

1 LAURENCE D. HAVESON, Counsel (SBN 152631)
2 Department of Real Estate
3 320 West 4th Street, Suite 350
4 Los Angeles, California 90013-1105
5 Telephone: (213) 559-5990
6 Direct: (213) 559-5699
7 Fax: (213) 576-6917
8 Email: Laurence.Haveson@dre.ca.gov
9 Attorney for Complainant



10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of
SHAKEH GRIGOR, INC. and
SHAKEH B. GRIGOR, individually
and as designated officer of Shakeh
Grigor, Inc.
Respondents.

No. H-42900-LA
ACCUSATION

The Complainant, Ray Dagnino, a Supervising Special Investigator for the Department of Real Estate ("Department" or "DRE") of the State of California, for cause of Accusation against Respondents SHAKEH GRIGOR, INC. ("SGI") and SHAKEH B. GRIGOR ("GRIGOR"), individually and as designated officer of SGI, collectively "Respondents," alleges as follows:

1. The Complainant, Ray Dagnino, acting in his official capacity as a Supervising Special Investigator, makes this Accusation against Respondents.
2. All references to the "Code" are to the California Business and Professions Code and all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

LICENSE HISTORY

3. Respondent SGI has been licensed by the DRE as a real estate corporation ("REC"), DRE license identification number ("License ID") 02181842, from on or about May 18, 2022, through the present, with SGI's license scheduled to expire on May 17, 2026, unless renewed. SGI

1 has been licensed through GRIGOR's real estate broker ("REB") license, License ID 01345788, and
2 GRIGOR is the designated officer ("D.O.") of SGI. SGI maintains one branch office in Indian Wells,
3 and has retained one real estate salesperson ("RES"), Daniel James White ("White"), License ID
4 02191555. According to DRE records, RES White became affiliated with SGI on or about March 27,
5 2023, after the audit period ending February 28, 2023, discussed below. SGI also maintains the
6 following fictitious business name ("dba") licensed by the DRE:

7 a. "Elite Property Managers," active as of May 18, 2022.

8 4. Respondent GRIGOR has been licensed by the DRE as a real estate broker ("REB"),
9 License ID 01345788, from on or about July 13, 2005, through the present, with GRIGOR's license
10 scheduled to expire on July 12, 2029, unless renewed. Previously, GRIGOR was licensed by the DRE
11 as a real estate salesperson ("RES"), from on or about August 12, 2002, until on or about July 12,
12 2005. GRIGOR was also formerly a broker associate for REC Dream Team Real Estate Consultants
13 Inc, License ID 01811831, from on or about August 7, 2018, to on or about May 2, 2025.

14 **BROKERAGES: SGI AND GRIGOR**

15 5. At all times mentioned, in the County of Los Angeles, SGI and GRIGOR acted as real
16 estate brokers, conducting property management activities requiring a license in expectation of
17 compensation within the meaning of Code 10131(b): leasing or renting, or offering to lease or rent,
18 or placing for rent, or soliciting listings of places for rent, or soliciting for prospective tenants, or
19 collecting rents from real property for others. According to GRIGOR, all property management
20 activities were conducted under her individual REB license. However, based on records reviewed by
21 the DRE, many property management activities were conducted under SGI's REC license. At all
22 relevant times, for the property management activities conducted under SGI's REC license, SGI was
23 acting by and through GRIGOR as its D.O. pursuant to Code Section 10159.2, and GRIGOR was
24 responsible for ensuring compliance with the Real Estate Law.

25 **FACTS DISCOVERED BY DRE**

26 6. In the course of its investigation of Respondents, the DRE has discovered facts
27 regarding SGI's and GRIGOR's property management activities that constitute causes for discipline.

28 ///

1 7. On or about September 5, 2021, N.B. and H.P.^{1/} signed a Property Management
2 Agreement (“PMA”) with Elite Property Managers (“EPM”), the dba for SGI, to manage the property
3 owned by N.B. and H.P. located at 6453-6465 Calhoun Avenue, Van Nuys, CA 91401. On or about
4 September 6, 2021, GRIGOR signed this PMA on behalf of EPM and listed her individual REB
5 License ID, 01345788, for both EPM and herself as agent on this PMA. Some time later, N.B. and
6 H.P. added two accessory dwelling units (“ADUs”), using addresses 6469 and 6469½ Calhoun
7 Avenue, Van Nuys, CA, which together with the addresses at 6453-6465 Calhoun Avenue, are
8 referred to collectively herein as the “Calhoun Property.”

9 8. On or about June 1, 2022:

10 a. L.M., on behalf of the Q.-H. Family Trust, signed a PMA with EPM, the dba
11 for SGI, to manage the property located at 5050 Lankershim Boulevard, North Hollywood,
12 CA 91601 (“Lankershim Property”). GRIGOR signed this PMA on behalf of EPM and listed
13 SGI’s REC License ID, 02181842, for EPM, on this PMA.

14 b. L.M., on behalf of the trust, signed a Disclosure Regarding Real Estate Agency
15 Relationship prepared by EPM, listing the trust as landlord. The agent was listed as EPM, and
16 again SGI’s REC License ID, 02181842, was listed for EPM. GRIGOR signed on behalf of
17 EPM.

18 9. On or about June 12, 2022:

19 a. N.B. and H.P. signed another PMA with EPM, the dba for SGI, to manage
20 another property owned by N.B. and H.P. located at 5643-5645 Willowcrest Avenue, North
21 Hollywood, CA 91601 (“Willowcrest Property”). The PMA listed the agent as EPM, and
22 listed SGI’s REC License ID, 02181842, for EPM.

