

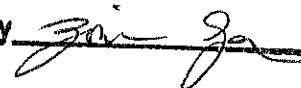
1 JUDITH B. VASAN, Counsel (SBN 278115)
2 Bureau of Real Estate
3 320 West 4th Street, Suite 350
4 Los Angeles, California 90013-1105

5 Telephone: (213) 576-6982
6 (Direct) (213) 576-6904

FILED

APR - 6 2017

BUREAU OF REAL ESTATE

By 

7
8
9 BEFORE THE BUREAU OF REAL ESTATE

10 STATE OF CALIFORNIA

11 * * *

12 In the Matter of the Accusation of) No. H-40599 LA
13)
14 MAVEN ASSET MANAGEMENT INC,) ACCUSATION
15 and KYLA D. SULLIVAN, individually)
16 and as designated officer of Maven Asset)
Management Inc,)
Respondents.)
_____)

17
18 The Complainant, Maria Suarez, a Supervising Special Investigator of the State
19 of California, for cause of Accusation against MAVEN ASSET MANAGEMENT INC and
20 KYLA D. SULLIVAN, individually and as designated officer of Maven Asset Management Inc
21 (collectively "Respondents"), is informed and alleges as follows:

22 1.

23 The Complainant, Maria Suarez, a Supervising Special Investigator of the State
24 of California, makes this Accusation in her official capacity.

25 2.

26 From December 21, 2007 through the present, Respondent MAVEN ASSET
27 MANAGEMENT INC ("MAVEN") was licensed or has license rights under the Real Estate

ACCUSATION OF MAVEN ASSET MANAGEMENT INC
AND KYLA D. SULLIVAN

1 Law, Part 1 of Division 4 of the California Business and Professions Code ("Code"), as a
2 corporate real estate broker (License ID 01837973). Respondent MAVEN's license will expire
3 on June 24, 2019, unless renewed. From June 25, 2015 through September 8, 2016, Respondent
4 MAVEN was authorized by the Bureau of Real Estate ("Bureau") to use "Richard Rory Realty"
5 as a fictitious business name.

6 3.

7 From October 15, 2005 through the present, Respondent KYLA D. SULLIVAN
8 ("SULLIVAN") was licensed or has license rights as a real estate broker (License ID
9 01712986). Respondent SULLIVAN's broker license will expire on December 12, 2017, unless
10 renewed.

11 4.

12 From December 21, 2007 through December 20, 2011, Respondent MAVEN
13 was authorized to act by and through James Walton Gordon, Jr. (License ID 00517589) as its
14 broker and designated officer pursuant to Section 10159.2 of the Code.

15 5.

16 From December 21, 2011 through June 24, 2015, Respondent MAVEN was not
17 authorized to conduct real estate activity as it did not have a designated officer to supervise and
18 control its real estate activity.

19 6.

20 From June 24, 2015 through September 9, 2016, Respondent MAVEN was
21 authorized to act by and through Respondent SULLIVAN as its broker and designated officer
22 pursuant to Section 10159.2 of the Code to be responsible for the supervision and control of the
23 activities conducted on behalf of MAVEN by its officers and employees as necessary to secure
24 full compliance with the Real Estate Law.

25 7.

26 Respondent SULLIVAN ordered, caused, authorized or participated in the
27 conduct of Respondent MAVEN, as is alleged in this Accusation.

1 8.

2 Respondent MAVEN is a Nevada corporation formed on February 7, 2012
3 (Entity No. E0071702012-7).

4 9.

5 At all times relevant herein Respondent MAVEN was engaged in the business
6 of, acted in the capacity of, advertised or assumed to act as a real estate broker, within the
7 meaning of Section 10131(d) of the Code. Respondent MAVEN's activities included
8 purchasing and servicing approximately 13 private investor loans, and acting as trustee for
9 private investors.

10 FIRST CAUSE OF ACCUSATION

11 (AUDIT VIOLATIONS)

12 10.

13 On or about October 28, 2016, the Bureau attempted to complete an audit
14 examination of the books and records of Respondent MAVEN pertaining to the real estate
15 activities described in Paragraph 9 above. The audit examination covered the period of time
16 from July 1, 2013 through June 30, 2016. The examination was initiated to determine whether
17 Respondent MAVEN handled and accounted for trust funds and conducted other real estate
18 activities in compliance with the Real Estate Law.

19 11.

20 On or about April 15, 2015, Respondent SULLIVAN told the auditor that
21 Respondent MAVEN serviced approximately 13 private investor loans.

22 12.

23 An entrance interview was held on June 22, 2016 with Respondent MAMI's
24 attorney James Mortensen, Attorney at Law, and Respondent SULLIVAN as MAMI's
25 designated officer. Respondent SULLIVAN provided two (2) loan files for examination: (1)
26 69371 Rainier Road, Twenty-Nine Palms, California 92277; (2) 3656 4th Avenue, Los Angeles,
27 California 90018. According to Respondent SULLIVAN and the two (2) loan files examined,

1 Respondent MAVEN collected approximately \$61,000.00 in loan servicing activity for the two
2 (2) loans during the audit period.

3 13.

4 The audit examination revealed violations of the Code and the Regulations as set
5 forth in the following paragraphs, and more fully discussed in Audit Report No. LA 150131 and
6 the exhibits and work papers attached to said audit report.

