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**FILED**

**DEC 10 2018**

**DEPT. OF REAL ESTATE**

By *John Clark*

8 BEFORE THE DEPARTMENT OF REAL ESTATE  
9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation Against ) No. H-41236 LA  
12 JOANN CAROLINE WALL, )  
13 individually and doing business as ) ACCUSATION  
14 Mid Coast Property Management, )  
15 Respondent. )

16 The Complainant, Brenda Smith, a Supervising Special Investigator of the State  
17 of California, acting in her official capacity, for cause of Accusation against JOANN  
18 CAROLINE WALL, individually and doing business as Mid Coast Property Management, is  
19 informed and alleges as follows:

20 1.

21 All references to the "Code" are to the California Business and Professions Code,  
22 all references to the "Real Estate Law" are to Part 1 of Division 4 of the Code, and all references  
23 to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

24 2.

25 Respondent JOANN CAROLINE WALL is licensed by the Department of Real  
26 Estate ("DRE") as a real estate broker. Respondent was originally licensed as a real estate  
27 broker on September 20, 2017, and her license is due to expire on September 19, 2021. At no

1 time has Respondent registered the fictitious business name of "Mid Coast Property  
2 Management" with the DRE.

3 3.

4 At all times herein relevant, Respondent engaged in the business of, acted in the  
5 capacity of, advertised or assumed to act as a real estate broker in the State of California within  
6 the meaning of Code Section 10131(b). Her activities included soliciting listings of places for  
7 rent, soliciting for prospective tenants, and/or management of residential rental real property for  
8 and on behalf of others for compensation.

9 4.

10 On June 29, 2018, the Department completed an audit examination of the books  
11 and records of Respondent pertaining to the real estate activities described in paragraph 3, above.  
12 The audit examination covered the period of time from February 1, 2016, to April 30, 2018. The  
13 primary purpose of the examination was to determine Respondent's compliance with the Real  
14 Estate Law. The audit examination revealed numerous violations of the Code and the  
15 Regulations as set forth in the following paragraphs, and more fully discussed in Audit Report  
16 FR17-0103 and the exhibits and work papers attached to said audit report.

17 5.

18 With respect to the licensed activities referred to in Paragraph 3, and the audit  
19 examination including the exhibits and work papers referenced in Paragraph 4, it is alleged that  
20 Respondent:

21 (a) Placed trust funds into bank accounts that were not designated as trust  
22 accounts in the name of the broker in violation of Code Section 10145 and Regulation 2832;

23 (b) Used the fictitious business name "Mid Coast Property Management" without  
24 first obtaining a license to perform real estate activity using that name in violation of Code  
25 Section 10159.5 and Regulation 2731;

26 (c) Commingled broker's own funds with trust funds the bank account in  
27 violation of Code Sections 10145 and 10176(e), and Regulation 2835;

1 (d) Performed and charged property owners for property maintenance and repairs  
2 using the name "Mid Coast Property Repairs & Maintenance" without disclosing Respondent's  
3 ownership in the repair business in violation of Code Section 10176(g); and

4 (e) Allowed unlicensed and unbonded individuals to be signors on the accounts  
5 containing trust funds in violation of Code Section 10145 and Regulation 2834.

6 6.

7 The conduct of Respondent as described in Paragraph 5, above, violated the Code  
8 and the Regulations as set forth below:

9 <u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
11 5(a)	Code Section 10145 12 Regulation 2832
14 5(b)	Code Section 10159.5 15 Regulation 2731
17 5(c)	Code Sections 10145 and 10176(e) 18 Regulation 2835
20 5(d)	Code Section 10176(g) 21 Regulation 2831.2
23 5(e)	Code Section 10145 24 Regulation 2834

25  
26 Each of the foregoing violations constitutes cause for the suspension or revocation  
27 of the real estate license and license rights of Respondent under the provisions of Code Sections

1 10176(e), 10176(g), 10177(d), and/or 10177(g).

2  
3 7.

4 Beginning on an unknown date prior to March 1, 2018, and continuing to the  
5 present, Respondent, has performed and charged property owners for property maintenance and  
6 repairs using the name "Mid Coast Property Repairs & Maintenance" without possessing a  
7 license to perform such activities from the California Contractor's State Licensing Board in  
8 violation of Code Section 10176(m).

9 8.

10 The conduct, acts, or omissions of Respondent as alleged in paragraph 7, above,  
11 subjects her license to suspension or revocation pursuant to Code Sections 10176(m), and  
12 10177(f).

13 9.

14 Code Section 10148(b) provides, in pertinent part, that the Real Estate  
15 Commissioner shall charge a real estate broker for the cost of any audit if the Commissioner has  
16 found in a final decision, following a disciplinary hearing, that the broker has violated Code  
17 Section 10145 or a Regulation or rule of the Commissioner interpreting said Code section.

18 10.

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

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WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action against the license and license rights of Respondent JOANN CAROLINE WALL under the Real Estate Law, for the costs of investigation and enforcement as provided by law, for costs of the audit, and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Fresno, California: 11-20-18.

  
Brenda Smith  
Supervising Special Investigator

cc: Joann Caroline Wall  
Brenda Smith  
Sacto  
Audits – Amanda Patterson