23 b. N.B. and H.P. signed a Disclosure Regarding Real Estate Agency Relationship
24 prepared by EPM, listing N.B. and H.P. as landlords. The agent was listed as EPM, and again
25 SGI’s REC License ID, 02181842, was listed for EPM.

26 10. On or about June 13, 2022, GRIGOR signed Willowcrest PMA and Disclosure on
27 behalf of EPM, which listed SGI’s REC License ID, 02181842, for EPM, on both documents.

28 ^{1/} Initials are used in place of names to protect privacy. Documents containing full names will be provided during
discovery in this case to Respondents and/or their attorney(s), after service of a proper request for discovery on the DRE.

1 11. On or about November 23, 2022, the DRE received a complaint from N.B. against
2 GRIGOR alleging that GRIGOR was managing two residential properties owned by N.B. and H.P.,
3 the Willowcrest Property and the Calhoun Property. Further, according to N.B.:

4 a. On or about October 6, 2022, GRIGOR sent a letter terminating the property
5 management agreement ("PMA") with N.B., effective on November 6, 2022.

6 b. Since on or about October 6, 2022, GRIGOR has withheld a portion of the rent
7 collected from the two properties, and blocked N.B.'s access to GRIGOR's online portal
8 which contains N.B.'s account and trust fund information. N.B. has contacted GRIGOR
9 several times, asking for ledgers and account statements, but GRIGOR has refused to provide
10 the documents. GRIGOR has also claimed that she has paid expenses, but has refused to
11 provide N.B. with invoices or proof of payment.

12 c. GRIGOR has failed to provide N.B. and his new property manager with
13 several key documents, including recent lease agreements with tenant and rent information
14 needed by the new property manager to start collecting rent in December 2022. The new
15 property manager also tried contacting GRIGOR several times, but has not received requested
16 documents.

17 d. Since on or about November 19, 2022, GRIGOR stopped taking calls or
18 responding to text messages or emails.

19 12. Based on documents reviewed, the DRE has discovered the following facts.

20 13. On or about October 7, 2022, GRIGOR emailed N.B. and H.P. a 30-day notice to
21 terminate the PMAs for both the Calhoun and Willowcrest Properties, with termination effective as
22 of November 8, 2022.

23 14. On or about November 13, 2022, N.B. sent a text message to GRIGOR asking her to
24 provide the new property management company, hired by N.B. to manage the Calhoun and
25 Willowcrest Properties, with all the documents SGI and/or GRIGOR had for the properties, including
26 all leases and tenant communications.

27 ///

28 ///

1 15. On or about November 14, 2022, N.B. sent an email to GRIGOR using the email
2 address "shakeh@elitepropertymanagers.com"^{2/} requesting that she withdraw a rental listing.
3 GRIGOR replied the same day stating that all marketing to lease 5643½ Willowcrest had been
4 removed, and GRIGOR would send N.B. a list of prospective tenants interested in leasing that unit.

5 16. On or about November 15, 2022, GRIGOR emailed N.B. with a list of prospective
6 tenants to lease 5643½ Willowcrest and in a subsequent email explained that EPM was already
7 working with those people, so that if any of them leased the unit EPM was still the agent representing
8 them and would work with the new property manager if any additional forms were needed.

9 17. On or about November 16, 2022, N.B. sent a text message to GRIGOR asking her to
10 send N.B. the ledgers and bank information that they previously reviewed together. GRIGOR replied
11 the same day saying she would send them, stating also that she forgot to deduct the tenants' deposit
12 return from the Willowcrest funds, and that she would deduct the funds from the Calhoun account.
13 N.B. replied the same day, offering to send a check and telling GRIGOR, "Please don't mix the 2
14 properties together." GRIGOR also sent N.B. an email attaching a document containing bank
15 transactions.

16 18. On or about November 17, 2022, N.B. emailed GRIGOR requesting that she send
17 N.B. the ledger for both properties. On information and belief, between November 17 and 19, 2022,
18 inclusive, GRIGOR emailed N.B. the ledger for the Willowcrest Property.

19 19. On or about November 19, 2022, N.B. emailed GRIGOR stating he reviewed the
20 Willowcrest ledger, asked why there was a management fee for November when EPM stopped
21 managing the property on November 6, asking for copies of invoices, asking about a bill, and stating
22 he would review the Calhoun ledger when he received it.

23 20. On or about November 19 and 20, 2022, and on a date unknown—documents show
24 the date only as "Today," which on information and belief was on or after Tuesday, November 22,
25 2022—N.B. and H.P. sent the following text messages to GRIGOR, to which GRIGOR did not
26 respond:

27 ///

28 ^{2/} Hereinafter, all emails sent to GRIGOR were sent to the email address shakeh@elitepropertymanagers.com. All emails received from GRIGOR were received from the email address shakeh@elitepropertymanagers.com.

1 [N.B., 11/19/2022, 10:54 AM]: Hi shakeh. How much did you list the lease
2 for? [¶] Also please send me the ledgers so we can review the accounts. The
calhoun check come at \$15k which is lower than expected.

3 [N.B., 11/20/2022, 10:36 AM]: Hi Shake. Did you start the prejudicial
4 review for the inscription that i sent you in Sep? This is urgent please
respond asap.

5 [N.B., 11/20/2022, 8:41 PM]: Hi shakeh. I tried to log in to the portal but
6 seems like you blocked our accounts. Please send me the ledgers and bank
deposits for both properties tomorrow and respond to the other emails.
7 Thank you.

8 [N.B., "Today," 7:44 AM]: Good morning Shakeh. Please send me the
ledgers and bank statements today. Thank you.

