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FILED

DEC 20 2021

DEPT. OF REAL ESTATE

By *Zoni*

9 BEFORE THE DEPARTMENT OF REAL ESTATE
10 STATE OF CALIFORNIA

11 * * *

12 In the Matter of the Accusation of) No. H-42184 LA
13 ARASH JOSHUA AFIGHOM,)
14 Respondent.) ACCUSATION
15)

16 The Complainant, Veronica Kilpatrick, a Supervising Special Investigator of the
17 State of California, for cause of Accusation against ARASH JOSHUA AFIGHOM
18 (“Respondent”) alleges as follows:

19 1.

20 The Complainant, Veronica Kilpatrick, a Supervising Special Investigator of the
21 State of California, makes this Accusation in her official capacity.

22 2.

23 All references to the “Code” are to the California Business and Professions Code
24 and all references to “Regulations” are to Title 10, Chapter 6, California Code of Regulations.

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LICENSE HISTORY

(ARASH JOSHUA AFIGHOM)

3.

(a) Respondent is presently licensed under the Code, as a real estate broker, Department license ID 01783784.

(b) The Department originally issued Respondent's broker license on June 7, 2012. Respondent's license is scheduled to expire on June 6, 2024, unless renewed.

(c) According to the Department's records, Respondent did not maintain any authorized fictitious business names with the Department until June 25, 2021.

(d) According to the Department's records, Respondent currently has 2 salesperson under his brokerage.

4.

At all times mentioned herein, Respondent engaged in the performance of activities requiring a real estate license pursuant to Code Section 10130. Respondent's activities included the leasing or renting of real property and the collection of rents and security deposits for real property on behalf of others for compensation or in expectation of compensation. Respondent's activities also included, but not limited to, broker-controlled escrows under the exemption set forth in California Financial Code section 17006(a)(4) for real estate brokers performing escrows incidental to a real estate transaction where the broker is a party and where the broker is performing acts for which a real estate license is required. Respondent's activities further included purchase and sale of real property on behalf of others for compensation or in expectation of compensation.

(AUDIT LA200107)

5.

On or about August 20, 2021, the Department completed an audit examination of the books and records of Respondent pertaining to the real estate broker escrow and real estate sales activities described in Paragraph 4 above. The audit examination covered the period

1 of time from January 1, 2018 through January 31, 2021 ("audit period"). The primary purpose
2 of the examination was to determine whether Respondent's conducted real estate activities
3 complied with Real Estate Law. The audit examination revealed violations of the Code and the
4 Regulations as set forth in the following paragraphs, and more fully discussed in Audit Nos.
5 LA200107, and the exhibits and work papers attached to said audit report.

6 6.

7 At all times mentioned herein, and in connection with the property management
8 activities described in Paragraph 4, above, Respondent accepted or received funds, including
9 trust funds from or on behalf of actual or prospective parties to transactions handled by
10 Respondent and thereafter made deposits and/or disbursements of such funds. According to the
11 documents provided, Respondent maintained 2 bank accounts for handling of the receipts and
12 disbursements of funds during the audit period in connection with the property management
13 activities.

14 The bank account is as follows:

15 Bank Account 1 ("BA 1")

16 Bank: Banc of California
17 Account Name: Hayems Daughters Inc
18 Account Number: xxxxxxxx3058
19 Signatories: Gohar Babazadeh, Arash Afighom, Jill Babazadeh Shraga
20 Signatures Required: One
21 Purpose: BA 1 was maintained to handle trust funds for Respondent's property
22 management activities. According to BA 1's records, BA 1 was opened on or about January 4,
23 2017.

24 Bank Account 2 ("BA 2")

25 Bank: Banc of California
26 Account Name: Arash Afighom
27 Account Number: xxxxxxxx5675

1 Signatories: Arash Afighom

2 Signatures Required: One

3 Purpose: BA 2 was maintained to handle trust funds for Respondent's property
4 management activities for multiple beneficiaries. According to BA 2's records, BA 2 was
5 opened on or about March 27, 2018.

6 Violations of the Real Estate Law

7 7.

8 The audit examination revealed violations of the Code and the Regulations, as
9 set forth in the following paragraphs, and more fully discussed in Audit Report No. LA200107,
10 and the exhibits and work papers attached to the audit report:

11 (a) Handling of Trust Funds/ Trust Fund Handling For Multiple
12 Beneficiaries (Code section 10145 and Regulations section 2832.1).

