

1 MICHELLE NIJM, Counsel (SBN 297168)
2 Bureau of Real Estate
3 320 West 4th Street, Suite 350
4 Los Angeles, California 90013-1105
5 Telephone: (213) 576-6982
6 (Direct) (213) 576-6911

FILED
APR 17 2018
BUREAU OF REAL ESTATE
By John Aguilera

7
8 **BEFORE THE BUREAU OF REAL ESTATE**
9 **STATE OF CALIFORNIA**

10 * * *

11 In the Matter of the Accusation Against) No. H-40986 LA
12 VILLAGE PROPERTIES, INC. and EDWARD)
13 ALAN EDICK, individually, and as designated)
14 officer of Village Properties, Inc.,)
15 Respondents.)

16 The Complainant, Maria Suarez, a Supervising Special Investigator of the State of
17 California, for cause of Accusation against VILLAGE PROPERTIES, INC. and EDWARD
18 ALAN EDICK, individually, and as designated officer of VILLAGE PROPERTIES, INC.,
19 alleges as follows:

20 1.

21 The Complainant, Maria Suarez, a Supervising Special Investigator of the State of
22 California, makes this Accusation in her official capacity.

23 2.

24 All references to the "Code" are to the California Business and Professions Code
25 and all references to "Regulations" are to title 10, chapter 6, California Code of Regulations.

1 LICENSE HISTORY

2 3.

3 EDWARD ALAN EDICK

4 A. Respondent EDWARD ALAN EDICK ("EDICK") is presently licensed and/or
5 has license rights under the Real Estate Law (Part 1 of Division 4 of the Code) as a real estate
6 broker ("REB") under license ID 00520230.

7 B. EDICK was originally licensed by the Bureau of Real Estate ("Bureau") as a
8 REB on or about June 24, 1979.

9 C. EDICK's mailing address and main office address are the same: 1250 Coast
10 Village Road, Santa Barbara, CA 93108.

11 D. EDICK is the designated officer for VILLAGE PROPERTIES, INC. until his
12 officer license expiration date of May 1, 2020.

13 E. EDICK's REB license will expire on January 11, 2020.

14 4.

15 VILLAGE PROPERTIES, INC.

16 A. Respondent VILLAGE PROPERTIES, INC. ("VPI") is presently licensed
17 and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Code) as a
18 corporate REB under license ID 01206734.

19 B. VPI was originally licensed by the Bureau on or about April 4, 1996.

20 C. VPI's mailing address and main office address are the same as those of
21 Respondent EDICK.

22 D. VPI's license will expire on May 1, 2020.

23 ///

24 ///

25 ///

1 BROKERAGE

2 5.

3 At all times relevant herein, VPI was engaged in the business of, acted in the
4 capacity of, advertised or assumed to act as a real estate broker in the State of California, within
5 the meaning of:

6 A. Code section 10131(b), wherein VPI engaged in property management
7 activities, and leased or rented or offered to lease or rent, or placed for rent, or solicited listings
8 of places for rent, or solicited for prospective tenants, or negotiated the sale, purchase or
9 exchanges of leases on real property, or on a business opportunity, or collected rent from real
10 property, or improvements thereon, or from business opportunities (“property management”).

11 AUDIT VIOLATIONS

12 (BRE Audit LA 160071)

13 6.

14 On November 28, 2017, the Bureau completed an audit examination of the books
15 and records of VPI pertaining to the real estate activities described in Paragraph 5 above. The
16 audit examination covered a period of time beginning on April 1, 2014 and ending on March 31,
17 2017 (“audit period”). The final report of November 28, 2017 revealed violations of the Code
18 and the Regulations as set forth in the following paragraphs, and as more fully discussed in Audit
19 Report LA 160071.

20 Bank Account

21 7.

22 During the audit period, VPI accepted or received funds in trust from or on behalf
23 of actual or prospective parties (“trust funds”) and thereafter made deposits or disbursements of
24 such funds. The Bureau examined the following account used by VPI for the deposit and/or
25 maintenance of trust funds relating to its real estate activities:

26 CalBRE Accusation – VILLAGE PROPERTIES, INC. & EDWARD ALAN EDICK
27

1 **C. Trust Fund Handling - Trust Account Withdrawals (Code Section 10145**
2 **and Regulation 2834)**

3 During the audit period, Chris Burns, a non-licensee, was authorized to sign for
4 and made withdrawals from Bank Account 1 without fidelity bond coverage, in violation of Code
5 section 10145 and Regulation 2834.