9 [N.B., "Today," 2:34 PM]: Hi Shakeh. Please send me the documents before
10 end of the day. You are holding our funds and blocked my access to see the
numbers on the portal. Our agreement on Monday was that we will receive
11 everything by Tuesday evening. I need the ledgers and bank statements and
missing invoices. This needs to be resolved today please. Thank you.

12 [H.P., "Today," 5:00 PM]: We have made multiple attempts to contact you,
13 as has our new property manager. We need the remainder of the documents
as well as any possible funds that you were holding from us. It is
14 unacceptable not to reply to text messages, emails, and calls. It has been
over a week that we have made numerous attempts to contact you with little
15 and sometimes no response. If this is not resolved immediately, by tonight,
I will have no choice but to contact the real estate board and take legal
16 action.

17 21. On or about November 23, 2022, the DRE received N.B.'s complaint against
18 GRIGOR.

19 22. On or about November 27, 2022, N.B. sent an email to GRIGOR containing:

- 20 a. A detailed list of charges and withdrawals that GRIGOR charged N.B. for the
21 Calhoun and Willowcrest properties that N.B. asked GRIGOR to clarify;
- 22 b. A request about EPM's increased management fees that were not agreed to;
- 23 c. A reminder that N.B. was still awaiting the Willowcrest ledger from GRIGOR
24 despite multiple requests and reminders; and
- 25 d. N.B.'s demand for a refund as follows:

26 Based on my [N.B.'s] calculations, you [GRIGOR] owe us the refund of
27 \$5,158.75 [funds remaining in Calhoun account] plus \$3,170.77 of missing
funds or expenses without our [N.B. and H.P.'s] approval. Assuming what
28 we owe you prior to adjustments (\$4,124.50) in Willowcrest, please issue a
refund of \$4,205.02 to clear both balances and prevent future legal filings.

1 23. On or about December 4, 2022, GRIGOR replied to N.B.'s November 27, 2022 email,
2 explaining that one of the charges was not made and that it was appropriate for EPM to charge a
3 prorated management fee through November 8, 2022. N.B. replied the same day, correcting his
4 November 27, 2022 email to say that he was still awaiting the Calhoun ledger.

5 24. On or about December 30, 2022, N.B. filed a small claims action against EPM for
6 \$4,205.02, in the Los Angeles County Superior Court, in *N.B. v. Elite Property Managers*, Case No.
7 22VESC02761 ("Case No. 22VESC02761").

8 25. Also on or about December 30, 2022, the same day that N.B. filed the small claims
9 action against EPM:

10 a. At or about 5:08 p.m., GRIGOR sent an email in reply to N.B.'s December 4,
11 2022 email, attaching invoices for both properties and the Calhoun ledger, and stating that
12 EPM was mailing the remaining balance of the account in the amount of \$767.17. GRIGOR's
13 email message contained a "signature" with a logo for EPM, and listing GRIGOR as the "VP
14 of Operations."

15 b. EPM issued check number 719, from SGI's Chase Bank account ending in
16 9685 (hereinafter referred to as "BA1"), signed by GRIGOR, in the amount of \$767.17,
17 payable to N.B., which contained a memo "Calhoun & Willowcrest balance." This check was
18 debited from BA1 on or about January 18, 2023.

19 26. On or about February 19, 2023, N.B. and EPM entered into a Complete Settlement
20 and Release Agreement to settle N.B.'s small claims action against EPM, Case No. 22VESC02761,
21 for \$2,000.00, which sum was to be paid to N.B. on or before February 20, 2023.

22 27. On or about February 20, 2023, EPM issued check number 740, from BA1, signed by
23 GRIGOR, in the amount of \$2,000.00, payable to N.B., and which contained a memo "[N.B.] vs.
24 Elite Property Managers," in reference to the small claims action, Case No. 22VESC02761.

25 28. On or about February 21, 2023, the Los Angeles County Superior Court dismissed
26 Case No. 22VESC02761 without prejudice.

27 29. On or about April 18, 2023, GRIGOR provided the DRE with a document titled "List
28 of Owners and Properties Managed" ("April 2023 List") which contains a list of properties managed

by EPM, with an indication of whether the property was being actively managed by EPM as of April 18, 2023, or was inactive.. Based on this list and a review of PMAs provided by GRIGOR, GRIGOR signed at least seven (7) PMAs on behalf of EPM with property owners, providing for a beginning date for management services, but no ending date, as shown in the table below:

Date GRIGOR signed PMA	Property Address	Owner(s)	PMA Begin Date	PMA End Date	Status on 4/18/2023
04/05/2019	10211 Montair Ave., Tujunga, CA	A.D. and M.D.	05/01/2019	None	Active
12/03/2019	14638 Killion St., Sherman Oaks, CA	C.G. and M.B.	12/01/2019	None	Active
05/22/2020	2786 Woodshire Dr., Los Angeles, CA	C.D.	06/01/2020	None	Active
08/23/2020	1208 - 1210 N. Cordova St., Burbank, CA	L.W. and C.W.	09/01/2020	None	Active
09/06/2021	Calhoun Property	N.B. and H.P.	09/05/2021	None	Inactive
06/01/2022	Lankershim Property	L.M. (Trustee)	06/01/2022	None	Active
06/13/2022	Willowcrest Property	N.B. and H.P.	06/13/2022	None	Inactive

Each of the above seven (7) PMAs contained a provision for either party to terminate the PMA on at least 30 days' written notice after the original commencement date, and each PMA also provided for EPM's compensation for property management services.

30. On or about June 27, 2023, in an email sent by GRIGOR to the DRE in reference to the settlement of Case No. 22VESC02761 with N.B., GRIGOR wrote, in part:

The \$2,000 on 2/20/23 was in no way, shape, or form a refund nor has such been stated or implied anywhere or at any time, nor is such supported by any documentation. . . . [T]hese funds were paid as a settlement to N.B. to cease his erroneous and fabricated claims in small claims court against Elite Property Managers.

