contested hearing held in accordance with the provisions of the APA and that they will waive other rights afforded to them in connection with the hearing such as the right to present evidence in their defense and the right to crossexamine witnesses.

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4. This Stipulation is based on the factual allegations contained in the Accusation. In the interest of expedience and economy, Respondents choose not to contest these allegations, but to remain silent and understand that, as a result thereof, these factual allegations, without being admitted or denied, will serve as a prima facie basis for the disciplinary action stipulated to herein. The Real Estate Commissioner shall not be required to provide further evidence to prove said factual allegations.

- 5. This Stipulation is made for the purpose of reaching an agreed disposition of this proceeding and is expressly limited to this proceeding and any other proceeding or case in which the Department of Real Estate ("Department"), the state or federal government, or any agency of this state, another state or federal government is involved.
- 6. It is understood by the parties that the Real Estate Commissioner may adopt this Stipulation as his Decision in this matter thereby imposing the penalty and sanctions on Respondents' real estate licenses and license rights as set forth in the "Order" herein below. In the event that the Commissioner in his discretion does not adopt the Stipulation, it shall be void and of no effect and Respondents shall retain the right to a hearing and proceeding on the Accusation under the provisions of the APA and shall not be bound by any stipulation or waiver made herein.

7. The Order or any subsequent Order of the Real Estate Commissioner made pursuant to this Stipulation shall not constitute an estoppel, merger or bar to any further administrative or civil proceedings by the Department of Real Estate with respect to any matters which were not specifically alleged to be causes for Accusation in this proceeding but do constitute a bar, estoppel and merger as to any allegations actually contained in the Accusations against Respondent herein.

- 8. Respondents understand that by agreeing to this Stipulation, Respondents agree to pay, pursuant to Business and Professions Code Section 10148, the cost of the audit. The amount of said cost for the original audit (LA 080165) is \$10,068.60.
- 9. Respondents have received, read, and understand the "Notice Concerning Costs of Subsequent Audit". Respondents further understand that by agreeing to this Stipulation, the findings set forth below in the Determination of Issues become final, and the Commissioner may charge Respondents for the cost of any subsequent audit conducted pursuant to Business and Professions Code Section 10148 to determine if the violations have been corrected. The maximum cost of the follow-up audit will not exceed \$10,068.60.

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DETERMINATION OF ISSUES

By reason of the foregoing, it is stipulated and agreed that the following determination of issues shall be made:

I.

The conduct, acts or omissions of WEST COAST PROPERTY

SPECIALISTS INC. and MIA SHELLEY MELLE, as described in Paragraph

4, above, are in violation of Section 10145 of the Business and

Professions Code ("Code") and Sections 2832.1, 2831.2, 2832(a),

and 2834 of Title 10, Chapter 6 of the California Code of

Regulations ("Regulations") and is a basis for discipline of

Respondents' license and license rights as violation of the Real

Estate Law pursuant to Code Section 10177(d).

II.

The conduct, acts or omissions of MIA SHELLEY MELLE, as described in Paragraph 4, above, are in violation of Code Section 10159.2 and is a basis for discipline of Respondent's license and license rights as violation of the Real Estate Law pursuant to Code Sections 10777(d), 10177(g) and 10177(h).

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ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

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The license and licensing rights of Respondents WEST

COAST PROPERTY SPECIALISTS INC. and MIA SHELLEY MELLE, under the

Real Estate Law, are suspended for a period of sixty (60) days

from the effective date of this Decision.

- A. Provided, however, that if Respondents request, the initial thirty (30) days of said suspension (or a portion thereof) shall be stayed for two (2) years upon condition that:
- 1. Each Respondent pays a monetary penalty pursuant to Section 10175.2 of the Business and Professions Code at the rate of \$66.66 per day for each day of the suspension for a monetary penalty of \$2,000, or \$4,000 total.
- 2. Said payment shall be in the form of a cashier's check or certified check made payable to the Recovery Account of the Real Estate Fund. Said check must be received by the Department prior to the effective date of the Decision in this matter.
- 3. No further cause for disciplinary action against the real estate license of Respondents occur within two (2) years from the effective date of the Decision in this matter.
- 4. If Respondents fail to pay the monetary penalty in accordance with the terms of the Decision, the Commissioner may, without a hearing, order the immediate execution of all or any

part of the stayed suspension, in which event the Respondent shall not be entitled to any repayment nor credit, prorated or otherwise, for money paid to the Department under the terms of this Decision.

