- 1	
1	LAURENCE D. HAVESON, Counsel (SBN 152631) Department of Real Estate 320 West 4th Street, Suite 350
2	Los Angeles, California 90013-1105
3	Telephone: (213) 576-6982 Direct: (213) 576-6854
4	Fax: (213) 576-6917 DEPT. OF REAL ESTATE
5	Attorney for Complainant
6	
7	
8	BEFORE THE DEPARTMENT OF REAL ESTATE
9	STATE OF CALIFORNIA
10	* * *
11	In the Matter of the Accusation of No. H-42770-LA
12	NO WHINNING INC, GERALD <u>ACCUSATION</u>
13	ROBERT ALLGOWER, individually and as former designated officer of No
14	Whinning Inc, and RONALD D. RITTER,
15	Respondents.
16	
17	The Complainant, Jason Parson, a Supervising Special Investigator for the Department of
18	Real Estate ("Department" or "DRE") of the State of California, for cause of Accusation against
19	NO WHINNING INC ("NWI"), GERALD ROBERT ALLGOWER ("ALLGOWER"), individually
20	and as the former designated officer of NWI, and RONALD D. RITTER ("RITTER"), collectively,
21	"Respondents," is informed and alleges in his official capacity as follows:
22	The Complainant, Jason Parson, acting in his official capacity as a Supervising
	Special Investigator, makes this Accusation against Respondents.
23	
24	The first books are considered and the constraint of the constrain
25	all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

ACCUSATION DRE Case No. H-42770-LA

LICENSE HISTORY

DRE License identification number ("License ID") 00854895, and was licensed from on or about

Respondent NWI currently has licensing rights as a real estate corporation ("REC"),

26

27

28

3.

October 4, 1983, to on or about February 28, 2024, at which time NWI's license expired. The DRE maintains jurisdiction pursuant to Code section 10103. From on or about February 29, 2020, through on or about February 28, 2024, NWI was licensed through the real estate broker ("REB") license of ALLGOWER, License ID 00906105, and ALLGOWER was the designated officer ("D.O."). NWI maintained multiple fictitious business names ("dbas") licensed by the DRE, including but not limited to the following:

- a. "Best Canyon Properties," active from March 8, 2018 to February 29, 2024;
- b. "Best Mountain Properties," active from September 17, 2018, to February 29, 2024;
 - c. "Best Properties," active from May 8, 2017, to February 29, 2024;
 - d. "Just Results Realty," active from May 8, 2017, to February 29, 2024.
- 4. Respondent ALLGOWER has been licensed by the Department as a REB, License ID 00906105, from on or about December 6, 1993, through the present, with ALLGOWER's license scheduled to expire on December 5, 2025, unless renewed. ALLGOWER was the D.O. for NWI from on or about February 29, 2020, through on or about February 28, 2024, at which time ALLGOWER's officer license expired. ALLGOWER was previously a real estate salesperson ("RES") from on or about December 27, 1985, to on or December 5, 1993.
- 5. Respondent RITTER currently has license rights licensed with no broker affiliation, or NBA, as a RES, License ID 01239330. RITTER was previously licensed by the Department as a RES from on or about May 23, 1998, through on or about May 22, 2022, at which time RITTER's license expired. The DRE maintains jurisdiction pursuant to Code section 10103. As is relevant to this Accusation: from on or about March 2, 2020, to on or about May 22, 2022, RITTER was employed by NWI; on or about May 23, 2022, RITTER's license expired and has not been renewed.

BROKERAGE: NWI

6. At all times mentioned, in San Bernardino County, NWI acted as a real estate broker, conducting licensed activities within the meaning of Code section 10131(a): selling and buying real property for others. At all times mentioned, NWI conducted such licensed activities for compensation or in expectation of compensation. At all times mentioned, NWI acted by and through

ALLGOWER as its D.O. pursuant to Code Section 10159.2 who was responsible for ensuring compliance with the Real Estate Law.