[¶] . . . [¶]

[T]his was NOT a return of funds nor has such been stated or implied at any time or by any documentation. This expense was an Elite Property Managers expense as it was in response to erroneous small claims charges against Elite Property Managers [sic].

AUDIT OF GRIGOR: AUDIT NO. LA220093

31. On November 20, 2023, the Department completed an audit examination of the books and records of GRIGOR's real estate activities that require a real estate broker license under Code Section 10131. The audit examination, LA220093, covered the time period from September 1, 2021 to February 28, 2023 ("audit period") and was limited to GRIGOR's property management activities.

///

///

1 32. The purpose of the audit examinations was to determine whether GRIGOR conducted
2 their real estate activities and handled and accounted for trust funds in accordance with the Real
3 Estate Law and the Regulations.

4 33. As of March 24, 2023, GRIGOR managed approximately forty-two (42) properties
5 for thirty-one (31) owners in the last 12 months of the audit period. In addition, GRIGOR collected
6 a total of approximately \$2,685,814.47 in property management trust funds in the last 12 months of
7 the audit period. GRIGOR charged various management fees ranging from the greater of \$100 to
8 \$250 or 3% to 3.5% of collected rents depending on the size of the properties managed.

9 34. GRIGOR maintained three (3) bank accounts for handling the receipts and
10 disbursements of trust funds in connection with her property management activities during the audit
11 period, as follows:

12 a. **Bank Account 1 ("BA1")**

13 Bank: Chase Bank
14 Account Name: Shakeh Grigor Inc
 Shakeh Grigor Inc DBA Elite Property Managers
15 Account #: XXXXXXXX9685
16 Signatories: GRIGOR (REB, 100% owner)
 White (RES)
17 Signatures
 required: One (1) signature
18 Purpose: BA1 is used for the handling of trust fund receipts through online
 deposits and transfers from Bank Account 2, disbursements of trust
19 funds for multiple beneficiaries related to SGI's and/or GRIGOR's
 property management activities, and disbursements of SGI's and/or
20 GRIGOR's funds to pay for SGI's and/or GRIGOR's expenses. This
 account was opened on or about October 19, 2018, however, based
21 on DRE licensing records, SGI's REC license and dba, Elite Property
 Managers, were licensed effective as of May 18, 2022.

22 b. **Bank Account 2 ("BA2")**

23 Bank: Chase Bank
24 Account Name: Shakeh Grigor Inc
 Shakeh Grigor Inc DBA Elite Property Managers
25 Account #: XXXXXXXX9677
26 Signatories: GRIGOR (REB, 100% owner)
 White (RES)
27 Signatures required: One (1) signature

28 ///

Purpose:

BA2 is used for the handling of trust fund receipts for multiple beneficiaries through check/cash deposits and disbursements of trust funds for multiple beneficiaries by online transfers to BA1 and to the single beneficiary bank account, BA3, related to SGI's and/or GRIGOR's property management activity. This account was also opened on or about October 19, 2018, however, based on DRE licensing records, SGI's REC license and its dba, Elite Property Managers, were licensed effective as of May 18, 2022.

35. SGI and/or GRIGOR also maintained a third bank account for a single beneficiary, "Bank Account 3" ("BA3"), at Chase Bank, with an account number ending in 1905, used for handling trust funds. However, BA3 was not examined during the audit.

Audit Violations in Audit No. LA220093

36. Complainant realleges and incorporates by reference all of the allegations contained in the previous paragraphs as though fully set forth herein.

37. The audit examination revealed violations of the Code and the Regulations, as set forth in the following paragraphs, and more fully discussed in Audit No. LA220093 and the exhibits and work papers attached to the audit report:

Issue One (1). Code Section 10145 and Regulation 2832.1: Trust Fund Handling for Multiple Beneficiaries

38. As of February 28, 2023, there was a minimum trust fund shortage of <\$45,492.88> in BA1 caused by: minimum negative property balances totaling <\$17,476.72>, minimum bank charges totaling <\$516.00>, and minimum unauthorized disbursements and/or commingling and/or conversion of trust funds totaling <\$27,500.16>.

39. GRIGOR provided no evidence that the owners of the trust funds provided written consent to allow GRIGOR to reduce the balance of funds in BA1 to an amount less than the existing aggregate trust fund liabilities.

40. GRIGOR's reduction of the balance of funds in BA1 to an amount less than the existing aggregate trust fund liabilities was in violation of **Code section 10145 and Regulation 2832.1.**

41. In addition and/or in the alternative, to the extent SGI was engaged in property management activities resulting in a trust fund shortage, SGI's reduction of the balance of funds in

///

BA1 to an amount less than the existing aggregate trust fund liabilities was in violation of **Code section 10145 and Regulation 2832.1.**

Issue Three (3)^{3/}. Code Section 10145 and Regulation 2832: Trust Fund Handling

42. The DRE requested bank signature cards for BA1 and BA2 from GRIGOR, but they were not provided. Instead, Chase Bank provided the DRE with “Deposits Account Balance Summary” (“DABS”) for BA1 and BA2.

43. According to the DABS for BA1, dated April 12, 2023, BA1—which is used for handling receipts and disbursements of trust funds for multiple beneficiaries related to GRIGOR’s property management activities—during the audit period, was not designated as a trust account, and was not set up in the name of GRIGOR as trustee.

44. According to the DABS for BA2, dated April 19, 2023, BA2—which is used for handling receipts and disbursements of trust funds for multiple beneficiaries related to GRIGOR’s property management activities—during the audit period, was not designated as a trust account, and was not set up in the name of GRIGOR as trustee.

