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FILED

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BUREAU OF REAL ESTATE

By B. Nicholas

8 BEFORE THE BUREAU OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of:) NO. H-3138 FR
12 JOSEPH WILLIAM JONES,)
13 Respondent.) ACCUSATION
14)

15 The Complainant, BRENDA SMITH, acting in her official capacity as a
16 Supervising Special Investigator of the State of California, for cause of Accusation against
17 JOSEPH WILLIAM JONES ("Respondent"), is informed and alleges as follows:

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19 At all times mentioned herein, Respondent was and is licensed by the State of
20 California Bureau of Real Estate ("Bureau") under the Real Estate Law, Part 1 of Division 4 of
21 the Business and Professions Code ("Code") as a real estate broker.

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23 At no time mentioned herein was Pamela Metcalf Tatum licensed by the Bureau
24 in any capacity.

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At all times mentioned herein, Respondent engaged in the business of, acted in the capacity of, advertised, or assumed to act as a real estate broker within the State of California within the meaning of Section 10131(b) of the Code, including the operation and conduct of a property management business with the public wherein, on behalf of others, for compensation or in expectation of compensation, Respondent leased or rented and offered to lease or rent, and solicited for prospective tenants of real property or improvements thereon, and collected rents from real property or improvements thereon.

FIRST CAUSE OF ACTION

Audit Violations

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Each and every allegation set forth above in Paragraphs 1 through 3, inclusive, is incorporated by this reference as if fully set forth herein.

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Beginning on or about July 21, 2016, and continuing intermittently through May 23, 2017, an audit was conducted of Respondent's records. The auditor examined the records for the period of January 1, 2016, through November 1, 2016.

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While acting as a real estate licensee, as described above in Paragraph 3, Respondent accepted or received funds in trust (trust funds) from or on behalf of owners and tenants in connection with the leasing, renting, and collection of rents on real property or improvements thereon, as alleged herein, and thereafter from time-to-time made disbursements of said trust funds.

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The trust funds accepted or received by Respondent, as described above in Paragraph 6, were deposited or caused to be deposited by Respondent into a trust account maintained by Respondent for the handling of trust funds, and thereafter from time-to-time

1 Respondent made disbursements of said trust funds, from the following trust account:

2 Bank Account #1

3 Bank Name: Wells Fargo Bank
4 Account No.: Last 4 Digits: xxxxx3652
5 Account Name: "Joe Jones Conservatee DBA Property Management"
6 Signatories: Joseph William Jones (REB);
Pamella Metcalf Tatum (Unlicensed)

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8 In the course of the activities described in Paragraph 3, Respondent:

9 (a) caused, suffered or permitted the balance of funds in the Bank Account #1
10 to contain a shortage of \$1,233.88 without the prior written consent of each and every owner of
11 such funds, in violation of Section 10145 of the Code and Section 2832.1 of Chapter 6, Title 10,
12 California Code of Regulations ("the Regulations");

13 (b) failed to maintain a written control record of all trust funds received and
14 disbursed in the Bank Account #1, containing all information required by Section 2831 of the
15 Regulations;

16 (c) failed to reconcile at least once a month, the balance of all separate
17 beneficiary or transaction records with the balance of the control records for Bank Account #1, in
18 violation of Section 10145 of the Code and Section 2831.2 of the Regulations;

19 (d) failed to properly designate Bank Account #1 as a trust account in the
20 name of Respondent and/or a fictitious business name associated with Respondent, as trustee, in
21 violation of Section 10145 of the Code and Section 2832 of the Regulations;

22 (e) allowed an unlicensed individual without fidelity bond coverage (Pamella
23 Metcalf Tatum) to be a signatory on the account holding trust funds, in violation of Section
24 10145 of the Code and Section 2834 of the Regulations; and

25 (f) caused, suffered or permitted funds of others which were received and
26 held by Respondent to be commingled with Respondent's own money, in violation of Section
27 10176(e) of the Code and Section 2835 of the Regulations.

