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FILED

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DEPARTMENT OF REAL ESTATE
BY: CR

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of) No. H-38532 LA
12 DENISE DARCEL FRANCIS-WOODS,) A C C U S A T I O N
13 Respondent.)
14)

15 The Complainant, Robin Trujillo, a Deputy Real Estate
16 Commissioner of the State of California, for cause of Accusation
17 against DENISE DARCEL FRANCIS-WOODS ("Respondent"), is informed
18 and alleges as follows:

19 1.

20 The Complainant, Robin Trujillo, a Deputy Real Estate
21 Commissioner of the State of California, makes this Accusation
22 in her official capacity.

23 2.

24 From January 28, 2008 through the present, Respondent
25 has been licensed by the Department of Real Estate
26 ("Department") as a real estate broker, License ID 01821352.
27
28

1 3.

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

6 AUDIT

7 4.

8 On April 26, 2012, the Department completed an audit
9 examination of the books and records of Respondent pertaining to
10 Respondent's real estate residential resale activities that
11 require a real estate license. The audit examination covered a
12 period of time beginning on February 1, 2009 to January 31,
13 2012. The audit examination revealed violations of the Code and
14 the Regulations as set forth in the following paragraphs, and
15 more fully set forth in Audit Report LA 110180 and the exhibits
16 and workpapers attached thereto.

17 TRUST ACCOUNT

18 5.

19 At all times mentioned, in connection with the
20 activities described in Paragraph 4, above, Respondent accepted
21 or received funds including funds in trust (hereinafter "trust
22 funds") from or on behalf of actual or prospective parties to
23 transactions including buyers, sellers, lenders and borrowers
24 handled by Respondent and thereafter made deposits and or
25 disbursements of such funds in a general business checking
26 account. From time to time herein mentioned during the audit
27 period, said trust funds were deposited and/or maintained by
28 Respondent in the bank account as follows:

1 "Denise Francis-Woods dba Century 21 The Firm (business checking
2 account) 2000043463592" Wells Fargo Bank, Portland, Oregon.

3 VIOLATIONS OF THE REAL ESTATE LAW

4 6.

5 In the course of activities described in Paragraphs 4
6 and 5, above, and during the examination period described in
7 Paragraph 4, Respondent acted in violation of the Code and the
8 Regulations in that she:

9 (a) Failed to maintain any trust account during the
10 audit period. Respondent received an earnest money deposit
11 ("EMD") of \$5,000 from a prospective purchaser of real property
12 located at 1471-1477 West Vernon Avenue, Los Angeles, California
13 90062 ("subject property"). Respondent failed to deposit said
14 funds into escrow or any trust account. The EMD was deposited
15 into Respondent's general business checking account. Respondent
16 failed to return the EMD when the purchase of the subject
17 property fell through, in violation of Code Section 10145.

18 (b) Collected a \$5,000 EMD in connection with the
19 purchase of the subject property which was deposited into
20 Respondent's general business account and used for Respondent's
21 general expenses. The balance of Respondent's general business
22 account was reduced to an amount that was less than the amount
23 of trust funds deposited, thus, conversion of trust funds, in
24 violation of Code Sections 10145 and 10176(e).

25 (c) Collected a \$5,000 EMD in connection with the
26 purchase of the subject property which was deposited into
27 Respondent's general business account and thus commingled with
28

1 Respondent's funds, in violation of Code Section 10176(e) and
2 Regulation 2835.

3 (d) Failed to maintain a record of trust funds
4 received and disbursed for the \$5,000 EMD, in violation of Code
5 Section 10145 and Regulation 2831.

6 (e) Failed to maintain a written monthly
7 reconciliation of the receipts and disbursements record and the
8 total balance of separate beneficiary records for bank account
9 used to handle EMD, in violation of Code Section 10145 and
10 Regulation 2831.2.

11 (f) Failed to maintain a separate record for each
12 beneficiary or transaction, thereby failing to account for all
13 trust funds collected, in violation of Code Section 10145 and
14 Regulation 2831.1.

15 (g) Respondent's agents made misrepresentations in
16 offers to purchase real property on behalf of prospective
17 purchasers that the agents were in possession of EMDs, when in
18 fact they were not, in violation of Code Section 10176(a).

19 (h) Failed to retain in her main business office the
20 original licenses of the following salespeople under her employ:
21 Luis Daniel Chavez, Tarius Laceila Jennings, and Salvador Ruiz,
22 in violation of Code Section 10160 and Regulation 2753.

23 (i) Failed to have written broker-salesperson
24 relationship agreements for two of the three salespersons under
25 her employment, in violation of Regulation 2726.

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7.

The conduct, acts and/or omissions of Respondent, as described in Paragraph 6, above, violated the Code and the Regulations as set forth below:

<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
6(a)	Code Section 10145
6(b)	Code Sections 10145 and 10176(e)
6(c)	Code Section 10176(e) and Regulation 2835
6(d)	Code Section 10145 and Regulation 2831
6(e)	Code Section 10145 and Regulation 2831.2
6(f)	Code Section 10145 and Regulation 2831.1
6(g)	Code Section 10176(a)
6(h)	Code Section 10160 and Regulation 2753
6(i)	Regulation 2726

The foregoing violations constitute cause for the suspension or revocation of the real estate license and license rights of Respondent under the provisions of Code Sections 10177(d), 10176(a), 10176(e), and/or 10177(g).

8.

Code Section 10106 provides, in pertinent part, that in any order issued in resolution of a disciplinary proceeding before the Department of Real Estate, 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.

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1 WHEREFORE, Complainant prays that a hearing be
2 conducted on the allegations of this Accusation and that upon
3 proof thereof, a decision be rendered imposing disciplinary
4 action against all licenses and/or license rights of Respondent
5 under the Real Estate Law (Part 1 of Division 4 of the Business
6 and Professions Code), for the cost of investigation and
7 enforcement as permitted by law, and for such other and further
8 relief as may be proper under other provisions of law.

9 Dated at Los Angeles, California

10 this 1 day of November, 2012.

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12 _____
13 ROBIN TRUJILLO
14 Deputy Real Estate Commissioner

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23 cc: Denise Darcel Francis-Woods
24 Robin Trujillo
25 Audits - Godswill Keraoru
26 Sacto.
27
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