45. According to the DABS for BA1 and BA2, both BA1 and BA2 were opened on October 19, 2018, with the account title “Shakeh Grigor Inc.” According to DRE’s licensing records, however, SGI and its dba Elite Property Managers were not licensed until May 18, 2022.

46. GRIGOR’s failure to designate BA1 and BA2 as trust accounts in GRIGOR’s name as trustee was in violation of **Code section 10145 and Regulation 2832.**

47. In addition and/or in the alternative, to the extent SGI was engaged in property management activities, SGI’s failure to designate BA1 and BA2 as trust accounts in SGI’s name, or in SGI’s licensed dba name, as trustee was in violation of **Code section 10145 and Regulation 2832.**

Issue Four (4). Code Section 10145 and Regulation 2831: Trust Fund Records to be Maintained

48. The control record maintained for BA1, which was used for handling the receipts and disbursements of trust funds in connection with property management activity was inaccurate and incomplete. In addition, GRIGOR did not maintain a control record for BA2.

^{3/} Issue Two (2) was skipped intentionally. Complainant reserves the right to conduct further investigation and to amend the accusation regarding Issue Two, as well as potential causes of accusation not alleged in this Accusation at the time of filing.

1 49. The control record for BA1 did not have an accurate daily balance of trust funds
2 received and disbursed. The balance shown by the bank statement did not match the control record
3 after accounting for deposits in transit and outstanding checks.

4 50. In addition, based on the records examined:

5 a. Bank Transactions reports organized by properties and generated on different
6 days contained different balances for several of the same properties. According to GRIGOR,
7 she contacted Buildium, the accounting software company, and was informed that the Rental
8 Owner Statement was the correct report for showing all transactions on a single property.
9 GRIGOR also clarified that the Bank Transactions report did not match the other reports since
10 credits and direct payments to the owner were not shown on Bank Transactions reports.

11 b. Properties that GRIGOR identified as “inactive” still had outstanding
12 balances as of February 28, 2023.

13 c. There was at least one transaction in which the date posted in BA1’s control
14 record did not match the date deposited in BA1’s bank statement, for a transfer made from
15 BA2 to BA1.

16 d. There were transactions recorded in the control record that were not actually
17 disbursed from BA1. According to GRIGOR, there were journal entries recorded for tax
18 purposes at the property owner’s request, and a cashier’s check was recorded as received in
19 BA1, when it was actually given to the owner directly by GRIGOR without going through
20 BA1.

21 e. There were transactions that were incorrectly recorded in the broker’s ledger
22 instead of the property ledger.

23 51. GRIGOR’s failure to maintain complete and accurate control records for trust funds
24 received and disbursed for BA1 and BA2 was in violation of **Code section 10145 and Regulation**
25 **2831.**

26 52. In addition and/or in the alternative, to the extent SGI was engaged in property
27 management activities, SGI’s failure to maintain complete and accurate control records for trust

28 ///

1 funds received and disbursed for BA1 and BA2 was in violation of Code section 10145 and
2 Regulation 2831.

3 **Issue Five (5). Code Section 10145 and Regulation 2831.1: Separate Record for Each**
4 **Beneficiary or Transaction**

5 53. The separate records maintained for BA1, which was used for handling the receipts
6 and disbursements of trust funds in connection with property management activities, were inaccurate
7 and incomplete. In addition, GRIGOR did not maintain separate records for BA2.

8 54. BA1's separate records did not maintain an accurate total balance of trust funds
9 received that were deposited and disbursed. The balance on BA1's bank statement did not match the
10 total balance of BA1's separate records after accounting for deposits in transit and outstanding
11 checks. In addition, the Elite Property Managers broker's ledger had a negative balance of
12 <\$51,301.26> as of the audit cutoff date of February 28, 2023.

13 55. In addition, based on records examined:

14 a. Separate records including Property Ledger reports, and Owner Statement
15 reports, contained different balances for several properties.

16 b. Properties that GRIGOR identified as "inactive" still had outstanding balances
17 as of February 28, 2023.

18 c. There was at least one transaction in which the date posted in BA1's separate
19 records did not match the date deposited in BA1's bank statement, for a transfer made from
20 BA2 to BA1.

21 d. There were transactions recorded in the separate records that were not actually
22 disbursed from BA1.

23 e. There were at least two (2) checks where the check numbers were not
24 identified in the separate records.

25 f. There were transactions that were incorrectly recorded in the broker's ledger
26 instead of the property ledger.

27 g. A separate record was not maintained for the minimum unidentified and/or
28 unaccounted for funds held in BA1 totaling \$27,129.51, as of February 28, 2023.

1 56. GRIGOR's failure to maintain an accurate separate records of the receipts and
2 disbursements of all trust funds deposited into BA1 and BA2, and GRIGOR's acts and/or omissions
3 resulting in BA1 containing unidentified/unaccounted for funds totaling \$27,129.51 as of February
4 28, 2023, were in violation of **Code section 10145 and Regulation 2831.1.**

5 57. In addition and/or in the alternative, to the extent SGI was engaged in property
6 management activities, SGI's failure to maintain an accurate separate records of the receipts and
7 disbursements of all trust funds deposited into BA1 and BA2, and SGI's acts and/or omissions
8 resulting in BA1 containing unidentified/unaccounted for funds totaling \$27,129.51 as of February
9 28, 2023, were in violation of **Code section 10145 and Regulation 2831.1.**

10 **Issue Six (6). Code Section 10145 and Regulation 2831.2: Trust Account Reconciliation**

11 58. During the audit period, GRIGOR did not perform and maintain monthly trust account
12 reconciliations comparing the balance of all separate beneficiaries' transaction records (separate
13 records) to the balance of the control record for BA1 and BA2 as required in connection with property
14 management activities during the audit period.