6 **D. Trust Fund Handling – Commingling (Code Sections 10145 and 10176(e)**
7 **and Regulation 2835)**

8 During the audit period, VPI retained at least \$62,623.94 of VPI's own funds in
9 Bank Account 1 for more than twenty five (25) days after their deposit and thus commingled said
10 funds with trust funds in Bank Account 1, in violation of Code sections 10145 and 10176(e) and
11 Regulation 2835.

12 **E. Trust Fund Handling – Failure to Maintain Accurate Control Records**
13 **(Code Section 10145 and Regulation 2831)**

14 During the audit period, VPI failed to maintain a complete and accurate control
15 record of all trust funds received and disbursed in relation to VPI's property management
16 activities, in violation of Code section 10145 and Regulation 2831.

17 **F. Trust Fund Handling – Failure to Maintain Accurate Separate Records**
18 **for Each Beneficiary or Transaction (Code Section 10145 and Regulation 2831.1)**

19 During the audit period, VPI failed to maintain complete and accurate separate
20 records for each beneficiary or transaction of all trust funds received and disbursed in relation to
21 VPI's property management activities, in violation of Code section 10145 and Regulation
22 2831.1.

23 **G. Trust Fund Reconciliation (Code Section 10145 and Regulation 2831.2)**

24 During the audit period, VPI failed to perform and maintain a monthly
25 reconciliation comparing the balance of all separate beneficiary or transaction records to the
26

1 balance of the record of all trust funds received and disbursed (control record) for Bank Account
2 1, in violation of Code section 10145 and Regulation 2831.2.

3 ADDITIONAL VIOLATIONS

4 9.

5 A. Negligence (Code Section 10177(g))

6 The overall conduct of VPI is violative of the Real Estate Law and constitutes
7 cause for the suspension or revocation of the real estate licenses and license rights of VPI under
8 the provisions of Code section 10177(g) for negligence and/or incompetence.

9 B. Willful Disregard of the Real Estate Law (Code Section 10177(d))

10 The overall conduct of VPI is violative of the Real Estate Law and constitutes
11 cause for the suspension or revocation of the real estate licenses and license rights of VPI under
12 the provisions of Code section 10177(d) for willful disregard of the Real Estate Law.

13 C. Failure to Supervise (Code Sections 10159.2, 10177(d), 10177(g) and/or
14 10177(h))

15 The conduct, acts, and/or omissions of Respondent EDICK in allowing
16 Respondent VPI to violate the Real Estate Law as set forth above constitutes a failure by
17 Respondent EDICK, as the officer designated by a corporate broker licensee, to exercise
18 supervision and control over the activities of Respondent VPI, as required by Code section
19 10159.2, and is cause to suspend or revoke the real estate licenses and license rights of
20 Respondent EDICK under Code sections 10177(d), 10177(g) and/or 10177(h).

21 COSTS

22 Investigation and Enforcement Costs

23 10.

24 Code section 10106 provides, in pertinent part, that in any order issued in
25 resolution of a disciplinary proceeding before the Bureau of Real Estate, the Commissioner may
26

27 CalBRE Accusation – VILLAGE PROPERTIES, INC. & EDWARD ALAN EDICK

1 request the administrative law judge to direct a licensee found to have committed a violation of
2 this part to pay a sum not to exceed the reasonable costs of the investigation and enforcement of
3 the case.

4 Audit Costs

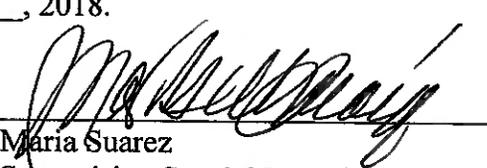
5 11.

6 Code section 10148(b) provides, in pertinent part, the Commissioner shall charge
7 a real estate broker for the cost of any audit, if the Commissioner has found in a final decision
8 following a disciplinary hearing that the broker has violated Code section 10145 or a regulation
9 or rule of the Commissioner interpreting said section.

10 WHEREFORE, Complainant prays that a hearing be conducted on the allegations
11 of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary
12 action against the licenses and license rights of Respondents under the Real Estate Law (Part 1 of
13 vision 4 of the Business and Professions Code), for the cost of investigation and enforcement as
14 permitted by law, and for such other and further relief as may be proper under other provisions of
15 law, and for costs of audit.

16 Dated at Los Angeles, California

17 this 27th day of March, 2018.

18 
19 _____
20 Maria Suarez
21 Supervising Special Investigator

22
23 cc: VILLAGE PROPERTIES, INC.
24 EDWARD ALAN EDICK
25 Sacto.
26 Audits – Tom Cameron

27 CalBRE Accusation – VILLAGE PROPERTIES, INC. & EDWARD ALAN EDICK