- 5. If Respondents pay the monetary penalty and if no further cause for disciplinary action against the real estate license of Respondent occurs within two (2) years from the effective date of the Decision, the stay hereby granted shall become permanent.
- B. The remaining thirty (30) days of the sixty (60) day suspension shall be stayed for two (2) years upon the following terms and conditions:
- 1. Respondents shall obey all laws, rules and regulations governing the rights, duties and responsibilities of a real estate licensee in the State of California; and
- after hearing or upon stipulation, that cause for disciplinary action occurred within two (2) years from the effective date of this Decision. Should such a determination be made, the Commissioner may, in his discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed suspension. Should no such determination be made, the stay imposed herein shall become permanent.

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II.

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Pursuant to Section 10148 of the Business and
Professions Code, Respondents WEST COAST PROPERTY SPECIALISTS
INC. and MIA SHELLEY MELLE, shall pay the Commissioner's
reasonable cost for (a) the audit which led to this disciplinary
action (b) a subsequent audit to determine if Respondents are now
in compliance with the Real Estate Law. The cost of the original
and subsequent audits which led to this disciplinary action is
\$10,068.60. In calculating the amount of the Commissioner's
reasonable cost, the Commissioner may use the estimated average
hourly salary for all persons performing audits of real estate
brokers, and shall include an allocation for travel time to and
from the auditor's place of work. Said amount for the prior and
subsequent audits shall not exceed \$20,137.20.

Respondents shall pay such cost within 60 days of receiving an invoice from the Commissioner detailing the activities performed during the audit and the amount of time spent performing those activities.

The Commissioner may suspend the license of Respondents pending a hearing held in accordance with Section 11500, et seq., of the Government Code, if payment is not timely made as provided for herein, or as provided for in a subsequent agreement between the Respondent and the Commissioner. The suspension shall remain in effect until payment is made in full or until Respondents enter into an agreement satisfactory to the Commissioner to

adopted following a hearing held pursuant to this condition. III. All licenses and licensing rights of Respondent MIA 4 SHELLEY MELLE, are indefinitely suspended unless or until Respondent provides proof satisfactory to the Commissioner, of 6 having taken and successfully completed the continuing education 7 course on trust fund accounting and handling specified in paragraph (3) of subdivision (a) of Section 10170.5 of the Business and Professions Code. Proof of satisfaction of this 10 requirement includes evidence that Respondent has successfully 11 12 completed the trust fund account and handling continuing 13 education course within 120 days prior to the effective date of 14 the Decision. 15 16 17 5-4-10 DATED: 18 ELLIOTT MAC LENNAN, Counsel for the Department of Real Estate 19 111 20 111 21 111

provide for payment, or until a decision providing otherwise is

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EXECUTION OF THE STIPULATION

We have read the Stipulation. Its terms are understood by us and are agreeable and acceptable to us. We understand that we are waiving rights given to us by the California.

Administrative Procedure Act (including but not limited to Sections 11506, 11508, 11509 and 11513 of the Government Code), and we willingly, intelligently and voluntarily waive those rights, including the right of requiring the Commissioner to prove the allegations in the Accusation at a hearing at which we would have the right to cross-examine witnesses against us and to present evidence in defense and mitigation of the charges.

MAILING AND FACSIMILE

Respondents (1) shall <u>mail</u> the original signed signature page of the stipulation herein to Elliott Mac Lennan: Attention: Legal Section, Department of Real Estate, 320 W. Fourth St., Suite 350, Los Angeles, California 90013-1105. Respondents shall also (2) <u>facsimile</u> a copy of signed signature page, to the Department at the following telephone/fax number: (213) 576-6917, Attention: Elliott Mac Lennan.

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A facsimile constitutes acceptance and approval of the and conditions of this stipulation. Respondents agree, terms acknowledge and understand that by electronically sending to the Depar tement a facsimile copy of Respondents' actual signature as it appears on the stipulation that receipt of the facsimile copy by the Department shall be as binding on Respondents as if the Depar tment had received the original signed stipulation.