FACTS DISCOVERED BY DRE

- 7. All real estate activity engaged in by RITTER from May 23, 2022, to the present, occurred during a time when RITTER's RES license was expired.
- 8. On or about September 8, 2022, the DRE received a complaint from T.M. ¹/₂ regarding NWA, dba Best Properties, and RITTER, alleging that RITTER has been actively participating in licensed activities since the expiration of his license on May 22, 2022, including listing properties in which T.M.'s office participated as the selling agent, and submitting offers on properties which T.M.'s office was the listing agent. Upon being notified that RITTER's license had expired, ALLGOWER claimed he was unaware RITTER's license had expired. T.M. claims that ALLGOWER took a purchase contract for a property and superimposed his initials and name as the selling agent, but that RITTER continued to offer properties as a licensed RES using an expired license.
- 9. T.M. provided MLS listings showing that RITTER, on behalf of Best Properties, one of NWI's dbas, was the listing agent for Sellers of the following properties:
 - a. 44 Seven Oaks, Angelus Oaks, California (according to MLS: listing contract date of on or about April 23, 2022, escrow closed on or about June 11, 2022);
 - b. 5916 Mountain Home Creek Road, Angelus Oaks, California (according to MLS: listing contract date of on or about June 17, 2022, escrow closed on or about August 10, 2022);
 - c. 6164 Oak Avenue, Angelus Oaks, California (according to MLS: listing contract date of on or about April 22, 2022, escrow closed on or about June 8, 2022);
- 10. ALLGOWER provided the DRE with an unsigned copy of a Residential Listing Agreement ("RLA") dated June 6, 2022, apparently prepared by RITTER, granting RITTER, as the

¹ Initials are used in place of an individual's full name to protect their privacy. Documents containing the individuals' full names will be provided during the discovery phase of this case to Respondents and/or their attorney(s), after service of a timely and proper request for discovery on Complainant's counsel.

agent of Best Properties, the exclusive right to sell property located at 5916 Mountain Home Creek Road, Angelus Oaks, California ("Mountain Home Property") on behalf of the Sellers D.J. and R.J.

- Agreement and Joint Escrow Instructions ("RPA") as the listing agent for Best Properties on behalf of D.J. and R.J., trustees and sellers ("Sellers") of the Mountain Home Property. The Sellers also signed the RPA for the Mountain Home Property on or about July 12, 2022. E.A.S., the buyer of the Mountain Home Property, was represented by Glimore Real Estate ("Gilmore"), a dba for REC Southern Sierras Inc., License ID 01294178.
- 12. On or about July 14, 2022, RITTER sent an e-mail message to Bridget Miranda ("Miranda"), escrow officer for Lawyers Title Company, requesting that she open a new escrow for the Mountain Home Property. On or about July 15, 2022, Miranda replied by e-mail, asking RITTER about the commission percentage. The same day, RITTER replied by e-mail to Miranda, indicating that the commission should be "50-50 on 6%."
- 13. On or about August 10, 2022, escrow on the Mountain Home Property closed. On or about August 10, 2022, RITTER sent an e-mail message regarding the Mountain Home Property to Miranda stating, "leave the [Buyer's broker] Gillmore Commission at 3% of 248,400 but Best Properties at 3% of only \$240,000."
- 14. On or about August 11, 2022, Lawyers Title Company issued a check from the escrow account for the Mountain Homes Property payable to Best Properties, as the Sellers' broker, in the amount of \$7,200, which is three percent (3%) of \$240,000.
- 15. On or about September 20, 2022, ALLGOWER signed a check payable to RITTER in the amount of \$5,420.00, with the notation "5916 Mtn Home." The check was issued from an NWI bank account ending in 6955 maintained at U.S. Bank.
- 16. ALLGOWER stated that he was not aware that RITTER's license had expired before the RPA for the Mountain Home Property was executed. ALLGOWER also stated that he did not have an active supervision plan in place for his brokerage to verify when RITTER's license expired.

28 | | ///

///

VIOLATIONS OF THE REAL ESTATE LAW – CAUSES FOR DISCIPLINE

17. In the course of the activities described above in Paragraph 6, and based on the facts discovered by the DRE, as described in Paragraphs 7 through 16 above, Respondents acted in violation of the Code and Regulations as follows.

FIRST CAUSE OF ACCUSATION AGAINST RITTER

(ACTIVITIES REQUIRING A LICENSE)

- 18. The Complainant realleges and incorporates by reference all of the allegations contained in paragraphs 1 through 17 above with the same force and effect as though fully set forth herein.
- 19. From on or about May 3, 2022, through on or about August 10, 2022, RITTER engaged in the business of, acted in the capacity of, or assumed to act as a real estate salesperson within the State of California within the meaning of Code section 10131(a), for or in expectation of compensation through his acts and/or omissions, as alleged above in Paragraphs 7 through 15, while his RES license was expired. RITTER's acts and/or omissions as alleged herein were in violation of Code sections 10130, and 10177(d) and/or 10177(g), and constitute cause to suspend or revoke the real estate licenses and license rights of Respondent RITTER pursuant to Code sections 10177(d) and/or 10177(g).

