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BUREAU OF REAL ESTATE

By B. Nicholas

8
9 BEFORE THE BUREAU OF REAL ESTATE

10 STATE OF CALIFORNIA

11 * * *

12 In the Matter of the Accusation of)

13 STEVEN HSIN-JUI WU,)

14 Respondent.)

NO. H-11903 SF

ACCUSATION

15 The Complainant, ROBIN S. TANNER, in her official capacity as a Supervising
16 Special Investigator of the State of California, Bureau of Real Estate ("Bureau"), brings this
17 Accusation against STEVEN HSIN-JUI WU ("Respondent"), and is informed and alleges as
18 follows:

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20 Respondent is presently licensed by the Bureau and/or has license rights under the
21 Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code ("the
22 Code"), as a real estate broker.

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24 Whenever reference is made in an allegation in this Accusation to an act or omission
25 of Respondent, such allegation shall be deemed to mean that the employees, agents, real estate
26 licensees, and others employed by or associated with Respondent committed such act or omission

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1 while engaged in furtherance of the business or operations of Respondent and while acting within
2 the course and scope of their authority and employment.

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5 At all times relevant herein, Respondent engaged in the business of, acted in the
6 capacity of, advertised or assumed to act as a real estate broker within the State of California within
7 the meaning of Section 10131(b) of the Code (Broker Defined – Property Management/Collection
8 of Rent), including the operation and conduct of a property management business with the public,
9 wherein, on behalf of others, for compensation or in expectation of compensation, Respondent
10 leased or rented or offered to lease or rent, and solicited for prospective tenants of real property or
11 improvements thereon, and collected rents from real property or improvements thereon.

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13 On or about March 23, 2015, and continuing intermittently through May 4, 2015, an
14 audit was conducted of Respondent's business activities at Respondent's main office location at
15 2130 Ringwood Ave., San Jose, California, wherein the auditor examined Respondent's records for
16 the period of February 1, 2014 through January 31, 2015 ("the audit period").

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18 While acting as a real estate broker as described in Paragraph 3, above, and within
19 the audit period, Respondent accepted or received funds in trust ("trust funds") and deposited or
20 caused the trust funds to be deposited into a bank account maintained by Respondent, and
21 thereafter, from time-to-time, Respondent made disbursements of said trust funds, identified as
22 follows:

23 Bank Account #1

24 Bank Name: Citi Bank
25 Account No.: Last 4 Digits: 3865
26 Account Name: "Steven Hsin Jui Wu, Nico Huang"
27 Signatories: Respondent and Nico Huang
Purpose: Used for deposits and disbursements related to properties
managed by Respondent.

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1 In the course of the real estate broker activities described in Paragraph 3, above, and
2 during the audit period, Respondent:

3 (a) failed to maintain a control record (record of all trust funds received and
4 disbursed) for Bank Account #1, as required by Section 2831 of Title 10, of the California Code of
5 Regulations (“the Regulations”);

6 (b) failed to maintain accurate and complete separate beneficiary records for
7 Bank Account #1, as required by Section 2831.1 of the Regulations and Section 10145(g) of the
8 Code;

9 (c) failed to perform, or maintain records of having performed, monthly
10 reconciliations of the balance of all separate beneficiary or transaction records with the record of all
11 trust funds received and disbursed for Bank Account #1, in violation of Section 2831.2 of the
12 Regulations;

13 (d) deposited trust funds into Bank Account #1 and failed to properly designate
14 Bank Account #1 as a trust account in the name of Respondent, as trustee, in violation of Section
15 2832 of the Regulations and Section 10145 of the Code;

16 (e) permitted Nico Huang, an unlicensed individual who was not an employee of
17 Respondent, to appear as a signatory on Bank Account #1, in violation of Section 2834 of the
18 Regulations; and,

19 (f) held trust funds for multiple beneficiaries in Bank Account #1, which was an
20 interest bearing account. The trust funds held in Bank Account #1 were not kept separate, distinct,
21 and apart from funds belonging to other persons for whom Respondent was holding funds in trust.
22 Respondent benefitted directly from the interest earned in Bank Account #1 by keeping the interest
23 and did not disburse the interest to the beneficiaries of funds held in Bank Account #1, all in
24 violation of Section 10145(d) of the Code.

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The acts and/or omissions of Respondent as alleged in paragraph 6, above, constitute grounds for the suspension or revocation of all licenses and license rights of Respondent pursuant to the following provisions of the Code and Regulations:

As to Paragraph 6(a), under Section 10177(d) and/or 10177(g) of the Code, in conjunction with Section 2831 of the Regulations;

As to Paragraph 6(b), under Section 10177(d) and/or 10177(g) of the Code, in conjunction with Section 10145(g) of the Code and Section 2831.1 of the Regulations;

As to Paragraph 6(c), under Section 10177(d) and/or 10177(g) of the Code, in conjunction with Section 2831.2 of the Regulations;

As to Paragraph 6(d), under Section 10177(d) and/or 10177(g) of the Code, in conjunction with Section 10145 of the Code and Section 2832 of the Regulations;

As to Paragraph 6(e), under Section 10177(d) and/or 10177(g) of the Code, in conjunction with Section 2834 of the Regulations; and,

As to Paragraph 6(f), under Section 10177(d) and/or 10177(g) of the Code, in conjunction with Section 10145(d) of the Code.

COST RECOVERY
Audit Costs

The acts and/or omissions of Respondent as alleged above, entitle the Bureau to reimbursement of the costs of its audit pursuant to Section 10148(b) of the Code.

Investigation and Enforcement Costs

Section 10106 of the Code provides, in pertinent part, that in any order issued in resolution of a disciplinary proceeding before the Bureau, 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.

1 WHEREFORE, Complainant prays that a hearing be conducted on the allegations of
2 this Accusation and that upon proof thereof, a decision be rendered revoking all licenses and license
3 rights of Respondent under the Real Estate Law, for the cost of investigation and enforcement as
4 permitted by law, for the cost of the audit as permitted by law, and for such other and further relief
5 as may be proper under other provisions of law.

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8 ROBIN S. TANNER
9 Supervising Special Investigator

10 Dated at Oakland, California,
11 this 13th day of November, 2015.