15 59. GRIGOR failed to reconcile the minimum unidentified/unaccounted for funds held in
16 BA1 totaling \$27,129.51 as of February 28, 2023.

17 60. GRIGOR's failure to perform and maintain an accurate monthly reconciliation
18 comparing the balance of all separate beneficiary or transaction records (separate records) to the
19 balance of the record of all trust funds received and disbursed (control record) for BA1 and BA2, and
20 GRIGOR's failure to reconcile the unidentified/unaccounted for funds held in BA1 totaling
21 \$27,129.51 as of February 28, 2023, were in violation of **Code section 10145 and Regulation**
22 **2831.2.**

23 61. In addition and/or in the alternative, to the extent SGI was engaged in property
24 management activities, SGI's failure to perform and maintain an accurate monthly reconciliation
25 comparing the balance of all separate beneficiary or transaction records (separate records) to the
26 balance of the record of all trust funds received and disbursed (control record) for BA1 and BA2, and
27 SGI's failure to reconcile the unidentified/unaccounted for funds held in BA1 totaling \$27,129.51 as
28 of February 28, 2023, were in violation of **Code section 10145 and Regulation 2831.2.**

Issue Seven (7). Code Sections 10145 and 10176(i): Handling of Trust Funds; Unauthorized Disbursements; Conversion of Funds

62. Based on records examined, as of June 14, 2022, trust funds totaling \$28,397.94 were transferred without authorization from BA1 to GRIGOR's savings account with Chase Bank, account number ending in 9707, referred to as "GA1."

63. As of February 28, 2023, there were minimum unauthorized disbursements and/or conversion of trust funds totaling \$27,500.16 in BA1.

64. GRIGOR's acts and/or omissions in transferring trust funds totaling \$28,397.94 from BA1 to GA1 without authorization, and in causing minimum unauthorized disbursements and/or conversion of trust funds totaling \$27,500.16 in BA1, were in violation of **Code sections 10145 and 10176(i)**.

65. In addition and/or in the alternative, to the extent SGI was engaged in property management activities, SGI's acts and/or omissions in transferring trust funds totaling \$28,397.94 from BA1 to GA1 without authorization, and in causing minimum unauthorized disbursements and/or conversion of trust funds totaling \$27,500.16 in BA1 were in violation of **Code sections 10145 and 10176(i)**.

Issue Eight (8). Code Sections 10145, 10176(e), and 10176(i), and Regulation 2832(e): Handling of Trust Funds; Commingling; Unauthorized Disbursements; Conversion of Funds

66. As of February 28, 2023, there were minimum unauthorized disbursements and/or commingling and/or conversion of trust funds in GA1.

67. Based on an examination of bank statements for BA1 and GA1, during the audit period, GRIGOR transferred \$28,397.94 in trust funds from BA1 to GA1 without authorization from the property owners. Trust funds totaling \$28,397.94 deposited into GA1 were commingled with GRIGOR's funds in GA1. In addition, GRIGOR made unauthorized disbursements and converted trust funds deposited into GA1 during the audit period.

68. During the audit period, GRIGOR made unauthorized disbursements and converted trust funds totaling \$24,000.00 in GA1. GRIGOR withdrew at least \$24,000 from GA1 and claimed this was her income. According to GRIGOR, the withdrawals from GA1 were all withdrawals to pay

1 herself from Elite Property Managers profits. However, funds deposited to GA1 were trust funds and
2 not GRIGOR's or SGI's income or profits.

3 69. Based on GA1's bank statements, during the audit period, the balance of GA1 was
4 reduced to an amount that was less than the amount of trust funds transferred from BA1 to GA1.

5 70. GRIGOR's acts and/or omissions that caused and/or resulted in minimum
6 unauthorized disbursements and/or commingling and/or conversion of trust funds in GA1 were in
7 violation of **Code sections 10145, 10176(e), and 10176(i), and Regulation 2832(e).**

8 71. In addition and/or in the alternative, to the extent SGI was engaged in property
9 management activities, SGI's acts and/or omissions that caused and/or resulted in minimum
10 unauthorized disbursements and/or commingling and/or conversion of trust funds in GA1 were in
11 violation of **Code sections 10145, 10176(e), and 10176(i), and Regulation 2832(e).**

12 **Issue Nine (9). Code Section 10159.5 and Regulation 2731: Unlicensed Fictitious Business**

13 **Name**

14 72. To the extent GRIGOR conducted property management activities under her REB
15 license, and not under SGI's REC license, GRIGOR used the fictitious business names "Elite
16 Property Managers" and "Shakeh Grigor Inc"—which names were not licensed to GRIGOR under
17 her REB license—in connection with property management activities during the audit period without
18 first obtaining a license from the DRE bearing such fictitious business names, in violation of **Code**
19 **Section 10159.5 and Regulation 2731.**

20 **Issue Ten (10). Code Section 10159.2: Responsibility of Corporate Officer In Charge**

21 73. Complainant realleges and incorporates by reference all of the allegations contained
22 in the previous paragraphs as though fully set forth herein.

23 74. To the extent GRIGOR conducted property management activities under SGI's REC
24 license, and not under her individual REB license, based on the above findings in Issues One (1) and
25 Three (3) through Eight (8), GRIGOR did not exercise adequate supervision and control over the real
26 estate activities conducted on SGI's behalf by its employees and licensees to ensure compliance with
27 the Real Estate Laws and Regulations. GRIGOR failed to establish policies, rules and systems to

28 ///

review, oversee, inspect, and manage transactions. GRIGOR's acts and/or omissions were in violation of **Code section 10159.2**.

