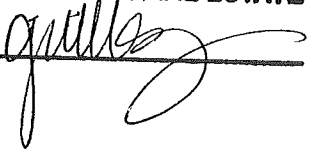


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FILED

APR 27 2015

BUREAU OF REAL ESTATE
By 

8 BEFORE THE BUREAU OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of) CALBRE NO. H-39818 LA
)
12 WESTSIDE PROPERTY MANAGEMENT,) ACCUSATION
INC. and JOSHUA LESSING BARRE,)
13 individually and as designated officer for)
Westside Property Management, Inc.,)
)
14 Respondents.)
)

16 The Complainant, Maria Suarez, a Deputy Real Estate Commissioner of the State of
17 California, for cause of Accusation against WESTSIDE PROPERTY MANAGEMENT, INC.
18 and JOSHUA LESSING BARRE, individually and as designated officer for Westside Property
19 Management, Inc. (collectively "Respondents"), is informed and alleges as follows:

20 1.

21 The Complainant, Maria Suarez, a Deputy Real Estate Commissioner of the State of
22 California, makes this Accusation in her official capacity.

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2.

Respondents are presently licensed and/or have license rights under the Real Estate Law (Part 1 of Division 4 of the California Business and Professions Code).

3.

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.

4.

From May 31, 2013, through the present, Respondent WESTSIDE PROPERTY MANAGEMENT, INC. ("WPMI") has been licensed by the Bureau of Real Estate ("Bureau") as a real estate corporation, License ID 01933459.

5.

From May 25, 2002, through the present, Respondent JOSHUA LESSING BARRE ("BARRE") has been licensed by the Bureau as a real estate broker, License ID 01222605.

6.

From May 31, 2013, through the present, WPMI has been authorized to act by and through Respondent BARRE as its broker designated pursuant to Code Section 10159.2 to be responsible for ensuring compliance with the Real Estate Law. BARRE is the Chief Financial Officer for WPMI and owns 34 percent of the corporation. At all times relevant herein, WPMI was not licensed to do business using any fictitious business name or at any branch location.

7.

From March 30, 2007, through the present, Olivier Lessing Barre has been licensed by the Bureau as a real estate salesperson, License ID 01786835. Olivier Lessing Barre is the Chief Executive Officer and a 33 percent owner of WPMI. Olivier Lessing Barre has been licensed under the employment of WPMI since June 14, 2014.

1 8.

2 From September 13, 1985, through the present, Guy A. Barre has been licensed by the
3 Bureau as a real estate salesperson, License ID 00897328. Guy A. Barre is the Secretary and a
4 33 percent owner of WPMI. Guy A. Barre has been licensed under the employment of WPMI
5 since June 14, 2014.

6 Audit LA 140007

7 9.

8 On or about December 31, 2014, the Bureau completed a routine audit examination of the
9 books and records of Respondent WPMI pertaining to WPMI's property management activities
10 which require a real estate license pursuant to Code section 10131(b). The audit examination
11 covered a period of time beginning on July 1, 2013, through June 30, 2014. The audit
12 examination revealed violations of the Code and the Regulations as set forth in the following
13 paragraphs, and more fully discussed in Audit Report LA 140007 and the exhibits and work
14 papers attached to said audit report.

15 10.

16 During the audit period, WPMI managed approximately 74 properties with 152 units for
17 62 property owners. WPMI collected approximately \$2,700,000 in trust funds annually in
18 connection with its property management activities. WPMI claimed to have maintained one (1)
19 open bank account for the handling of the receipts and disbursements of property management
20 activities for the audit period as follows:

21 Bank Account 1 (BA #1)

22 Bank: JP Morgan Chase Bank

23 Account Name: Westside Property Management Inc.

24 Account #: xxxx9695

1 Signatories: JOSHUA LESSING BARRE, Olivier Lessing Barre, and Guy A. Barre

2 # of signatures required: one (1)

3 Description: BA #1 was opened on April 9, 2013. BA #1 was used as a depository for
4 rents and security deposits collected from tenants. Disbursements from BA #1 were
5 payments for expenses related to the properties managed, owner remittances, and to
6 WPMI for management fees.

7 Violations

8 11.

9 In the course of its property management activities during the examination period
10 described in Paragraph 9, Respondent WPMI acted in violation of the Code and the Regulations
11 as follows:

12 Issue 1(a). Code Section 10145 and Regulation 2832.1 – Trust Fund Handling for

13 Multiple Beneficiaries

14 A bank reconciliation of BA #1 was prepared as of July 31, 2013 and the adjusted
15 bank balance was compared to the total balances of the separate beneficiary records
16 (accountability). As of July 31, 2013; BA #1 had a minimum shortage of <\$5,803.36>, in
17 violation of Code section 10145 and Regulation 2832.1. The shortage was caused by
18 disbursements related to the following five (5) properties.

