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**FILED**

MAY 11 2017

BUREAU OF REAL ESTATE

By Ziv-Gor

BEFORE THE BUREAU OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of	)	No. H-40599 LA
	)	
MAVEN ASSET MANAGEMENT INC,	)	<u>FIRST AMENDED</u>
and KYLA D. SULLIVAN, individually	)	<u>ACCUSATION</u>
and as designated officer of Maven Asset	)	
Management Inc,	)	
Respondents.	)	
_____	)	

This Accusation amends the Accusation filed on April 6, 2017. The Complainant, Maria Suarez, a Supervising Special Investigator of the State of California, for cause of Accusation against MAVEN ASSET MANAGEMENT INC and KYLA D. SULLIVAN, individually and as designated officer of Maven Asset Management Inc (collectively "Respondents"), is informed and alleges as follows:

1.

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

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2.

From December 21, 2007 through the present, Respondent MAVEN ASSET MANAGEMENT INC ("MAVEN") was licensed or has license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code ("Code"), as a corporate real estate broker (License ID 01837973). Respondent MAVEN's license will expire on June 24, 2019, unless renewed. From June 25, 2015 through September 8, 2016, Respondent MAVEN was authorized by the Bureau of Real Estate ("Bureau") to use "Richard Rory Realty" as a fictitious business name.

3.

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

4.

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

5.

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

6.

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

1 7.

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

4 8.

5 Respondent MAVEN is a California corporation formed on November 5, 2007  
6 (File No. C2992821).

7 9.

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

13 FIRST CAUSE OF ACCUSATION

14 (AUDIT VIOLATIONS)

15 10.

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

22 11.

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

25 12.

26 An entrance interview was held on June 22, 2016 with Respondent MAMI's  
27 attorney James Mortensen, Attorney at Law, and Respondent SULLIVAN as MAMI's

1 designated officer. Respondent SULLIVAN provided two (2) loan files for examination: (1)  
2 69371 Rainier Road, Twenty-Nine Palms, California 92277; (2) 3656 4th Avenue, Los Angeles,  
3 California 90018. According to Respondent SULLIVAN and the two (2) loan files examined,  
4 Respondent MAVEN collected approximately \$61,000.00 in loan servicing activity for the two  
5 (2) loans during the audit period.

6 13.

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

10 (a) **Section 10130 – License Required – Mortgage Loan Activities.** Based on  
11 the examination of the two (2) loan files provided by Respondent SULLIVAN, during the audit  
12 period of July 1, 2013 through June 30, 2016, Respondent MAVEN was engaged in the  
13 business of a corporate real estate broker in that it engaged in the business of, acted in the  
14 capacity of, advertised, or assumed to act as a real estate broker within the meaning of Section  
15 10131(d) of the Code (loan servicing activity) when Respondent MAVEN did not have a valid  
16 real estate license in violation of Section 10130 of the Code.

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

18 i. The main office address maintained by Respondent MAVEN with the Bureau  
19 from on or about June 25, 2015 through September 9, 2016, was 32932 Pacific Coast Hwy.,  
20 #14-367, Dana Point, California 92629.

21 ii. According to Respondent SULLIVAN and documents provided for  
22 examination, Respondent MAVEN was not conducting business at the address set forth in  
23 Paragraph 13(b)(i) above. An investigation revealed that this address is a United Parcel Service  
24 (UPS) mailing store. Respondent MAVEN's failure to maintain a place of business is in  
25 violation of Section 10162 of the Code and Section 2715 of Title 10, Chapter 6, California  
26 Code of Regulations ("Regulation").  
27

1 (c) Section 10148 – Retention of Records. In the course of the transaction  
2 activities undertaken by Respondent MAVEN during the audit period, Respondent MAVEN  
3 failed to comply with the subpoena duces tecum issued and served by the Bureau for the audit  
4 examination, or to provide proof to the auditor of the retention of all records of its mortgage  
5 loan activities requiring a real estate broker license during the past three years including a bank  
6 signature card, records of all trust funds received and disbursed (control record), canceled  
7 checks, deposit slips, bank receipts, invoices, and partnership agreements as is required by  
8 Section 10148 of the Code.

9 14.

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

12 <u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
13 13(a)	Code section 10130
14	
15 13(b)	Code section 10162
16	Regulation section 2715
17	
18 13(c)	Code section 10148
19	

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

23 SECOND CAUSE OF ACCUSATION

24 (FAILURE TO SUPERVISE)

25 15.

26 The conduct, acts and/or omissions, of Respondent SULLIVAN in allowing  
27 Respondent MAVEN to violate the Real Estate Law, as set forth above, constitutes a failure by

1 Respondent SULLIVAN, as the officer designated by a corporate broker licensee, to exercise  
2 the supervision and control over the activities of Respondent MAVEN, as required by Section  
3 10159.2 of the Code and Regulation section 2725, and is cause to suspend or revoke the real  
4 estate licenses and license rights of Respondent SULLIVAN under Sections 10177(d), 10177(g)  
5 and/or 10177(h) of the Code.

6 THIRD CAUSE OF ACCUSATION

7 (FAILURE TO MAINTAIN A DEFINITE PLACE OF BUSINESS)

8 16.

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

12 17.

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

17 18.

18 The conduct, acts, and/or omissions of Respondent SULLIVAN, as described in  
19 Paragraphs 16 and 17 above, constitutes cause for the suspension or revocation of all real estate  
20 licenses and license rights of Respondent SULLIVAN under the provisions of Code Sections  
21 10165, 10177(d), and 10177(g).

22 COSTS

23 (INVESTIGATION AND ENFORCEMENT COSTS)

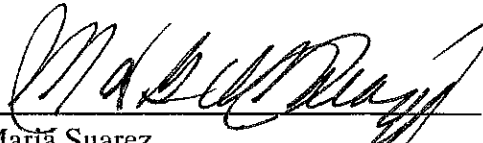
24 19.

25 Section 10106 of the Code, provides, in pertinent part, that in any order issued  
26 in resolution of a disciplinary proceeding before the Bureau, the Commissioner may request the  
27

1 administrative law judge to direct a licensee found to have committed a violation of this part to  
2 pay a sum not to exceed the reasonable costs of investigation and enforcement of the case.

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

9  
10 Dated at Los Angeles, California this 10<sup>th</sup> day of May, 2017

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14 Maria Suarez  
15 Supervising Special Investigator  
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24 cc: MAVEN ASSET MANAGEMENT INC  
25 KYLA D. SULLIVAN  
26 Maria Suarez  
27 Sacto.  
Audits – Isabel Beltran