FIRST CAUSE OF ACCUSATION: AUDIT VIOLATIONS IN AUDIT NO. LA220093

75. Complainant realleges and incorporates by reference all of the allegations contained in the previous paragraphs as though fully set forth herein.

76. GRIGOR's conduct as alleged above in paragraphs 38 through 72, and in Issues One (1) and Three (3) through Nine (9), violated the Code and the Regulations as set forth below:

<u>Issue No.</u>	<u>Paragraphs</u>	<u>Violations</u>
1	38-40	Code section 10145; Regulation 2832.1
3	42-46	Code section 10145(a); Regulation 2832
4	48-51	Code section 10145; Regulation 2831
5	53-56	Code section 10145; Regulation 2831.1
6	58-60	Code section 10145; Regulation 2831.2
7	62-64	Code sections 10145 and 10176(i)
8	66-70	Code sections 10145, 10176(e), and 10176(i): Regulation 2832(e)
9	72	Code section 10159.5; Regulation 2731

77. The violations alleged above in paragraphs 38 through 72, and in Issues One (1) and Three (3) through Nine (9), constitute cause for the suspension or revocation of GRIGOR's real estate license and license rights under the provisions of **Code sections 10176(e), 10176(i), and 10177(d) and/or 10177(g)**.

78. In addition and/or in the alternative, to the extent the property management activities were conducted under SGI's REC license, SGI's conduct as alleged above in paragraphs 38 through 71, and in Issues One (1) and Three (3) through Eight (8), violated the Code and the Regulations as set forth below:

<u>Issue No.</u>	<u>Paragraphs</u>	<u>Violations</u>
1	38-39, 41	Code section 10145; Regulation 2832.1
3	42-45, 47	Code section 10145(a); Regulation 2832
4	48-50, 52	Code section 10145; Regulation 2831
5	53-55, 57	Code section 10145; Regulation 2831.1
6	58-59, 61	Code section 10145; Regulation 2831.2
7	62-63, 65	Code sections 10145 and 10176(i)
8	66-69, 71	Code sections 10145, 10176(e), and 10176(i): Regulation 2832(e)

79. The violations alleged above in paragraphs 38 through 71 constitute cause for the suspension or revocation of SGI's real estate license and license rights under the provisions of Code sections **10176(e), and 10176(i), and 10177(d) and/or 10177(g).**

80. Also in addition and/or in the alternative, to the extent GRIGOR conducted property management activities under SGI's REC license, based on the allegations above in paragraphs 38 through 71, and in Issues One (1) and Three (3) through Eight (8), GRIGOR, as the broker and designated officer of SGI, violated the Code and the Regulations as set forth below:

<u>Issue No.</u>	<u>Paragraphs</u>	<u>Violations</u>
10	73-74	Code section 10159.2

81. The violations alleged above in paragraphs 38 through 74, and in Issues One (1), Three (3) through Eight (8), and Ten (10), constitute cause for the suspension or revocation of GRIGOR's real estate license and license rights under the provisions of **Code sections 10177(d) and/or 10177(g).**

SECOND CAUSE OF ACCUSATION: FAILURE TO INCLUDE DATE OF FINAL TERMINATION

82. Complainant realleges and incorporates by reference all of the allegations contained in the previous paragraphs as though fully set forth herein.

83. As alleged above in Paragraph 29, none of the seven (7) PMAs prepared by and entered into by EPM, and signed by GRIGOR, contained an ending date for termination of the agreements.

84. To the extent GRIGOR entered into any of these PMAs under her individual REB license, in expectation of compensation, GRIGOR's failure to include a definite, specified date of final and complete termination of any of these PMAs was in violation of **Code section 10176(f),** and constitutes cause for the suspension or revocation of all licenses and license rights of GRIGOR under the provisions of **Code sections 10176(f), and 10177(d) and/or 10177(g).**

85. In addition and/or in the alternative, to the extent SGI dba EPM entered into any of these PMAs under SGI's REC license, in expectation of compensation, SGI's failure to include a definite, specified date of final and complete termination of any of these PMAs was in violation of **Code section 10176(f),** and constitutes cause for the suspension or revocation of all licenses and

1 license rights of SGI under the provisions of **Code sections 10176(f), and 10177(d) and/or**
2 **10177(g).**

3 **THIRD CAUSE OF ACCUSATION: BREACH OF FIDUCIARY DUTIES**

4 86. Complainant realleges and incorporates by reference all of the allegations contained
5 in the previous paragraphs as though fully set forth herein.

6 87. At all relevant times herein, while acting as the real estate broker and agent of N.B.
7 and H.P., and L.M. ("Principals") under the PMAs, SGI and/or GRIGOR owed their Principals
8 fiduciary duties, including, but not limited to, the following: duty to diligently exercise reasonable
9 care and skill in performing the responsibilities of the relationship; duty to obey the instructions of
10 the Principals; duty to safeguard, preserve and account for any trust funds or property entrusted to
11 the agent by his or her Principals; duty to keep the trust funds of Principals separate from the funds
12 of the agent; duty to account in a timely manner at the termination of the agency or PMA for all trust
13 funds received and disbursed on behalf of the Principal, and to timely disburse trust funds to the
14 Principals to whom income or trust funds are owed; the duty of utmost care, integrity, honesty, and
15 loyalty in dealings with the Principals; duty to avoid conflicts of interest with the Principals; duty to
16 act at all times in the best interests of the Principals to the exclusion of all other interests, including
17 interests that could benefit the agent or others.