- 19
- 12438 Woodgreen St.
 - 1620-32 Washington Ave.
 - 2014 Cloverfield
 - 4337 Marina City Drive #743
 - 9207 Summertime Lane
- 20
- 21

22 ///

23 ///

1 Issue 1(b). Code Section 10145 and Regulation 2832.1 – Trust Fund Handling for

2 Multiple Beneficiaries

3 As of June 30, 2014, BA #1 had a minimum shortage of <\$25,096.59>, in
4 violation of Code section 10145 and Regulation 2832.1. The shortage was caused by
5 disbursements related to the following 20 properties:

- | | | |
|---------------------------------|-----------------------------|------------------------|
| 6 • 11962 Culver Dr. | • 1512 Harvard St. #4 | • 510 N. Irena #A |
| • 12438 Woodgreen St. | • 1756-1760 Glendon Ave. | • 704 Georgina Ave. |
| 7 • 1502-08 Maple St. | • 18111 Coastline #1 | • 8376 Hollywood Blvd. |
| • 1729-31 150 th St. | • 1909 Glendon Ave. #1 | • 841 ½ Bundy |
| 8 • 1823 Walgrove | • 2014 Cloverfield | • 9207 Summertime Ln. |
| • 3546 Inglewood | • 4011 Ocean Front Walk#1 | • 9509 Olympic Blvd. |
| 9 • 15016 Core Way | • 4337 Marina City Dr. #743 | |

10
11 WPMI provided no evidence that the owners of the trust funds had given written consent
12 to allow WPMI to reduce the balance of funds in BA#1 to an amount less than the existing
13 aggregate trust fund liabilities.

14 Issue 2: Code Section 10145 and Regulation 2831– Trust Fund Records to be Maintained

15 Based on an examination of a sample transaction (1315 N. Stanley) during the audit
16 period, WPMI's columnar records for the trust funds received and disbursed for BA #1 did not
17 reflect an accurate recording date of deposit and said records did not reflect the date trust funds
18 were received, in violation of Code Section 10145 and Regulation 2831.

19 Issue 3. Code Sections 10145 and Regulation 2831.1. Separate Records for Each
20 Beneficiary or Transaction

21 The separate records of trust funds received and disbursed for BA #1 contained a date of
22 deposit that was not accurately recorded. WPMI failed to maintain a separate record of the
23 receipt and disposition of all trust funds deposited into BA #1 as required pursuant to Code
24 Section 10145(g) and Regulation 2831.1, in that WPMI maintained unidentified and/or

1 unaccounted for funds of at least \$23,588.93 as of July 31, 2013, and \$24,837.75 as of June 30,
2 2014.

3 Issue 4. Code Section 10145 and Regulation 2831.2. Trust Account Reconciliation

4 During the audit period, WPMI failed to perform and maintain a monthly reconciliation
5 comparing the balance of all separate beneficiary or transaction records (separate records) to the
6 balance of the record of all trust funds received and disbursed (control record) for BA #1, in
7 violation of Code section 10145 and Regulation 2831.2.

8 Issue 5. Code Section 10145 and Regulation 2832. Trust Account Designation/Trust

9 Fund Handling

10 BA #1 was not designated as a trust account even though it was used for the handling of
11 trust fund receipts and disbursements for WPMI's property management activities, in violation
12 of Code section 10145 and Regulation 2832.

13 Issue 6. Code Section 10159.5 and Regulation 2731. Use of False or Fictitious Business

14 Name

15 WPMI used the unlicensed fictitious business name, "Westside Property Management,"
16 on business cards and property management agreements while conducting property management
17 services without first obtaining a license from the Bureau bearing such fictitious business name,
18 in violation of Code Section 10159.5 and Regulation 2731.

19 Issue 7. Code Section 10159.2, 10177(h), and Regulation 2725. Responsibility of

20 Corporate Officer in Charge/Broker Supervision

21 Based on the findings in audit no. LA 140007, BARRE, WPMI's designated officer,
22 failed to establish policies, rules, procedures and systems to review, oversee, inspect, and/or
23 manage WPMI's transactions requiring a real estate license and/or failed to adequately supervise
24

1 WPMI's real estate activities to ensure compliance with the Real Estate Law, in violation of
2 Code Sections 10159.2, 10177(h), and Regulation 2725.

3 12.

4 The violations noted above in Paragraph 11 constitute cause for the suspension or
5 revocation of the real estate license and license rights of Respondent WPMI under the provisions
6 of Code Sections 10177(d) and/or 10177(g).

7 13.

8 The violations noted above in Paragraph 11 constitute cause for the suspension or
9 revocation of the real estate license and license rights of Respondent BARRE under the
10 provisions of Code Sections 10177(h), 10177(d) and/or 10177(g).

11 14.

12 Code Section 10106 provides, in pertinent part, that in any order issued in
13 resolution of a disciplinary proceeding before the Bureau of Real Estate, the Commissioner may
14 request the administrative law judge to direct a licensee found to have committed a violation of
15 this part to pay a sum not to exceed the reasonable costs of the investigation and enforcement of
16 the case.

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1 WHEREFORE, Complainant prays that a hearing be conducted on the allegations
2 of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary
3 action against all licenses and/or license rights of Respondents WESTSIDE PROPERTY
4 MANAGMENT, INC. and JOSHUA LESSING BARRE, individually and as designated officer
5 for Westside Property Management, Inc. under the Real Estate Law (Part 1 of Division 4 of the
6 Business and Professions Code), for the cost of investigation and enforcement as permitted by
7 law, and for such other and further relief as may be proper under other provisions of law.

8 Dated at Los Angeles, California this 15th day of April, 2015.

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10 
11 MARIA SUAREZ
12 Deputy Real Estate Commissioner
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21 cc: Westside Property Management, Inc.
22 Joshua Lessing Barre
23 Maria Suarez
24 Jennifer Lin-Audits
Sacto.