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3 Los Angeles, California 90013-1105

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FILED

JUL 14 2014

BUREAU OF REAL ESTATE

By *J. [Signature]*

BEFORE THE BUREAU OF REAL ESTATE

STATE OF CALIFORNIA

To:)
)
12 BEACH COMMUNITY ESCROW INC.,)
13 doing business as Beach Community Escrow;)
14 and)
)
15 KENNETH WAYNE SHISHIDO,)
16 individually and as designated officer of)
17 Beach Community Escrow Inc.,)
)
)
18)

No. H- 39533 LA

ORDER TO DESIST
AND REFRAIN

(B&P Code Section 10086)

19 The Commissioner ("Commissioner") of the California Bureau of Real Estate
20 ("Bureau") caused an investigation to be made of the activities of BEACH COMMUNITY
21 ESCROW INC ("BCEI") dba business as Beach Community Escrow and KENNETH WAYNE
22 SHISHIDO ("SHISHIDO.")

23 Based on that investigation, the Commissioner has determined that BCEI and
24 SHISHIDO have engaged in or are engaging in acts or is attempting to engage in practices
25 constituting violations of the California Financial Code.
26

1 Based on the findings of that investigation, set forth below, the Commissioner
2 hereby issues the following Findings of Fact, Conclusions of Law, and Desist and Refrain Order
3 under the authority of Business and Professions Code ("Code") Section 10086.

4
5 FINDINGS OF FACT

6 1.

7 From February 26, 2006, Respondent BCEI has been licensed as a real estate
8 corporation. At all times relevant herein, BCEI was acting by and through Respondent
9 SHISHIDO as its designated broker-officer from inception to date, pursuant to Business and
10 Professions Code ("Code") Section 10159.2 to be responsible for ensuring compliance with the
11 Real Estate Law.

12 2.

13 From June 7, 1985, through the present, Respondent SHISHIDO has been
14 licensed as a real estate broker.

15 3.

16 BCEI is owned as set forth in the table below:

17 Table: Ownership, Tenure and License Status

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Name	Ownership	License	Office
Shishido Family Trust	75%	None	
Richard Daskam	25%	Broker	Secretary
Tammy Newland-Shishido	0%	Salesperson	President/CEO
Kenneth Wayne Shishido	0%	D.O.	VP/CFO

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1 4.

2 At all times mentioned, in the City of Los Alamitos, County of Orange,
3 Respondents BCEI and SHISHIDO acted as real estate brokers wherein BCEI conducted broker-
4 controlled escrows requiring a real estate license through BCEI's escrow division under the
5 exemption set forth in California Financial Code Section 17006(a)(4) for real estate brokers
6 performing escrows incidental to a real estate transaction where the broker is a party and where
7 the broker is performing acts for which a real estate license is required.

8 BCEI provides escrow services to the transactions generated by OC Real Estate
9 Consultants Inc. dba Keller William Realty Consultants Inc., and South Bay Passive Income Inc.

10 5.

11 On February 6, 2013, the Bureau completed an audit examination of the books
12 and records of Respondent BCEI pertaining to the residential resale and broker-controlled
13 escrow activities described in Finding 6, which require a real estate license. The audit
14 examination covered a period of time beginning on September 1, 2009 and ending on August
15 31, 2012, (broker escrow audit – LA 120047). The audit examination revealed violations of the
16 Code and Title 10, Chapter 6, California Code of Regulations ("Regulations") as set forth in the
17 following Findings, and more fully set forth in said Audit Report and the exhibits and work
18 papers attached thereto.
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21 6.

22 In the course of activities described in Finding 4, above, and during the
23 examination period described in Finding 5, BCEI and SHISHIDO conducted third party sales
24 escrows for the escrows set forth in the table below wherein BCEI and SHISHIDO were not
25 performing acts in the course of or incidental to a real estate transaction in which BCEI was an
26 agent or party to the transaction and in which BCEI was performing acts for which a real estate
27 license is required:

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Table: Third Party Escrows

<u>Buyer</u>	<u>Escrow No.</u>	<u>Listing Agent</u>	<u>RES ID No.</u>	<u>Employing Broker</u>
C. T.	10903	Jenna Christensen	01341901	OC/KWR
D. U.	10875	Susan Lockridge	01899480	OC/KWR
A. A.	10615	Hudson Warren	01746883	OC/KWR
G. G.	100136	Afshin Eskandari	01803613	OC/KWR
J. F.	100283	Kimberly Doner	01828186	OC/KWR
G. H.	100272	Aylwin Agena	01473411	OC/KWR
L. L.	100499	Frank Kenny	01250123	OC/KWR

CONCLUSIONS OF LAW

7.

The conduct of BCEI and SHISHIDO, as described in Finding 6, violated California Financial Code Section 17006(a)(4) for performing third party escrows, whereby BCEI performed escrows in which BCEI was not performing acts in the course of or incidental to a real estate transaction in which BCEI was an agent or a party to the transaction and in which BCEI was performing an act for which a real estate license is required.

DESIST AND REFRAIN ORDER

Based upon the FINDINGS OF FACT and CONCLUSIONS OF LAW stated herein, it is hereby ordered that:

BEACH COMMUNITY ESCROW INC. and KENNETH WAYNE SHISHIDO desist and refrain from performing any acts within the State of California, unless they are in compliance with the law as set forth in this Order.

DATED: June 20, 2014.

REAL ESTATE COMMISSIONER



By: **JEFFREY MASON**
Chief Deputy Commissioner

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cc: Beach Community Escrow Inc.
c/o Kenneth Wayne Shishido, D.O.
10900 Los Alamitos Blvd., #160
Los Alamitos, CA 90702