

FILED

OCT 05 2020

DEPARTMENT OF REAL ESTATE
By R dew

1 DEPARTMENT OF REAL ESTATE
2 P. O. Box 137007
3 Sacramento, CA 95813-7007
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5 Telephone: (916) 576-8700

8 BEFORE THE STATE OF CALIFORNIA
9 DEPARTMENT OF REAL ESTATE

11 To:) NO. H-12476 SF
12 REALTY INNOVATION, LLC) ORDER TO DESIST AND REFRAIN
13) (B&P Code Section 10086)
14)

15 The Real Estate Commissioner (Commissioner) of the California Department of
16 Real Estate (Department) caused an investigation to be made of the activities of REALTY
17 INNOVATION, LLC, including engaging in the business of, acting in the capacity of,
18 advertising, or assuming to act as a real estate broker in the State of California within the
19 meaning of Section 10131 (b) of the California Business and Professions Code (Code). Based
20 upon the findings of that investigation as set forth below, the Commissioner has determined and
21 is of the opinion that:

22 REALTY INNOVATION, LLC has violated Section 10130 of the Code by
23 engaging in the business of or acting as a real estate broker, within the meaning of Section 10131
24 (b) (Engaging in Property Management Activities) of the Code without first having obtained a
25 real estate broker license from the Department. Furthermore, based on the investigation, the
26 Commissioner hereby issues the following Findings of Fact, Conclusions of Law, and Desist and
27 Refrain Order under the authority of Section 10086 of the Code.

1 FINDINGS OF FACT

2 1. At no time herein mentioned has REALTY INNOVATION, LLC been
3 licensed by the Department.

4 2. At all times herein mentioned, ARVAND SABETIAN (SABETIAN) was and
5 is presently and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the Code
6 by the Department as a real estate broker. SABETIAN is the owner of REALTY
7 INNOVATION, LLC.

8 3. At all times herein mentioned, SABETIAN conducted real estate activity
9 through REALTY INNOVATION, LLC doing business as "Ziprent" and "Ziprent.com".

10 4. During the period of time set out below, REALTY INNOVATION, LLC,
11 individually and/or their officers, directors, employees, and/or agents employed by or associated
12 with them performed one or more of the following acts for another or others, for compensation
13 or in expectation of compensation, within the meaning of Section 10131 (b) of the Code
14 including leasing, renting, or offering places to rent, negotiating the sale or purchase of leases of
15 real property or collecting rents on real property for compensation or in expectation of
16 compensation.

17 5. On or about August 13, 2019, an audit was conducted of the records of
18 SABETIAN. The auditor examined the records for the period of July 1, 2018, through June 30,
19 2019 (the audit period). According to the documents examined, REALTY INNOVATION, LLC
20 performed property management activities. REALTY INNOVATION, LLC managed one
21 hundred eighty-five (185) residential properties and two (2) apartment complexes for one
22 hundred eighty (180) property owners and collected annual trust funds of approximately \$3.4
23 million.

24 6. During the audit period, REALTY INNOVATION, LLC maintained a bank
25 account with First Republic Bank, 111 Pine Street, San Francisco, California 94111, titled Realty
26 Innovation LLC dba Ziprent dba Ziprent.com, which was used for deposits and disbursements of
27 trust funds related to the management of properties.

1 7. During the audit period, SABETIAN, acting through REALTY
2 INNOVATION, LLC, negotiated and signed property management agreements, listing REALTY
3 INNOVATION, LLC as the Real Estate Broker, including but not limited to the following:

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Date	Property Owner	Property Location
01/15/2019	Lary H.	447 Santa Fe Avenue, Richmond
02/01/2019	Yin Y.W.	8 Balra Drive, Novato
03/04/2019	Micah J.	2071 Plymouth Street, Mountain View
03/06/2019	Laurie P.	1315 Ryder Street, Vallejo
04/17/2019	Inna B.	950 Shorepoint Court, Alameda
04/26/2019	Muralikrishna K.	2936 Stringham Way, Dublin
05/07/2019	Henry H.	19 Abbey Street, San Francisco
05/24/2019	Katherine O.	625 Carolina Street, San Francisco

