

1 Department of Real Estate
2 320 West Fourth Street, Ste. 350
3 Los Angeles, California 90013
4 Telephone: (213) 576-6982

FILED

SEP 22 2022

DEPT. OF REAL ESTATE

By [REDACTED]

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * * * *

12 To:

13 MIKE Z. FROELICH,

14 Respondent.

DRE No. H-42416 LA

ORDER TO DESIST AND
REFRAIN

(B&P Code Section 10086)

17 The Commissioner ("Commissioner") of the California Department of Real Estate
18 ("Department") caused an investigation to be made of the activities of MIKE Z. FROEHLICH
19 aka Mike Zwi Froehlich and Michael Froehlich ("FROEHLICH"), and has determined that
20 FROEHLICH has engaged in or is engaging in acts or practices constituting violations of the
21 California Business and Professions Code ("Code"), including engaging in the business of,
22 acting in the capacity of, advertising, or assuming to act, as a real estate broker in the State of
23 California within the meaning of Section 10131(b) of the Code (leasing or renting or offering to
24 lease or to rent or soliciting for prospective tenants or collecting rents from real property or
25 improvements thereon). Based on the findings of that investigation, as set forth below, the
26 Commissioner hereby issues the following Findings of Fact and Desist and Refrain Order
27

ORDER TO DESIST AND REFRAIN

1 pursuant to Section 10086 of the Code.

2 Whenever acts referred to below are attributed to FROEHLICH, those acts are
3 alleged to have been done by FROEHLICH acting by himself, or by and/or through one or more
4 associates, affiliates, co-conspirators, and/or other names or fictitious names unknown at this
5 time.

6 FINDINGS OF FACT

7 1. FROEHLICH is not now, and has never been licensed by the Department in any
8 capacity.

9 2. FROELICH owns, operates, and does business as the following entities and
10 fictitious business names: "MF Buildings," "MF Property Management, Inc.," and "MF
11 Property Management."

12 3. On or about March 15, 2022, the Department issued a corporation license to MF
13 Buildings, License ID 02180373.

14 4. On or about May 17, 2022, MF Property Management ("MFPM") was added as
15 a fictitious business name for MF Buildings.

16 5. MF Property Management, Inc. ("MFPMI") is not now, and has never been
17 licensed by the Department in any capacity.

18 6. For an unknown period of time that includes the last three years prior to March
19 15, 2022, FROEHLICH, while doing business in his own name or unlicensed fictitious business
20 names, engaged in the business of and acted in the capacity of a real estate broker in California
21 within the meaning of Section 10131(b) of the Code.

22 7. At all times relevant herein, Froehlich engaged in the business of: real property
23 management for compensation or in the expectation of compensation by performing, of offering
24 to perform, one or more of the following acts including soliciting listings of places for rent,
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1 soliciting prospective tenants, or negotiating the lease or rental of real property on behalf of
2 another or others, or collect rents from real property, or improvements thereon, within the
3 meaning of Code section 10131, subdivision (b).

4 8. On or about August 21, 2020, Froehlich (while using both fictitious business
5 names “MFPMI” and “MFPM”, interchangeably) negotiated and entered into a lease agreement
6 with tenants D.C.G. and A.L.G.¹ (“tenants”) for real property located at 2010 6th Ave., Los
7 Angeles, California (“6th Ave. property”). Froehlich and MFPM/MFPMI acted as “agent” and
8 “manager” on behalf of the owner of the 6th Ave. property. The lease agreement period was to
9 be from September 15, 2020 through September 14, 2021.
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11 9. On or about July 15, 2021, the tenants submitted a letter to the Landlord
12 (MFPMI) through which the tenants expressed concern about trespassing and privacy issues and
13 requested that the Landlord comply with Civil Code section 1954 by providing written 24-hour
14 notice prior to entry into the 6th Ave. property. The letter advised the Landlord of the
15 prohibition against retaliatory evictions under Civil Code section 1954.2.
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17 10. On or about July 28, 2021, FROEHLICH issued a Sixty (60) Notice to Quit to
18 evict the tenants from the 6th Ave. property.

19 11. On or about August 13, 2021 and September 15, 2021, the Housing and
20 Community Investment Department for the City of Los Angeles (“HCIDLA”) mailed letters to
21 MFPM instructing MFPM to cancel the July 28, 2021, Sixty (60) Day Notice to Quit.
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23 12. On or about October 12, 2021, the Department received a complaint from the
24 tenants of the 6th Ave. property against MFPM and FROELICH.
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27 ¹ Initials are used in place of individuals’ full names to protect their privacy. Documents containing individuals’ full names will be provided during the discovery phase of this case to Respondent(s) and/or their attorneys, after service of a timely and proper request for discovery on Complainant’s counsel.