13 Based on an examination of BA 2's records, there was a minimum trust fund
14 shortage of \$6,436.48 as of January 31, 2021 violation of Code section 10145 and Regulations
15 section 2832.1. There is no evidence that Respondent was given written consent from the
16 owners of the trust funds to allow Respondent to reduce the balance of the funds in BA 2 to an
17 amount less than the aggregate trust fund liabilities of Respondent to all owners of the trust
18 funds.

19 (b) Handling of Trust Funds/Trust Account Reconciliation (Code section
20 10145 and Regulations section 2831.2). During the audit period, Respondent did not perform
21 and maintain a complete and accurate monthly reconciliation of the balance of all separate
22 beneficiary and/or transaction records to the balance of the records of all trust funds received
23 and disbursed for BA 2 in violation of Code section 10145 and Regulations section 2831.2.

24 (c) Trust Fund Handling/Account Designation (Code section 10145 and
25 Regulations section 2832). Based on an examination of BA 1's records, BA 1 was not set up
26 as a trust account, was not set up under Respondent's name, and did not name Respondent as
27

1 trustee. Based on an examination of BA 2's records, BA 2 was not set up as a trust account and
2 did not name Respondent as trustee.

3 (d) **Handling Of Trust Fund /Trust Account Withdrawal (Code section**
4 **10145 and Regulations section 2834)**. Based on an examination of BA 1's records, the
5 account was used for handling the receipts and disbursements of trust funds in connection with
6 Respondent's property management activities. Respondent allowed Gohar Babazadeh and Jill
7 Babazadeh Shraga, owners and non-licensees, to be signers in violation of Code section 10145
8 and Regulation section 2834.

9 (e) **Handling Of Trust Fund /Commingling (Code sections 10145 and**
10 **10176(e) and Regulations section 2835)**. Based on an examination of BA 2's records,
11 Respondent failed to disburse and kept his fees/commissions in the amount of \$12,705.01 in
12 BA 2 for over 25 days in violation of Code sections 10145 and 10176(e) and Regulations
13 section 2835.

14 (f) **Use of False or Unlicensed Fictitious Name (Code section 10159.5 and**
15 **Regulations section 2731)**. During the audit period, Respondent used the unlicensed fictitious
16 business name of "J.A. Properties" in connection with his property management activities and
17 BA 2. The name does not show up in the Department's records as licensed fictitious business
18 name registered to Respondent in violation of Code section 10159.5 and Regulations section
19 2731.

20 (g) **Place of Business: Contact Information (Code section 10162)**. During the
21 audit period, Respondent maintained his main office address as 2355 Westwood Blvd., #218,
22 Los Angeles, CA 90064, which was a mail center. Respondent failed to maintain a definite
23 place of business to conduct licensed real estate activity in violation of Code section 10162.
24 Respondent corrected the violation in January 1, 2018 when he changed his office on or about
25 February 9, 2021.

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1 Additional Violations of the Real Estate Law

2 8.

3 The overall conduct of Respondent violates the Real Estate Law and constitutes
4 cause for the suspension or revocation of their real estate license and license rights under the
5 provisions of **Code Section 10177(g)** for negligence and **Code Section 10177(d)** for willful
6 disregard of the Real Estate Law.

7 9.

8 Each of the foregoing violations in Paragraphs 8 (a)-(g) above constitute cause
9 for the suspension or revocation of the real estate license and/or license rights of Respondent
10 under the provisions of Code sections 10177(d) and 10177(g).

11 COSTS

12 (AUDIT COSTS)

13 10.

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

19 (INVESTIGATION AND ENFORCEMENT COSTS)

20 11.

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

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PRAYER

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 and/or license rights of Respondent ARASH JOSHUA AFIGHOM under the Real Estate Law, for the costs of investigation and enforcement as permitted by law, for the cost of the audit, and for such other and further relief as may be proper under other applicable provisions of law.

Dated San Diego, California this 15 day of December, 2021.



Veronica Kilpatrick
Supervising Special Investigator

cc: ARASH JOSHUA AFIGHOM
Veronica Kilpatrick
Sacto.
Audits – Shirley Tan