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DEPARTMENT OF REAL ESTATE
BY: *[Signature]*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

11 In the Matter of the Accusation of) No. H- 37720 LA
12)
13)
14 LOMA LINDA PROPERTIES, INC.)
15 and MARY KATHRYN SHAW-MC MINN,)
16 individually and as)
17 designated officer of)
18 Loma Linda Properties, Inc.)
19)
20)
21 Respondents.
22

23 The Complainant, Maria Suarez, a Deputy Real Estate
24 Commissioner of the State of California, for cause of accusation
25 against LOMA LINDA PROPERTIES, INC., and MARY KATHRYN SHAW-MC
26 MINN individually and as designated officer of the corporation,
27 alleges as follows:

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1 1. The Complainant, Maria Suarez, acting in her
2 official capacity as a Deputy Real Estate Commissioner of the
3 State of California, makes this Accusation against LOMA LINDA
4 PROPERTIES, INC., and MARY KATHRYN SHAW-MC MINN.

5 2. LOMA LINDA PROPERTIES, INC., and MARY KATHRYN SHAW-
6 MC MINN (hereinafter referred to as "Respondents") are presently
7 licensed and/or have license rights under the Real Estate Law
8 (Part 1 of Division 4 of the Business and Professions Code,
9 hereinafter Code).

10 3. At all times herein mentioned, Respondent MARY
11 KATHRYN SHAW-MC MINN was licensed as a real estate broker with
12 Respondent MARY KATHRYN SHAW-MC MINN as its designated officer.

13 4. At all times material herein, Respondents engaged
14 in the business of, acted in the capacity of, advertised or
15 assumed to act as a real estate broker in the State of California
16 within the meaning of Section 10131(b) of the Code, including
17 renting properties and collecting rents.

18 5. On or about February 28, 2011, the Department
19 completed an examination of Respondent LOMA LINDA PROPERTIES,
20 INC.'s books and records, pertaining to the activities described
21 in Paragraph IV above, covering a period from December 1, 2007,
22 through October 28, 2010, which examination revealed violations
23 of the Code and of Title 10, Chapter 6, California Code of
24 Regulations (hereinafter Regulations) as set forth below.

25 6. The examination described in Paragraph 5, above,
26 determined that, in connection with the activities described in
27 Paragraph 4 above, Respondent accepted or received funds,

1 including funds in trust (hereinafter "trust funds") from or on
2 behalf of principals, and thereafter made deposit or disbursement
3 of such funds.

4 7. In the course of activities described in Paragraphs
5 4 and 6 and during the examination period described in Paragraph
6 5, Respondents LOMA LINDA PROPERTIES, INC., and MARY KATHRYN
7 SHAW-MC MINN acted in violation of the Code and the Regulations
8 as follows, and as more specifically set forth in Audit Report
9 No. LA 090248 and related exhibits:

10 a. Violated Section 10145(a) of the Code and
11 Regulation 2832.1 in that as of October 29, 2010, trust account
12 No. 24521-***** contained a shortage of \$5,800.99.

13 b. Violated Regulation 2834 by allowing unlicensed
14 trust account signatories to sign on the accounts without
15 fidelity bond coverage. Trust account signatories did not always
16 have written authorization from the designated officer to sign on
17 the accounts. Licensed trust account signatories were not always
18 licensed to the broker.

19 c. Violated Code Section 10145 and Regulation 2832 by
20 depositing rents collected into the trust accounts beyond three
21 business days following receipt of the funds.

22 d. Violated Code Section 10145 and Regulation 2831 in
23 that the control records for the trust accounts were not always
24 complete and accurate.

25 e. Violated Code Section 10145 and Regulation 2831.1
26 in that the separate records for the trust accounts were not
27 always complete and accurate.

1 f. Violated Regulation 2726 by not always maintaining
2 the required broker-salesperson agreement with each employed
3 salesperson.

4 g. Violated Code Section 10161.8 and Regulation 2752
5 by not notifying the Department of Real Estate in a timely manner
6 of the termination of salespersons.

7 h. Violated Code Section 10148 by not retaining all
8 records and documents requested by the Department of Real Estate
9 for the audit examination.

10 8. The conduct of Respondents LOMA LINDA PROPERTIES,
11 INC., and MARY KATHRYN SHAW-MC MINN, as alleged above, subjects
12 their real estate licenses and license rights to suspension or
13 revocation pursuant to Sections 10177(d) and/or 10177(g) of the
14 Code.

15 9. The conduct of Respondent MARY KATHRYN SHAW-MC
16 MINN, as alleged above, is in violation of Code Section 10159.2
17 and subjects her real estate licenses and license rights to
18 suspension or revocation pursuant to Sections 10177(d), 10177(g),
19 and 10177(h) of the Code.

20 WHEREFORE, Complainant prays that a hearing be
21 conducted on the allegations of this Accusation and that upon
22 proof thereof, a decision be rendered imposing disciplinary
23 action against all licenses and license rights of Respondents
24 LOMA LINDA PROPERTIES, INC., and MARY KATHRYN SHAW-MC MINN
25 individually and as designated officer of Loma Linda Properties,
26 Inc., under the Real Estate Law (Part 1 of Division 4 of the
27

1 Business and Professions Code) and for such other and further
2 relief as may be proper under other applicable provisions of law.

3 Dated at Los Angeles, California

4 this 18th day of October, 2011.

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8 MARIA SUAREZ
9 Deputy Real Estate Commissioner
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13 cc: Loma Linda Properties, Inc.
14 Mary Kathryn Shaw-Mc Minn
15 Maria Suarez
16 Sacto.
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