SECOND CAUSE OF ACCUSATION AGAINST NWI

(UNLAWFUL PAYMENT OF COMPENSATION)

- 20. The Complainant realleges and incorporates by reference all of the allegations contained in paragraphs 1 through 19 above with the same force and effect as though fully set forth herein.
- 21. NWI's acts and/or omissions in retaining and compensating RITTER for performing real estate activities requiring a real estate license from on or about May 3, 2022, through on or about September 20, 2022, while RITTER's RES license was expired were in violation of Code sections 10137, and 10177(d) and/or 10177(g), and constitute cause to suspend or revoke the real estate licenses and license rights of Respondent NWI pursuant to Code sections 10177(d) and/or 10177(g).

THIRD CAUSE OF ACCUSATION AGAINST NWI

(BREACH OF FIDUCIARY DUTY)

- 22. The Complainant realleges and incorporates by reference all of the allegations contained in paragraphs 1 through 21 above with the same force and effect as though fully set forth herein.
- 23. At all relevant times herein, while acting as a real estate broker and agent of D.J. and R.J., sellers of the Mountain Home Property, NWI owed D.J. and R.J. fiduciary duties, including, but not limited to the following: duty of reasonable care and skill; duty of good faith; duty of loyalty; duty of diligence; duty to avoid conflicts of interest; duty of fullest disclosure of all material facts affecting D.J.'s and R.J.'s rights and interests, including the right and interest in having the sale of the Mountain Home Property be handled by a licensed RES. NWI had a duty to know whether RITTER's license had expired, and a duty, pursuant to Code section 10137, to only retain licensed real estate brokers and real estate salespersons to engage in real estate activities requiring a license.
- 24. NWI's acts and/or omissions in failing to discovery that RITTER's RES license expired on May 23, 2022, and to inform D.J. and R.J. that RITTER's RES license had expired prior to D.J. and R.J. retaining RITTER to sell the Mountain Home Property, were in violation of Code sections 10177(d) and/or 10177(g), constitute a breach of NWI's fiduciary duties to D.J. and R.J., and constitute cause to suspend or revoke the real estate licenses and license rights of Respondent NWI pursuant to Code sections 10177(d) and/or 10177(g).

FOURTH CAUSE OF ACCUSATION AGAINST ALLGOWER

(RESPONSIBILITY OF CORPORATE OFFICER IN CHARGE; BROKER SUPERVISION)

- 25. The Complainant realleges and incorporates by reference all of the allegations contained in paragraphs 1 through 24 above with the same force and effect as though fully set forth herein.
- 26. Based on the allegations above Paragraphs 6 through 16, and the allegations above in the First through Third Causes of Accusation, as the broker and designated officer of NWI, ALLGOWER did not exercise adequate supervision and control over the NWI's real estate sales activities conducted on behalf of NWI by its employees and licensees to ensure compliance with the

Real Estate Laws and Regulations. ALLGOWER failed to establish policies, rules, procedures, and systems to review, oversee, inspect, and manage transactions requiring a real estate license by NWI's licensees and employees.

27. ALLGOWER's acts and/or omissions were in violation of Code section 10159.2 and Regulation 2725 and constitute cause to suspend or revoke the real estate licenses and license rights of Respondent ALLGOWER pursuant to Code sections 10177(h), and 10177(d) and/or 10177(g).

COSTS

(INVESTIGATION AND ENFORCEMENT COSTS)

28. Code section 10106 provides, in pertinent part that in any order issued in resolution of a disciplinary proceeding before the DRE, 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 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 and license rights of Respondents NO WHINNING INC, GERALD ROBERT ALLGOWER, and RONALD D. RITTER under the Real Estate Law, for the costs of 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

MAY 7, 2024

Jasøn Parson
Supervising Special Investigator

cc: NO WHINNING INC
GERALD ROBERT ALLGOWER
RONALD D. RITTER
Jason Parson
Sacto.