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FILED

JUN 19 2020

DEPT. OF REAL ESTATE

By John Aguil

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8
9 BEFORE THE DEPARTMENT OF REAL ESTATE

10 STATE OF CALIFORNIA

11 * * *

12 In the Matter of the Accusation of) No. H- 41700 LA
13 KEYVEST COMPANY,)
14 doing business as) A C C U S A T I O N
15 Keystone Asset Management, and)
16 LAURENCE STANLEY GOLDSTEIN,)
17 individually and as designated officer of)
18 Keyvest Company,)
Respondents.)

19 The Complainant, María Suárez, a Supervising Special Investigator of the
20 State of California, for cause of Accusation against KEYVEST COMPANY, doing business as
21 Keystone Asset Management, and LAURENCE STANLEY GOLDSTEIN, individually and as
22 designated officer of Keyvest Company ("Respondents"), is informed and alleges as follows:

23 1.

24 The Complainant, María Suárez, acting in her official capacity as a Supervising
25 Special Investigator of the State of California, makes this Accusation against Respondents
26 KEYVEST COMPANY and LAURENCE STANLEY GOLDSTEIN.

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Accusation of Keyvest Company and Laurence Stanley Goldstein

1 2.

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

4 LICENSE HISTORY

5 3.

6 Respondent KEYVEST COMPANY ("KEYVEST") presently has license rights
7 under the Real Estate Law, Part 1 of Division 4 of the Code as a corporate real estate broker.

8 4.

9 Respondent LAURENCE STANLEY GOLDSTEIN ("GOLDSTEIN") presently
10 has license rights as a real estate broker.

11 5.

12 Respondent KEYVEST is licensed by the Department of Real Estate
13 ("Department") as a corporate real estate broker by and through Respondent GOLDSTEIN, as
14 the designated officer and broker responsible, pursuant to Code section 10159.2, for supervising
15 the activities requiring a real estate license conducted on behalf of KEYVEST, or by
16 KEYVEST'S officers, agents and employees.

17 BROKERAGE

18 KEYVEST COMPANY

19 6.

20 At all times mentioned, in the City of Los Angeles, County of Los Angeles,
21 Respondent KEYVEST acted as a real estate broker, conducting licensed activities within the
22 meaning of Code section 10131(b) (leases or rents real property for others).

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AUDIT
KEYVEST COMPANY

7.

On January 31, 2019, the Department completed audit examinations of the books and records of Respondent KEYVEST pertaining to the activities described in Paragraph 6 which require a real estate license. The audit examinations covered a period of time from January 1, 2017, to September 30, 2018. The audit examinations revealed violations of the Code and the Regulations as set forth in the following paragraphs, and as more fully discussed in Audit Report LA180033 and the exhibits and workpapers attached to said audit report.

8.

Respondent KEYVEST accepted or received funds in trust (“trust funds”) including, but not limited to, rental security deposits and rents. Thereafter, Respondent made deposits and or disbursements of such trust funds. During the examination period described in Paragraph 7 above, Respondents deposited or maintained trust funds in the following bank accounts:

- Bank Account 1: First Citizens Bank account ending in 931.
- Bank Account 2: First Citizens Bank account ending in 357.
- Bank Account 3: First Citizens Bank account ending in 365.
- Bank Account 4: First Citizens Bank account ending in 373.
- Bank Account 5: First Citizens Bank account ending in 941.

AUDIT VIOLATIONS OF THE REAL ESTATE LAW

9.

In the course of activities described in Paragraph 6 above and during the examination period described in Paragraph 7 above, Respondents KEYVEST and GOLDSTEIN acted in violation of the Code and the Regulations in that:

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1 9(a) Bank accounts used by Respondent KEYVEST for trust funds were not
2 designated as trust accounts in violation of Code section 10145 and Regulations section 2832.

3 9(b) Unlicensed employees of Respondent KEYVEST made withdrawals
4 from bank accounts used by Respondent for trust funds and Respondent failed to maintain a
5 fidelity bond coverage at least equal to the maximum amount of the trust funds to which the
6 employees have access at any time, and a broker not licensed or affiliated with Respondent
7 made withdrawals from bank accounts used by Respondent for trust funds, in violation of Code
8 section 10145 and Regulation sections 2834.

9 9(c) Respondent KEYVEST made unauthorized disbursements from Bank
10 Account 1 in the total amount of \$90,000.00, in violation of Code sections 10145, 10176(i),
11 and 10177(j).

12 9(d) As of September 30, 2018, Respondent KEYVEST had a trust fund
13 shortage in the amount of: (1) \$10,000.00 in Bank Account 1; and (2) \$10,000.00 in Bank
14 Account 5. Respondent did not have written consent from the owners of the trust funds to
15 reduce the balance of trust funds to an amount less than the aggregate trust fund liabilities, in
16 violation of Code section 10145 and Regulations section 2832.1.

17 9(e) Respondent KEYVEST did not maintain a complete and accurate control
18 record or general ledger of all trust funds received and disbursed, in violation of Code
19 section 10145 and Regulations section 2831.

20 9(f) Respondent KEYVEST did not did not notify the Department on
21 January 1, 2018, of the employment of Alexandria Sonnia Bonilla as a broker associate, and
22 Respondent notified the Department on December 21, 2018, in violation of Code
23 section 10161.8.

24 9(g) The conduct, acts, or omissions of Respondent GOLDSTEIN, as
25 described in Paragraph 9, in failing to ensure compliance of the Real Estate Law by Respondent
26 KEYVEST, is in violation of Code section 10159.2 and Regulations section 2725.

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10.

The conduct, acts, or omissions of Respondents KEYVEST and GOLDSTEIN described in Paragraph 9 above, violated the Code and the Regulations as set forth below:

<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
9(a)	Code section 10145 and Regulations section 2832 (KEYVEST)
9(b)	Code section 10145 and Regulation sections 2834 (KEYVEST)
9(c)	Code sections 10145, 10176(i), and 10177(j) (KEYVEST)
9(d)	Code section 10145 and Regulations section 2832.1 (KEYVEST)
9(e)	Code section 10145 and Regulations section 2831 (KEYVEST)
9(f)	Code section 10161.8 (KEYVEST)
9(g)	Code section 10159.2 and Regulations section 2725 (GOLDSTEIN)

The foregoing violations constitute cause for the suspension or revocation of all the licenses, license endorsements, and license rights of Respondent KEYVEST under the Real Estate Law pursuant to the provisions of Code sections 10176(i), 10177(d), 10177(g) and 10177(j).

The foregoing violations constitute cause for the suspension or revocation of all the licenses, license endorsements, and license rights of Respondent GOLDSTEIN under the Real Estate Law pursuant to the provisions of Code sections 10177(d), 10177(g), and 10177(h).

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11.

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

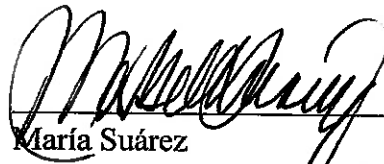
12.

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.

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 all the licenses, license endorsements, and license rights of Respondents KEYVEST COMPANY and LAURENCE STANLEY GOLDSTEIN under the Real Estate Law, for the cost of audit, investigation, and enforcement as permitted by law, and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Los Angeles, California

this 15th day of April, 2020.



María Suárez
Supervising Special Investigator

cc: KEYVEST COMPANY
LAURENCE STANLEY GOLDSTEIN
María Suárez
Sacto.
Audits

Accusation of Keyvest Company and Laurence Stanley Goldstein