The acts and/or omissions of Respondent, as alleged above in Paragraph 8, 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 8(a), under Section 10177(d) of the Code, in conjunction with Section 10145 of the Code and Section 2832.1 of the Regulations;

As to Paragraph 8(b), under Section 10177(d) of the Code, in conjunction with Section 10145 of the Code and Section 2831 of the Regulations;

As to Paragraph 8(c), under Section 10177(d) of the Code, in conjunction with Section 10145 of the Code and Section 2831.2 of the Regulations;

As to Paragraph 8(d), under Section 10177(d) of the Code, in conjunction with Section 10145 of the Code and Section 2832 of the Regulations;

As to Paragraph 8(e), under Section 10177(d) of the Code, in conjunction with Section 10145 of the Code and Section 2834 of the Regulations; and

As to Paragraph 8(f), under Section 10177(d) of the Code, in conjunction with Section 10176(e) of the Code and Section 2835 of the Regulations.

SECOND CAUSE OF ACTION
Office Abandonment

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Each and every allegation in Paragraphs 1 through 9, inclusive, above, is incorporated by this reference as if fully set forth herein.

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On or about February 20, 2007, Respondent notified the Bureau that his main office address was located at 470 W. Alluvial #102, Fresno, California 93711.

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On or about May 19, 2017, a Bureau investigator contacted Bay Equity Home Loans ("Bay Equity"), a company located at 470 W. Alluvial #102, Fresno, California 93711.

1 The representative for Bay Equity indicated that Respondent did not work for Bay Equity and
2 that Bay Equity had been the sole and exclusive tenant of 470 W. Alluvial #102, Fresno,
3 California 93711 since August 17, 2016.

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5 On or about July 18, 2016, the Bureau received a declaration from Respondent
6 wherein he admitted that in August 2007, he moved to Florida and thereafter allowed Pamela
7 Metcalf Tatum to perform property management activities under Respondent's name.

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9 At no time from February 20, 2007, to the completion of the Bureau's
10 investigation of Respondent related to this Accusation, did the Bureau receive notice that
11 Respondent's main office changed from 470 W. Alluvial #102, Fresno, California 93711.

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13 The acts and or omission of Respondent, as alleged above, violate section 10162
14 of the Code, and Section 2715 of the Regulations, and are grounds for the revocation or
15 suspension of Respondent's licenses and/or license rights under Section 10177(d) of the Code.

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17 THIRD CAUSE OF ACTION
18 Failure to Produce Records

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20 Each and every allegation in Paragraphs 1 through 15 above, inclusive, is
21 incorporated by this reference as if fully set forth herein.

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23 As the result of the Bureau's investigation and audit of Respondent, the Bureau
24 determined Respondent and Pamela Metcalf Tatum provided property management services for
25 the owners of the following properties:

26 5841 W Fremont, Fresno, California 93722

27 9887 N Backer Ave., Fresno, California 93702

5682 W Minarets Ave., Fresno, California 93722

1 COST RECOVERY

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3 The acts and/or omissions of Respondent, as alleged above in Paragraphs 3
4 through 9, entitle the Bureau to reimbursement of the costs of its audit pursuant to Section
5 10148(b) of the Code.

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7 Section 10106 of the Code provides, in pertinent part, that in any order issued in
8 resolution of a disciplinary proceeding before the Bureau, the Commissioner may request the
9 Administrative Law Judge to direct a licensee found to have committed a violation of this part to
10 pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

11 WHEREFORE, Complainant prays that a hearing be conducted on the allegations
12 of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary
13 action against all licenses and license rights of Respondent under the Code, for the cost of
14 investigation and enforcement as permitted by law, for the cost of the audit, and for such other
15 and further relief as may be proper under other provisions of law.

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17 _____
18 BRENDA SMITH
19 Supervising Special Investigator

20 Dated at Fresno, California,

21 this 13 day of June, 2018

22 DISCOVERY DEMAND

23 Pursuant to Sections 11507.6, *et seq.* of the *Administrative Procedure Act*, the
24 Bureau hereby makes demand for discovery pursuant to the guidelines set forth in the
25 *Administrative Procedure Act*. Failure to provide Discovery to the Bureau may result in the
26 exclusion of witnesses and documents at the hearing or other sanctions that the Office of
27 Administrative Hearings deems appropriate.