DATED: 2-6-10

WEST COAST PROPERTY SPECIALISTS INC. a corporate real estate broker,

Respondent

By: MIA SHELLEY MELLE, designated officer of West Coast Property Specialists Inc.

DATED: 2./6./0

MIA SHELLEY MELLE, individually and as designated officer of West Coast Property specialists Inc., Respondent

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The foregoing Stipulation and Agreement is hereby adopted as my Decision as to Respondents WEST COAST PROPERTY SPECIALISTS INC. and MIA SHELLEY MELLE individually and as designated officer of West Coast Property Specialists and shall become effective at 12 o'clock noon on May 7, 2010 2010. IT IS SO ORDERED JEFF DAXI Real Estate Commissioner

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ELLIOTT MAC LENNAN, SBN 66674 Department of Real Estate 320 West 4th Street, Ste. 350 Los Angeles, California 90013-1105 Telephone: 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25

-or-

FILED

SEP 22 2009

DEPARTMENT OF REAL ESTATE

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

In the Matter of the Accusation of

WEST COAST PROPERTY SPECIALISTS INC., doing business as Renttoday.us; and MIA SHELLEY MELLE, individually and as designated officer of West Coast Property Specialists Inc.,

Respondents.

(213) 576-6911 (direct)

(213) 576-6982 (office)

No. H-36250 LA

ACCUSATION

The Complainant, Robin Trujillo, a Deputy Real Estate Commissioner of the State of California, acting in her official capacity, for cause of Accusation against WEST COAST PROPERTY SPECIALISTS INC. and MIA SHELLEY MELLE, individually and as West Coast Property Specialists Inc., is informed and alleges as follows:

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All references to the "Code" are to the California
Business and Professions Code and all references to "Regulations"
are to Title 10, Chapter 6, California Code of Regulations.

2.

At all times mentioned, WEST COAST PROPERTY SPECIALISTS INC. ("WCPSI") and MIA SHELLEY MELLE ("MIA MELLE"), was licensed or had license rights issued by the Department of Real Estate ("Department") as real estate brokers. WCPSI was licensed by and through MIA MELLE.

3.

At all times mentioned, in the City of Ontario, County of Los Angeles, WCPSI acted as a real estate broker and conducted licensed activities within the meaning of Code Section 10131(b). WCPSI and MIA MELLE dba Renttoday.us engaged in the business of, acted in the capacity of, advertised or assumed to act as real estate brokers, including the operation and conduct of a property management business with the public wherein, for or in expectation of compensation, for another or others. Respondents WCPSI and MIA MELLE leased or rented or offered to lease or rent, or placed for rent, or solicited listings of places for rent, or solicited for prospective tenants, or collected rents from real property, or improvements thereon.

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Wells Fargo Bank Brea, California

"West Coast Property Services Inc. Account No. 283-2723064"

On April 1, 2009, the Department completed an audit examination of the books and records of WCPSI pertaining to the property management activities described in Paragraph 3, that require a real estate license. The audit examination covered a period of time beginning on January 1, 2006 to December 31, 2008. The audit examination revealed violations of the Code and the Regulations as set forth below, and more fully discussed in Audit Report LA 080165 and the exhibits and work papers attached to said audit report.

5.

At all times mentioned, in connection with the activities described in Paragraph 4, above, WCPSI accepted or received funds including funds in trust (hereinafter "trust funds") from or on behalf of actual or prospective parties, including property owners and tenants, to real estate transactions handled by WCPSI and thereafter made deposits and or disbursements of such funds. From time to time herein mentioned during the audit period, said trust funds were deposited and/or maintained by WCPSI in the bank accounts as follows:

"West Coast Property Services Inc. Trust Account Account No. 2-100683" Chino Commercial Bank Ontario, California

(T/A #1)

(B/A #2)

 With respect to the licensed activities referred to in Paragraphs 3 and 5, and the audit examination including the exhibits and work papers referred to in Paragraph 4, it is alleged that WCPSI and MIA MELLE:

