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DEPT. OF REAL ESTATE

By- [REDACTED]

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9 BEFORE THE DEPARTMENT OF REAL ESTATE
10 STATE OF CALIFORNIA

11 * * *

12 In the Matter of the Accusation of) No. H-42924 LA
13 FAR WEST) ACCUSATION
14 MANAGEMENT CORPORATION,)
15 RORY ALISON FERLAUTO, individually)
16 and as former designated officer of)
17 Far West Management Corporation, and)
18 JOHN GRIFFITH COMBS, individually)
19 and as former designated officer of)
20 Far West Management Corporation,)
21 Respondents.)
22 _____)

23 The Complainant, Jason Parson, a Supervising Special Investigator of the State
24 of California, for cause of Accusation against FAR WEST MANAGEMENT
25 CORPORATION, RORY ALISON FERLAUTO, individually and as former designated officer
26 of Far West Management Corporation, and JOHN GRIFFITH COMBS, individually and as
27 former designated officer of Far West Management Corporation (“Respondents”), is informed
and alleges as follows:

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Accusation of FAR WEST MANAGEMENT CORPORATION, RORY ALISON FERLAUTO,
and JOHN GRIFFITH COMBS

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The Complainant, Jason Parson, acting in his official capacity as a Supervising Special Investigator of the State of California, makes this Accusation against Respondents FAR WEST MANAGEMENT CORPORATION, RORY ALISON FERLAUTO, and JOHN GRIFFITH COMBS.

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 FAR WEST MANAGEMENT CORPORATION ("FAR WEST") presently has license rights under the Real Estate Law, Part 1 of Division 4 of the Code as a corporate real estate broker.

4.

Respondent RORY ALISON FERLAUTO ("FERLAUTO") presently has license rights as a real estate broker.

5.

Respondent JOHN GRIFFITH COMBS ("COMBS") presently has license rights as a real estate broker.

6.

From July 21, 2021, to January 18, 2023, Respondent FAR WEST was licensed by the Department of Real Estate ("Department") as a corporate real estate broker by and through Respondent FERLAUTO, as the designated officer and broker responsible, pursuant to Code section 10159.2, for supervising the activities requiring a real estate license conducted on behalf of FAR WEST, or by FAR WEST'S officers, agents and employees.

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1 7.

2 From March 10, 2023, to January 12, 2024, Respondent FAR WEST was
3 licensed by the Department of Real Estate ("Department") as a corporate real estate broker by
4 and through Respondent COMBS, as the designated officer and broker responsible, pursuant to
5 Code section 10159.2, for supervising the activities requiring a real estate license conducted on
6 behalf of FAR WEST, or by FAR WEST'S officers, agents and employees.

7 BROKERAGE

8 FAR WEST MANAGEMENT CORPORATION

9 8.

10 At all times mentioned, in the City of Irvine, County of Orange, Respondent
11 FAR WEST acted as a real estate broker, conducting licensed activities within the meaning of
12 Code section 10131(b) (leases or rents real property for others).

13 AUDIT

14 FAR WEST MANAGEMENT CORPORATION

15 9.

16 On April 10, 2024, the Department completed audit examinations of the books
17 and records of Respondent FAR WEST pertaining to the activities described in Paragraph 8
18 which require a real estate license. The audit examinations covered a period of time from
19 July 1, 2022, to September 30, 2023. The audit examinations revealed violations of the Code
20 and the Regulations as set forth in the following paragraphs, and as more fully discussed in
21 Audit Report LA230019 and the exhibits and workpapers attached to said audit report.

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10.

Respondent FAR WEST accepted or received funds in trust (“trust funds”).
Thereafter, Respondent made deposits and or disbursements of such trust funds. During the
examination period described in Paragraph 9 above, Respondent deposited or maintained trust
funds in the following bank accounts:

- Bank Account 1: Citibank account ending in 730.
- Bank Account 2: Citibank account ending in 532.
- Bank Account 3: Citibank account ending in 599.

FIRST CAUSE OF ACTION

AUDIT VIOLATIONS OF THE REAL ESTATE LAW

11.

In the course of activities described in Paragraph 8 above and during the
examination period described in Paragraph 9 above, Respondent FAR WEST acted in violation
of the Code and the Regulations in that:

11(a) Bank Account 1, Bank Account 2, and Bank Account 3 used by
Respondent for trust funds were not designated as trust accounts and were not in the name of
Respondent as trustee or a fictitious name held by Respondent’s real estate license as trustee, in
violation of Code section 10145 and Regulations section 2832.

11(b) Respondent did not maintain a complete and accurate control record or
general ledger of all trust funds received and disbursed, in violation of Code section 10145 and
Regulations section 2831.

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1 11(c) Respondent allowed non-licensees Robert Hyden III and Bill Tolmasoff
2 to be authorized signers and to make withdrawals from Bank Account 1, Bank Account 2, and
3 Bank Account 3 used by Respondent for trust funds, and Respondent failed to maintain a
4 fidelity bond or insurance coverage at least equal to the maximum amount of the trust funds to
5 which the individuals had access at any time, in violation of Code section 10145 and
6 Regulations section 2834.

7 11(d) Respondent used the unlicensed fictitious business names "Far West
8 Segerstrom Partners-1", "Far West South Coast, LTD", and "Villa Del Mar Properties, LTD",
9 in violation of Code section 10159.5 and Regulations section 2731.

10 11(e) From January 19, 2023, to March 9, 2023, Respondent performed acts
11 requiring a real estate license when Respondent was not affiliated with a designated officer, in
12 violation of Code sections 10130 and 10158 and Regulations section 2740.

13 12.

14 The conduct, acts, or omissions of Respondent FAR WEST, described in
15 Paragraph 11 above, violated the Code and the Regulations as set forth below:

| <u>PARAGRAPH</u> | <u>PROVISIONS VIOLATED</u> |
|------------------|------------------------------------------------------------------|
| 17 11(a) | Code section 10145 and Regulations section 2832 |
| 18 11(b) | Code section 10145 and Regulations section 2831 |
| 19 11(c) | Code section 10145 and Regulations section 2834 |
| 20 11(d) | Code section 10159.5 and Regulations section 2731 |
| 21 11(e) | Code sections 10130 and 10158 and Regulations 22 section 2740 |

23 The foregoing violations constitute cause for the suspension or revocation of all
24 the licenses, license endorsements, and license rights of Respondent under the Real Estate Law
25 pursuant to the provisions of Code sections 10177(d) and 10177(g).


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27 Accusation of FAR WEST MANAGEMENT CORPORATION, RORY ALISON FERLAUTO,
and JOHN GRIFFITH COMBS

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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, license endorsements, and license rights of Respondents FAR WEST MANAGEMENT CORPORATION, RORY ALISON FERLAUTO, and JOHN GRIFFITH COMBS under the Real Estate Law, for the cost of audit, 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
this 25th day of October, 2024



Jason Parson
Supervising Special Investigator

cc: FAR WEST MANAGEMENT CORPORATION
ELIZABETH JANENE ROWE
Jason Parson
Sacto.
Audits