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14 8. During the audit period, SABETIAN, acting on behalf of REALTY
15 INNOVATION, LLC, negotiated and signed lease agreements, listing REALTY
16 INNOVATION, LLC as the Listing Agent, including but not limited to the following:

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Date	Tenant	Property Location
02/04/2019	Lamesha S.	8 Balra Drive, Novato
04/03/2019	Arville P.	1315 Ryder Street, Vallejo
05/04/2019	Paul V.	950 Shorepoint Court, Alameda
05/17/2019	John B.	2936 Stringham Way, Dublin

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23 9. On or about April 27, 2020, SABETIAN, in a declaration signed under penalty
24 of perjury, indicated REALTY INNOVATION, LLC, currently functions as an automatic
25 clearing house by receiving rent and other payments from tenants for properties managed by the
26 newly formed broker corporation, ZipRent, Inc., for which SABETIAN serves as the designated
27 officer.

1 CONCLUSIONS OF LAW

2 Based on the Findings of Fact contained in Paragraphs 1 through 9, above,
3 REALTY INNOVATION, LLC has performed and/or participated in property management
4 activities which require a real estate broker license under Sections 10130 and 10131(b) of the
5 Code. Thus, REALTY INNOVATION, LLC violated Section 10130 of the Code.

6 DESIST AND REFRAIN ORDER

7 Based on the Findings of Fact and Conclusions of Law stated herein, REALTY
8 INNOVATION, LLC IS HEREBY ORDERED to immediately Desist and Refrain from
9 performing any and all acts within the State of California for which a real estate broker license is
10 required, in particular, to immediately Desist and Refrain from providing or participating in
11 property management services for others and for compensation unless and until a real estate
12 broker license is obtained.

13 DATED: 8.27.20

14
15 DOUGLAS R. McCAULEY
16 REAL ESTATE COMMISSIONER

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20 -NOTICE-

21 Business and Professions Code Section 10139 provides that "Any person acting
22 as a real estate broker or real estate salesperson without a license or who advertises using words
23 indicating that he or she is a real estate broker without being so licensed shall be guilty of a
24 public offense punishable by a fine not exceeding twenty thousand dollars (\$20,000), or by
25 imprisonment in the county jail for a term not to exceed six months, or by both fine and
26 imprisonment; or if a corporation, be punished by a fine not exceeding sixty thousand dollars
27 (\$60,000)...."

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Desist and Refrain Order to: REALTY INNOVATION LLC,

DRE Case No. H-12476 SF

DECLARATION OF MAILING

STATE OF CALIFORNIA) COUNTY OF SACRAMENTO) ss.

I am employed in the office of the Department of Real Estate of the State of California at 1651 Exposition Blvd., Sacramento, CA 95815. I am over the age of eighteen years and not a party to the within action.

On October 05, 2020, I served the following document(s):

- Desist and Refrain Order RE-575 Notice Of Service RE-576 Service Notice (Corporation)

in this action by placing a true copy thereof enclosed in a sealed envelope addressed as follows:

REALTY INNOVATION LLC ATTN. ARVAND SABETIAN 1550G TIBURON BLVD., #343 BELVEDERE TIBURON, CA 94920

CHRISTOPHER DN HANSON HANSON LAW FIRM 1319 WASHINGTON AVENUE, # 988 SAN LEANDRO, CA 94577

REALTY INNOVATION LLC ATTN. JOSHUA COOPER 100 SMITH RANCH ROAD, #320 SAN RAFAEL, CA 94903

(Attorney for Realty Innovation LLC)

- (By Mail) I served the above document(s) on behalf of the Department of Real Estate by placing for collection and mailing following ordinary business practices, true copies to the addressed as shown above, on this date and at the place shown, in envelope(s) in the ordinary course of business. (By Certified Mail) I served the above document(s) on behalf of the Department of Real Estate by placing for collection and mailing following ordinary business practices, true copies to the addressed as shown above, on this date and at the place shown, in envelope(s) in the ordinary course of business. (By Electronic Service) I caused the above document(s) to be transmitted electronically, on behalf of the Department of Real Estate, to the person(s) at the e-mail addresses listed, above. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on October 05, 2020, at Sacramento, California.

REBECCA LYNN DEW