- (a) (1) Permitted, allowed or caused the disbursement of trust funds from the escrow trust account where the disbursement of funds reduced the total of aggregate funds in T/A #1 account, used as a depository of security deposits and rents received from tenants, to an amount which, on December 31, 2008 was \$3,586.10, less than the existing aggregate trust fund liability of WCPSI to every principal who was an owner of said funds, without first obtaining the prior written consent of the owners of said funds, in violation of Code Section 10145 and Regulation 2832.1. The shortage was cured on March 24, 2009.
- (a) (2) Permitted, allowed or caused the disbursement of trust funds from the escrow trust account where the disbursement of funds reduced the total of aggregate funds in B/A #2 used also as a depository of security deposits and rents received from tenants account, to an amount which, on December 31, 2008 was \$10,465.35, less than the existing aggregate trust fund liability of WCPSI to every principal who was an owner of said funds, without first obtaining the prior written consent of the owners of said funds, in violation of Code Section 10145 and Regulation 2832.1. The shortage was also restored on March 24, 2009.

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(b) Failed to perform a monthly reconciliation of the 1 balance of all separate beneficiary or transaction records 2 maintained pursuant to Regulation 2831.1 with the record of all 3 trust funds received and disbursed by the T/A #1 and B/A #2, in violation of Code Section 10145 and Regulation 2831.2. 5 (c)(1) B/A #2 was not designated as a trust account, in 6 violation of Code Section 10145 of the Code and Regulation 7 8 2832(a). (c)(2) Failed to place trust funds, including deposits 9 and rents, accepted on behalf of another into the hands of the 10 owner of the funds, a neutral escrow depository or into a trust 11 fund account in the name of the trustee at a bank or other 12 financial institution not later than three business days 13 following receipt of the funds by the broker or by the broker's 14 salesperson, as required by Code Section 10145 and Regulation 15 2832(d). 16 (d) Thomas Delong, former designated officer of WCPSI, 17 was not a signatory on the trust account between January 1, 2006 18 and July 5, 2006, in violation of Code Section 10145 and 19 Regulation 2834. 20 (e) Used the fictitious names of "West Coast Property 21 Specialists" to conduct licensed activities including property 22 management without holding a license bearing said fictitious 23 business name, in violation of Code Section 10159.5 and 24 Regulation 2731; and 25 (f) Failed to disclose the true amount of the 26 management fees including the renting/leasing fees (vacancy fees) 27 - 5 -

and further including sales incentives, as compared to the amount set forth in Property Management Agreements for 345 Adobe Lane, Pomona, California and N. Spuce, Glendora, California, in violation of Code Section 10176(g).

7.

The conduct of Respondents WCPSI and MIA MELLE described in Paragraph 6, above, violated the Code and the Regulations as set forth:

PARAGRAPH	PROVISIONS VIOLATED
7(a)	Code Section 10145 and Regulation 2832.1
7 (b)	Code Section 10145 and Regulation 2831.2
7(c)	Code Section 10145 and Regulation 2832
7 (d)	Code Section 10145 and Regulation 2834
7 (e)	Code Section 10159.5 and Regulation 2731
7(f)	Code Section 10176(g)

Each of the foregoing violations constitute cause for the suspension or revocation of the real estate license and license rights of Respondents WCPSI and MIA MELLE under the provisions of Code Sections 10176(g), 10177(d) and/or 10177(g).

The overall conduct of Respondents WCPSI and MIA MELLE constitutes negligence. This conduct and violation are cause for the suspension or revocation of the real estate license and license rights of said Respondents pursuant to Code Section 10177(g).

9.

The overall conduct of Respondent MIA MELLE constitutes a failure on Respondent's part, as officer designated by a corporate broker licensee, to exercise the reasonable supervision and control over the licensed activities of WCPSI as required by Code Section 10159.2, and to keep WCPSI in compliance with the Real Estate Law, and is cause for the suspension or revocation of the real estate license and license rights of MIA MELLE pursuant to the provisions of Code Sections 10177(h), 10177(d) and/or 10177(g).

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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 the license and license rights of Respondents WEST COAST PROPERTY SPECIALISTS INC. and MIA SHELLEY MELLE, under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Los Angeles, California

West Coast Property Specialists Inc.

Mia Shelley Melle Robin Trujillo

Sacto

Audits - Chona Picayo