

FILED

DEC 19 2024

DEPT OF REAL ESTATE

By [REDACTED]

JUDITH A. BURANDAY, Counsel (SBN 278115)
Department of Real Estate
320 West 4th Street, Suite 350
Los Angeles, California 90013-1105
Direct: (213) 443-9263
Fax: (213) 576-6917
Email: Judith.Buranday@dre.ca.gov
Attorney for Complainant

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

| | | |
|--|---|-------------------|
| In the Matter of the Accusation Against |) | |
| |) | No. H-43028 LA |
| BETTER LIVING SOCAL GROUP CORPORATION, |) | |
| KELLY NICOLE LAULE, individually and as |) | |
| Designated Officer of Better Living Social Group |) | |
| Corporation, |) | <u>ACCUSATION</u> |
| |) | |
| Respondents. |) | |
| |) | |

The Complainant, Jason Parson, a Supervising Special Investigator of the State of California, for cause of Accusation against BETTER LIVING SOCAL GROUP CORPORATION ("BLSGC") and KELLY NICOLE LAULE ("LAULE"), individually and as designated officer of Better Living Social Group Corporation (collectively as "Respondents") 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.

ACCUSATION

1 LICENSE HISTORY

2 (BETTER LIVING SOCAL GROUP CORPORATION)

3 3.

4 Respondent BLSGC is presently licensed and/or has license rights under the
5 Code as a corporate real estate broker with Department of Real Estate ("Department") license
6 ID 01964718. BLSGC does not maintain any fictitious business names with the Department.

7 (KELLY NICOLE LAULE)

8 4.

9 Respondent LAULE is presently licensed and/or has license rights under the
10 Code as a real estate broker with Department license ID 01773280. LAULE is the director,
11 chief executive officer, chief financial officer, and secretary of BLSGC. In addition, LAULE is
12 the designated officer for BLSGC. As designated officer, LAULE is responsible for the
13 supervision of the activities conducted on behalf of BLSGC by its officers, agents, real estate
14 licensees, and employees pursuant to Section 10159.2 of the Code.

15 (PRIOR LICENSE DISCIPLINARY ACTION)

16 5.

17 On or about November 7, 2019, in Case No. H-41544 LA, the Complainant
18 Maria Suarez, in her official capacity as a Supervising Special Investigator of the State of
19 California, issued an Accusation against Respondents. The Accusation alleged violations of the
20 Code and Regulations relating to Respondents' property management activities (Audit No.
21 LA180003). On or about February 12, 2021, the Real Estate Commissioner issued a Decision,
22 effective March 22, 2021, staying the suspension of the real estate licenses of Respondents,
23 under certain terms and conditions, including in part obeying all laws, rules and regulations
24 governing the rights, duties and responsibilities of a real estate licensee.

25 REAL ESTATE ACTIVITY

26 6.

27 At all times relevant herein BLSGC engaged in the business of, acted in the
28 capacity of, advertised or assumed to act as a real estate broker for or in expectation of

ACCUSATION

1 compensation, within the meaning of Code sections 10131(a) (sells or offers to sell, buys or
2 offers to buy, solicits prospective sellers or buyers of, solicits or obtains listings of, or
3 negotiates the purchase, sale, or exchange of real property or a business opportunity) and
4 10131(b) (leases or rents or offers to lease or rent, or places for rent, or solicits listings of
5 places for rent, or solicits for prospective tenants, or negotiates the sale, purchase, or exchanges
6 of leases on real property, or on a business opportunity, or collects rents from real property, or
7 improvements thereon, or from business opportunities).

8 CAUSE FOR ACCUSATION

9 (AUDIT NO. LA230078)

10 7.

11 On or about June 24, 2024, the Department completed an audit examination of
12 the books and records of BLSGC pertaining to its property management activity described in
13 Paragraph 6 above, to determine whether Respondents are in compliance with the Code and
14 Regulations and have corrected the violations found in the prior audit in Audit No. LA180003.
15 The audit examination covered the period of time from April 1, 2022, to April 30, 2024 ("audit
16 period"). The audit examination revealed violations of the Code and the Regulations as set
17 forth in the following paragraphs, and more fully discussed in Audit Report No. LA230078 and
18 the exhibits and work papers attached to said audit report.

