

FILED

SEP 26 2023

DEPT. OF REAL ESTATE

By _____

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation Against)
ALEX JOAQUIN DUK,) No. H-42666 LA
Respondent.) ACCUSATION

The Complainant, Jason Parson, a Supervising Special Investigator of the State of California, for cause of Accusation against ALEX JOAQUIN DUK (Respondent) alleges as follows:

1.

The Complainant, Jason Parson, a Supervising Special Investigator of the State of California, makes this Accusation in his official capacity.

2.

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

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1 LICENSE HISTORY

2 3.

3 a. Respondent DUK is presently licensed and/or has license rights under the
4 Code as a real estate salesperson with Department of Real Estate (Department) license ID
5 01750024. Respondent's license expired on June 24, 2023. The Department retains jurisdiction
6 over the lapsed license pursuant to Code section 10103.

7 b. From on or about June 25, 2019, through June 24, 2023, DUK's responsible
8 broker was Blue Real Estate Inc. (license ID 02080878). Blue Real Estate Inc. maintains the
9 fictitious business names "Harcourts Beverly Hills", "Harcourts Blue Real Estate," and
10 "Harcourts Plus" with the Department.

11 CAUSE FOR ACCUSATION

12 4.

13 At all times relevant herein Respondent was engaged in acts within the meaning
14 of Code section 10131(a), for a compensation or in expectation of a compensation, by selling or
15 offering to sell, buying or offering to buy, soliciting prospective seller or purchasers of,
16 soliciting or obtaining listings of, or negotiating the purchase, sale or exchange of real property
17 or a business opportunity (real estate sales).

18 (CANGAS DRIVE TRANSACTION)

19 5.

20 In or around August 2020, Respondent represented the sellers of a residential
21 property located on Cangas Dr. in Calabasas, California (subject property). Soon after the
22 subject property was listed for sale, the sellers accepted an all-cash offer made by C.B. and
23 H.B. (Buyers-1). Respondent represented both the sellers and Buyers-1 as a dual agent. During
24 the initial contingency period, Buyers-1 hired inspectors to check the plumbing, sewer line, and
25 the presence of mold.

26 6.

27 In a letter dated August 9, 2020, Buyers-1 informed Respondent that the
28 inspection by NuEnvironmental detected mold around the HVAC unit and surrounding walls,

ACCUSATION

1 high moisture content in the first floor bathroom wall behind the vanity, visible water
2 discoloration on the first floor bathroom ceiling, high moisture content and musty odor in the
3 first floor bedroom exterior-facing wall, visible bubbling behind the paint in the 2nd floor
4 bedroom, and potential moisture in the master bedroom shower.

5 7.

6 On or about August 10, 2020, in a text message exchange between Buyers-1 and
7 Respondent, Buyers-1 expressed their concerns with their health and the mold, the additional
8 cost it would take to address the mold, and their decision to cancel escrow. In response,
9 Respondent stated, in part, "I do not believe [t]here is an issue. The wall will be opened up and
10 will prove that and if there are any issues it would be fixed by contractor [*sic*]. The garage is
11 something that can be an expense of removing HVAC and replacing drywall." Respondent
12 further texted, "This info will certainly be communicated to every potential buyer moving
13 forward and the sellers are confident that they will not have to make a concession on price
14 lower then [*sic*] where the offer was accepted."

15 8.

16 Later that same day, Buyers-1 sent an email to escrow to cancel the purchase of
17 the subject property due to "certain health hazards that have been discovered." Respondent was
18 copied to the email.

19 9.

20 About eight days later, on or about August 18, 2020, buyers J.H. and D.A.
21 (Buyers-2) submitted an offer to purchase the subject property. Respondent represented both
22 Buyers-2 and the sellers of the subject property as a dual agent.

23 10.

24 On or about August 21, 2020, during the 7-day contingency period for Buyers-2,
25 Elite Group Inspection Professionals inspected the subject property. Respondent scheduled the
26 inspection and Buyers-2 did not hear about the inspection until the inspector was already on
27 their way to the subject property. Buyers-2 were not present during the inspection, however,
28

1 Respondent was present with knowledge of Buyers-1's discovery of mold, water discoloration,
2 and bubbling on the walls.

3 11.

4 In the prior transaction with Buyers-1, Respondent sent a text message to
5 Buyers-1 stating he had scheduled an inspection with Elite Group Inspection Professionals and
6 that he always recommended this inspection company to his clients. At that time, Buyers-1
7 were hesitant to use Respondent's recommended inspection company since Buyers-1 were
8 "caught off guard" with Respondent scheduling the inspection without telling Buyers-1 the fee
9 for the inspection.

10 12.

11 On the evening of the inspection on August 21, 2020, Buyers-2 received a report
12 from Elite Group Inspection Professionals. The report indicated that the platform or base of the
13 HVAC unit had visible "worn/dirty" areas and recommended cleaning the base areas and
14 sealing the base of the unit as part of preventative maintenance. There was no mention of any
15 mold or potential mold around the HVAC unit in the report. Respondent did not inform Buyers-
16 2 of the mold discovered by Buyers-1.

17 13.

18 In Respondent's Agent Visual Inspection Disclosure form dated August 29,
19 2020, provided to Buyers-2, Respondent disclosed "stains by furnace." Respondent did not
20 disclose the mold, water discoloration on the first-floor bathroom ceiling, or the visible
21 bubbling in the 2nd floor bedroom, all of which Buyers-1 had discovered and informed
22 Respondent of.

23 14.

24 Had Buyers-2 known about the mold issue that resulted in Buyers-1 canceling
25 escrow, Buyers-2 would not have purchased the subject property.

26 15.

27 After escrow closed on or about October 5, 2020, and moving into the subject
28 property, Buyers-2 hired a mold specialist to sample the walls because Buyers-2 and family

1 experienced headaches, dizziness, congestion and extreme fatigue. In a report dated December
2 27, 2020, Alpure Environmental Services, Inc. found high levels of mold spores in the first-
3 floor bathroom, the HVAC stand in the garage, and first floor bedroom, the same areas Buyers-
4 I had informed Respondent of mold and moisture.

5 (MISREPRESENTATION)

6 16.

7 The conduct, acts and/or omissions of Respondent, as described above,
8 constitute a substantial misrepresentation and are cause for the suspension or revocation of the
9 license and license rights of Respondent under Code section 10176(a).

10 (FRAUD OR DISHONEST DEALING)

11 17.

12 The conduct, acts and/or omissions of Respondent as described above, constitute
13 fraud or dishonest dealing and are cause for the suspension or revocation of the license and
14 license rights of Respondent under Code sections 10176(i) and 10177(j).

15 18.

16 Each of the foregoing violations above constitutes cause for the suspension or
17 revocation of the real estate license and/or license rights of Respondent NISSOU under the
18 provisions of Sections 10177(d) and 10177(g).

19 (COSTS OF INVESTIGATION AND ENFORCEMENT)


20 19.

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

26 WHEREFORE, Complainant prays that a hearing be conducted on the
27 allegations of this Accusation and that upon proof thereof, a decision be rendered imposing
28 disciplinary action against all the licenses and license rights of ALEX JOAQUIN DUK under

1 the Real Estate Law, for the costs of investigation and enforcement as permitted by law, and for
2 such other and further relief as may be proper under other applicable provisions of law.
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4 Dated at Los Angeles, California this 22nd day of September, 2023.
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8 Jason Parson
9 Supervising Special Investigator
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26 cc: ALEX JOAQUIN DUK
27 Jason Parson
28 Sacto.