18 88. In the course of the activities alleged above in Paragraph 5, and based on the facts
19 discovered by the DRE, as alleged in Paragraphs 6 through 81 above, SGI's and/or GRIGOR's acts
20 and/or omissions constituted breaches of their fiduciary duties. Such breaches include but are not
21 limited to:

22 a. GRIGOR claiming that all property management activities were conducted
23 under her individual REB license, when in fact she signed all PMAs on behalf of EPM, the
24 dba for SGI, signed PMAs and Disclosures Regarding Real Estate Agency Relationship for
25 the Lankershim and Willowcrest Properties listing SGI's REC License ID for EPM, and
26 received, maintained, and disbursed all trust funds for the Principals using BA1 and BA2,
27 which accounts were in the name of SGI dba EPM.

28 ///

1 b. SGI and/or GRIGOR entering into seven (7) PMAs in expectation of
2 compensation, as alleged above in Paragraph 29, and failing to include a definite, specified
3 date of final and complete termination of the agreements.

4 c. SGI and/or GRIGOR failing to fully account in a timely manner for all funds
5 and property of N.B. and H.P. received and disbursed by the agent, by failing to provide a
6 full accounting and/or the property ledgers upon termination of the PMA on or about
7 November 8, 2022, and continuing to fail to provide a full accounting until on or after
8 December 30, 2022.

9 d. SGI and/or GRIGOR failing to timely obey the instructions of N.B. and H.P.
10 to provide both property ledgers from on or about November 16, 2022, when N.B. first
11 requested the ledgers, until on or about December 30, 2022.

12 e. As of February 28, 2023:

13 (1) SGI and/or GRIGOR causing a minimum trust fund shortage of
14 <\$45,492.88> in BA1 and reducing the balance of funds in BA1 to an amount less
15 than the existing aggregate trust fund liabilities;

16 (2) To the extent GRIGOR conducted property management activities
17 under her individual REB license, receiving, depositing, maintaining, and disbursing
18 trust funds in BA1 and BA2, when BA1 and BA2 were not designated as trust
19 accounts in GRIGOR's name as trustee;

20 (3) To the extent SGI conducted property management activities under its
21 REC license, receiving, depositing, maintaining, and disbursing trust funds in BA1
22 and BA2, when BA1 and BA2 were not designated as trust accounts in the name of
23 SGI or its dba, EPM, as trustee;

24 (4) SGI and/or GRIGOR failing to maintain complete and accurate control
25 records for trust funds received and disbursed for BA1 and BA2;

26 (5) SGI and/or GRIGOR failing to maintain complete and accurate
27 separate records of the receipts and disbursements of all trust funds deposited into
28

///

1 BA1 and BA2, and causing BA1 to contain unidentified/unaccounted for funds
2 totaling \$27,129.51;

3 (6) SGI and/or GRIGOR failing to perform and maintain an accurate
4 monthly reconciliation comparing the balance of all separate beneficiary or
5 transaction records (separate records) to the balance of the record of all trust funds
6 received and disbursed (control record) for BA1 and BA2, and to reconcile the
7 unidentified/unaccounted for funds held in BA1 totaling \$27,129.51;

8 (7) SGI's and/or GRIGOR's acts and/or omissions in transferring trust
9 funds totaling \$28,397.94 from BA1 to GA1 without authorization, and in causing
10 minimum unauthorized disbursements and/or conversion of trust funds totaling
11 \$27,500.16 in BA1;

12 (8) SGI's and/or GRIGOR's acts and/or omissions in causing or resulting
13 in minimum unauthorized disbursements and/or commingling and/or conversion of
14 trust funds in GA1; and

15 (9) To the extent GRIGOR conducted property management activities
16 under her individual REB license, using the fictitious business names "Elite Property
17 Managers" and "Shakeh Grigor Inc" without first obtaining a license from the DRE
18 bearing such fictitious business names.

19 89. SGI's and/or GRIGOR's acts and/or omissions as alleged in Paragraphs 87 and 88
20 above were in violation of their fiduciary duties and constitute cause for the suspension or revocation
21 of SGI's and/or GRIGOR's real estate licenses and license rights under the provisions of and **Code**
22 **sections 10177(d) and/or 10177(g).**

23 **FOURTH CAUSE OF ACCUSATION: RESPONSIBILITY OF CORPORATE OFFICER IN CHARGE**

24 90. Complainant realleges and incorporates by reference all of the allegations contained
25 in the previous paragraphs as though fully set forth herein.

26 91. To the extent GRIGOR conducted property management activities under SGI's REC
27 license, based on the allegations contained in Paragraph 5, on the facts discovered by the DRE, as
28 alleged in Paragraphs 6 through 89 above, and the Second and Third Cause of Accusations above,

GRIGOR as the broker of record and D.O. of SGI, did not exercise adequate supervision and control over the real estate activities conducted on behalf of SGI by its employees and licensees to ensure compliance with the Real Estate Laws and Regulations. GRIGOR failed to establish policies, rules and systems to review, oversee, inspect, and manage transactions. GRIGOR's acts and/or omissions were in violation of **Code section 10159.2**, and constitute cause to suspend or revoke the real estate licenses and license rights of GRIGOR pursuant to **Code sections 10177(d) and/or 10177(g)**.

INVESTIGATION AND ENFORCEMENT COSTS

92. Code Section 10106 provides 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.

AUDIT COSTS

93. Code Section 10148(b) provides, in pertinent part, the 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 section.

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 SHAKEH GRIGOR, INC. and SHAKEH B. GRIGOR under the Real Estate Law, for the costs of investigation and enforcement, and audit 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 August 29, 2025.


Ray Dagnino
Supervising Special Investigator

cc: SHAKEH GRIGOR, INC.
SHAKEH B. GRIGOR
Ray Dagnino
Sacto.