19 8.

20 According to LAULE, BLSGC had not engaged in any property management
21 activities since June 2020. An examination of BLSGC's bank records at Bank of America
22 (Account No. xxxxxxxx2184) ("BA-1"), however, revealed that BLSGC still maintained BA-1
23 during the audit period. BA-1 was maintained to handle trust funds in the property management
24 activity for multiple beneficiaries. BA-1 was closed on June 20, 2024.

25 ///

26 ///

27 ///

28 ///

1 9.

2 The audit examination revealed violations of the Code and the Regulations, as
3 set forth in the following paragraphs, and more fully discussed in Audit Report No. LA230078
4 and the exhibits and work papers attached to the audit reports:

5 **(a) Handling of Trust Funds/Trust Account Designation (Code section 10145; Regulations**
6 **section 2832).**

7 Based on an examination of BA-1's bank signature card dated December 7,
8 2016, BA-1 was not designated as a trust account and in the name of Better Living Social Group
9 Corporation as trustee.

10 **(b) Trust Fund Handling/Commingling of Trust Funds (Code sections 10145 and**
11 **10176(e); Regulations section 2835(a)/2835(c).**

12 As of May 31, 2024, BLSGC kept its own funds in excess of \$200.00 in BA-1.
13 BLSGC had \$8,123.66 of its own funds in BA-1 since January 20, 2022, and trust funds of
14 \$1,058.96. The excess broker funds were comingled with trust funds in BA-1 for over twenty-
15 five (25) days after its deposit.

16 (AUDIT NO. LA230089)

17 10.

18 On or about August 26, 2024, the Department completed an audit examination
19 of the books and records of BLSGC pertaining to its real estate sales activity described in
20 Paragraph 6 above, to determine whether Respondents are in compliance with the Code and
21 Regulations. The audit examination covered the period of time from April 1, 2022, to April 30,
22 2024 ("audit period"). The audit examination revealed a violation of the Code and the
23 Regulations as set forth in the following paragraph, and more fully discussed in Audit Report
24 No. LA230089 and the exhibits and work papers attached to said audit report.

25 11.

26 During the audit period, BLSGC used the unlicensed fictitious business names
27 "Better Living Social Group" and "Better Living SoCal" in violation of Code section 10159.5
28 and Regulations section 2731. BLSGC used "Better Living Social Group" on a Purchase

1 Agreement, Possible Representation of More Than One Buyer or Seller, Disclosure Regarding
2 Real Estate Agency Relationship, FHA/VA Amendatory Clause, and Listing Agreement.

3 BLSGC used the unlicensed fictitious business name "Better Living SoCal" on a Purchase
4 Agreement, Possible Representation of More Than One Buyer or Seller, Disclosure Regarding
5 Real Estate Agency Relationship, and FHA/VA Amendatory Clause.

6 12.

7 Each of the foregoing violations in Paragraphs 9(a)-(b) and 11 above constitute
8 cause for the suspension or revocation of the real estate license and/or license rights of
9 Respondents under the provisions of Sections 10177(d) and/or 10177(g).

10 COSTS

11 (AUDIT COSTS)

12 13.

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

18 (INVESTIGATION AND ENFORCEMENT COSTS)


19 14.

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

25 WHEREFORE, Complainant prays that a hearing be conducted on the
26 allegations of this Accusation and that upon proof thereof, a decision be rendered imposing
27 disciplinary action against all the licenses and/or license rights of Respondents BETTER
28 LIVING SOCAL GROUP CORPORATION and KELLY NICOLE LAULE under the Real

1 Estate Law, for the costs of investigation and enforcement as permitted by law, for the cost of
2 the audits, and for such other and further relief as may be proper under other applicable
3 provisions of law.

4
5 Dated at Los Angeles, California this 16th day of December, 2024.

6
7
8  for J. Parson
9 Jason Parson
10 Supervising Special Investigator
11
12
13
14
15
16
17
18
19
20
21
22
23
24

25 cc: BETTER LIVING SOCAL GROUP CORPORATION
26 KELLY NICOLE LAULE
27 Jason Parson
28 Sacto.
Audits – Guadalupe Barragan