1 13. On March 14, 2001, the Department issued a real estate broker license to Agustin
2 Alfred Alvarado (Alvarado), License ID 01091041.

3 14. Alvarado is not licensed to conduct business under any fictitious business names.

4 15. Alvarado's main office address listed with the Department is 489 S. Robertson
5 Blvd. #207, Beverly Hills California 90211.

6 16. MFPM/MFPMI's office address is also 489 S. Robertson Blvd. #207, Beverly
7 Hills California 90211.

8 17. In response to an inquiry from Department, Alvarado stated that MFPM provides
9 property management services, screens potential tenants, signs leases on behalf of owners,
10 collects rents, and arranges for repairs of properties. Alvarado also stated, "MF Property hired
11 me to place broker license with them. My compensation is \$400.00 per month for my license to
12 the address on file." According to Alvarado, FROELICH is the owner of MFPM and "oversees
13 all day-to-day operations of the business."
14

15 18. For an unknown period of time including the previous three years,
16 FROEHLICH, an unlicensed person doing business as MFPM/MFPMI, performed or offered to
17 perform one or more of the following acts for another or others, for or in expectation of
18 compensation: lease or rent or offer to lease or rent, or place for rent, or solicit listings of places
19 for rent, or solicit for prospective tenants, or collect rents from real property, or improvements
20 thereon. Said property management activities require a license pursuant to Code section 10130
21 and Code section 10131, subdivision (b). Froehlich performed property management services
22 for several properties including, but not limited to, the following:
23

24 1) 2010 6th Ave., Los Angeles, California

25 2) 1323 E. Vernon Ave., Los Angeles, California
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- 3) 1327 ½ E. Vernon Ave., Los Angeles, California
- 4) 1300 N. Fairfax Ave. #106, West Hollywood, California
- 5) 618 N. Hayworth #2, Los Angeles, California
- 6) 618 N. Hayworth #4, Los Angeles, California
- 7) 618 N. Hayworth #9, Los Angeles, California

19. Alvarado allowed FROELICH, an unlicensed person, to use ALVARADO's license number and information to perform the property management services described above.

20. FROEHLICH, FMPM, and FMPMI used ALVARADO's name and license information on various property management transaction documents, giving the impression to clients and tenants that they were dealing with a licensed broker.

21. On or about March 15, 2022, the Department received a Corporation License Application for MF Buildings, an entity owned and operated by FROEHLICH. Alvarado submitted the application as the designated broker-officer.

22. On March 15, 2022, the Department issued a corporate broker license to MF Buildings, License ID 02180373.

23. Neither MF Buildings, not Alvarado are currently licensed to conduct business under any fictitious business names, including but not limited to MF PROPERTY MANAGEMENT, INC.

CONCLUSIONS OF LAW

Based on the information contained in Paragraphs 1 through 23, above, MIKE Z. FROEHLICH, did one or more of the following acts for another or others, for or in expectation of compensation: lease or rent or offer to lease or rent, or place for rent, or solicit listings of places for rent, or solicit for prospective tenants, or collect rents from real property, or improvements thereon, all of which requires a real estate license under Section 10131(b) of the code, when MIKE Z. FROEHLICH, was not licensed by the Department to conduct such activities, in violation of Section 10130 of the Code.

1 DESIST AND REFRAIN ORDER

2 Based on the Findings of Fact and Conclusions of Law stated herein:

3 IT IS HEREBY ORDERED THAT MICHAEL Z. FROEHLICH, whether doing business
4 under his own name, any other name, or any unlicensed fictitious name, immediately desist and
5 refrain from performing any acts within the State of California for which a real estate broker
6 license is required, and in particular, doing one or more of the following acts for another or
7 others, for or in expectation of compensation: lease or rent or offer to lease or rent, or place for
8 rent, or solicit listings of places for rent, or solicit for prospective tenants, or collect rents from
9 real property, or improvements thereon, or engage in rental property management activities of
10 any kind whatsoever, unless and until MIKE Z. FROEHLICH obtains a real estate broker license
11 issued by the Department.

12 DATED: 9.12.22, 2022.

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16 **DOUGLAS R. McCAULEY**
17 **REAL ESTATE COMMISSIONER**

18 cc: Mike Z. Froehlich
19 MF Property Management, Inc.

20 **Notice:** California Business and Professions Code section 10139 provides, "Any person acting
21 as a real estate broker or real estate salesperson without a license or who advertises using words
22 indicating that he or she is a real estate broker without being so licensed shall be guilty of a
23 public offense punishable by a fine not exceeding twenty thousand dollars (\$20,000), or by
24 imprisonment in the county jail for a term not to exceed six months, or by both fine and
25 imprisonment; or if a corporation, be punished by a fine not exceeding sixty thousand dollars
26 (\$60,000)."
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