7 (a) **Section 10130 – License Required – Mortgage Loan Activities.** Based on
8 the examination of the two (2) loan files provided by Respondent SULLIVAN, during the audit
9 period of July 1, 2013 through June 30, 2016, Respondent MAVEN was engaged in the
10 business of a corporate real estate broker in that it engaged in the business of, acted in the
11 capacity of, advertised, or assumed to act as a real estate broker within the meaning of Section
12 10131(d) of the Code (loan servicing activity) when Respondent MAVEN did not have a valid
13 real estate license in violation of Section 10130 of the Code.

14 (b) **Section 10162 – Place of Business.**

15 i. The main office address maintained by Respondent MAVEN with the Bureau
16 from on or about June 25, 2015 through September 9, 2016, was 32932 Pacific Coast Hwy.,
17 #14-367, Dana Point, California 92629.

18 ii. According to Respondent SULLIVAN and documents provided for
19 examination, Respondent MAVEN was not conducting business at the address set forth in
20 Paragraph 13(b)(i) above. An investigation revealed that this address is a United Parcel Service
21 (UPS) mailing store. Respondent MAVEN's failure to maintain a place of business is in
22 violation of Section 10162 of the Code and Section 2715 of Title 10, Chapter 6, California
23 Code of Regulations ("Regulation").

24 (c) **Section 10148 – Retention of Records.** In the course of the transaction
25 activities undertaken by Respondent MAVEN during the audit period, Respondent MAVEN
26 failed to comply with the subpoena duces tecum issued and served by the Bureau for the audit
27 examination, or to provide proof to the auditor of the retention of all records of its mortgage

1 loan activities requiring a real estate broker license during the past three years including a bank
2 signature card, records of all trust funds received and disbursed (control record), canceled
3 checks, deposit slips, bank receipts, invoices, and partnership agreements as is required by
4 Section 10148 of the Code.

5 14.

6 The conduct of Respondent MAVEN described in Paragraph 13 above, violated
7 the Code and Regulation as set forth below:

8 <u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
9 13(a)	Code section 10130
10	
11 13(b)	Code section 10162
12	Regulation section 2715
13	
14 13(c)	Code section 10148

15
16 Each of the foregoing violations constitutes cause for the suspension or
17 revocation of the real estate license and/or license rights of Respondent MAVEN under the
18 provisions of Sections 10165, 10177(d), and 10177(g) of the Code.

19 SECOND CAUSE OF ACCUSATION

20 (FAILURE TO SUPERVISE)

21 15.

22 The conduct, acts and/or omissions, of Respondent SULLIVAN in allowing
23 Respondent MAVEN to violate the Real Estate Law, as set forth above, constitutes a failure by
24 Respondent SULLIVAN, as the officer designated by a corporate broker licensee, to exercise
25 the supervision and control over the activities of Respondent MAVEN, as required by Section
26 10159.2 of the Code and Regulation section 2725, and is cause to suspend or revoke the real
27

1 estate licenses and license rights of Respondent SULLIVAN under Sections 10177(d), 10177(g)
2 and/or 10177(h) of the Code.

3 THIRD CAUSE OF ACCUSATION

4 (FAILURE TO MAINTAIN A DEFINITE PLACE OF BUSINESS)

5 16.

6 The main office address maintained by Respondent SULLIVAN with the Bureau
7 from on or about May 17, 2016, to the present is 7710 Limonite Avenue, Suite E, Riverside,
8 California 92509.

9 17.

10 On or about November 18, 2016, an investigation revealed that Respondent
11 SULLIVAN's main office address is a virtual office operated by Da Vinci Virtual. Respondent
12 SULLIVAN's failure to maintain a definite place of business is in violation of Section 10162 of
13 the Code and Regulation section 2715.

14 18.

15 The conduct, acts, and/or omissions of Respondent SULLIVAN, as described in
16 Paragraphs 16 and 17 above, constitutes cause for the suspension or revocation of all real estate
17 licenses and license rights of Respondent SULLIVAN under the provisions of Code Sections
18 10165, 10177(d), and 10177(g).

19 COSTS

20 (INVESTIGATION AND ENFORCEMENT COSTS)

21 19.

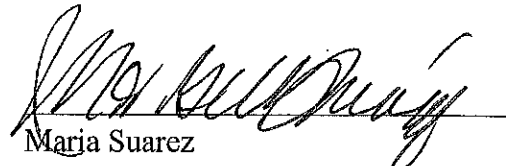
22 Section 10106 of the Code, provides, in pertinent part, that in any order issued
23 in resolution of a disciplinary proceeding before the Bureau, the Commissioner may request the
24 administrative law judge to direct a licensee found to have committed a violation of this part to
25 pay a sum not to exceed the reasonable costs of investigation and enforcement of the case.

26 ///

27 ///

1 WHEREFORE, Complainant prays that a hearing be conducted on the allegations of
2 this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action
3 against all the licenses and/or license rights of Respondents MAVEN ASSET
4 MANAGEMENT INC and KYLA D. SULLIVAN under the Real Estate Law, for the costs of
5 investigation and enforcement as permitted by law, and for such other and further relief as may
6 be proper under other applicable provisions of law.

7
8 Dated at Los Angeles, California this 30th day of March, 2017

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12 Maria Suarez
13 Supervising Special Investigator
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24

25 cc: MAVEN ASSET MANAGEMENT INC
26 KYLA D. SULLIVAN
27 Maria Suarez
Sacto.
Audits – Isabel Beltran

ACCUSATION OF MAVEN ASSET MANAGEMENT INC
AND KYLA D. SULLIVAN