

FILED

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BUREAU OF REAL ESTATE

By S Black

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8 BEFORE THE BUREAU OF REAL ESTATE

9 STATE OF CALIFORNIA

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11 In the Matter of the Accusation of :

12 COUNTRYSIDE PROPERTY MANAGEMENT, INC.)
13 and JASON JOE ALVES,)

14 Respondents.)

No. H-2919 FR

ACCUSATION

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16 The Complainant, BRENDA SMITH, acting in her official capacity as a Deputy
17 Real Estate Commissioner of the State of California, for cause of Accusation against
18 COUNTRYSIDE PROPERTY MANAGEMENT, INC. ("COUNTRYSIDE"), and JASON JOE
19 ALVES ("ALVES") (collectively referred to as "Respondents"), is informed and alleges as
20 follows:

21 PRELIMINARY ALLEGATIONS

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

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26 At all times mentioned herein, COUNTRYSIDE was and is licensed by the State
27 of California Bureau of Real Estate ("Bureau") as a corporate real estate broker.

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2 At all times mentioned herein, ALVES was and is licensed by the Bureau
3 individually as a real estate broker. At all times mentioned herein, ALVES was the designated
4 broker officer of COUNTRYSIDE.

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

13 FIRST CAUSE OF ACTION

14 Audit Violation

15 (As to Respondent COUNTRYSIDE)

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17 Each and every allegation in Paragraphs 1 through 4, inclusive, is incorporated
18 by this reference as if fully set forth herein.

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20 Beginning on or about February 28, 2014, and continuing intermittently through
21 March 5, 2014, an audit was conducted of COUNTRYSIDE's records. The auditor herein
22 examined the records for the period December 1, 2012, through February 28, 2014.

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24 While acting as a real estate licensee as described in Paragraph 4,
25 COUNTRYSIDE accepted or received funds in trust (trust funds) from or on behalf of owners
26 and tenants in connection with leasing, renting and collection of rents on real property or
27 improvements thereon and deposited or caused to be deposited those funds into bank accounts
maintained by COUNTRYSIDE.

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The aforesaid trust funds accepted or received by COUNTRYSIDE were deposited or caused to be deposited by COUNTRYSIDE into one or more bank accounts (hereinafter "trust funds accounts") maintained by COUNTRYSIDE for the handling of trust funds, including but not limited to the following:

TRUST ACCOUNT # 1	
Bank Name and Location:	Chase Bank 2951 Countryside Drive, Turlock, CA 95380
Account No.:	XXXXX7731
Entitled:	Countryside Property Management Inc. Trust Account
Signatories:	Michael Mendoza, D.O. (REB), John Mendoza (RES) and Jose A. Palma (unlicensed)
No. of Signatures Required:	Unknown

In the course of the activities described in Paragraph 4, COUNTRYSIDE caused, suffered or permitted the balance of funds in Trust Account #1 to contain a shortage of \$9,070.51 without the prior written consent of each and every owner of such funds.

The acts and/or omissions of COUNTRYSIDE, as alleged above in Paragraph 9 constitute grounds for the suspension or revocation of all licenses and license rights of COUNTRYSIDE, pursuant to Section 10177(d) and/or 10177(g) of the Code, in conjunction with Section 10145 of the Code and Section 2832.1 of Title 10 of the California Code of Regulations;

The acts and/or omissions of COUNTRYSIDE as alleged above in Paragraph 18 entitle the Bureau to reimbursement of the costs of its audit pursuant to Section 10148 of the Code.

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SECOND CAUSE OF ACTION
Dishonest Dealing
(As to Respondent ALVES)

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Each and every allegation in Paragraphs 1 through 11, inclusive, is incorporated by this reference as if fully set forth herein.

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On or about February 28, 2014, during the course of the audit described above in Paragraph 6, the auditor requested from ALVES a report for the summary of the balances for all beneficiaries of Trust Account #1. In Response, ALVES provided the auditor a report entitled Trust Account Balance. This report was inaccurate because it did not contain information about a separate record regarding a fictitious account for a property located at 6476 Lander Avenue, Hillmar, CA 95324.

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In truth, Respondents never serviced an account regarding a property located at 6476 Lander Avenue, Hillmar, CA 95324. Rather, ALVES created the fictitious account as a shell for the purpose of tracking \$9,070.51 in funds that he improperly converted from Trust Account #1 and deposited into a business bank account and a personal bank account.

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The acts and/or omissions of ALVES, as alleged above in Paragraphs 13 and 14, constitute grounds for the suspension or revocation of all licenses and license rights of ALVES pursuant to Section 10176(i) and/or 10177(j) of the Code.

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1 THIRD CAUSE OF ACTION

2 Failure to Supervise

3 (As to Respondent ALVES)

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

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8 ALVES, as the designated broker officer of COUNTRYSIDE, was required to
9 exercise reasonable supervision and control over the activities of COUNTRYSIDE. ALVES
10 failed to exercise reasonable supervision over the acts and/or omissions of COUNTRYSIDE in
11 such a manner as to allow the acts and/or omissions as described in Paragraphs 5 through 10,
12 above, to occur, all in violation of Section 10159.2 of the Code and Section 2725 of the
13 Regulations.

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15 The facts described above as to the Third Cause of Action constitutes cause for
16 the discipline of all licenses and license rights of ALVES under Section 10177(g) of the Code
17 and/or Section 10177(h) of the Code in conjunction with Section 10177(d) of the Code.

18 COST RECOVERY

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20 The acts and/or omissions of COUNTRYSIDE and ALVES, as alleged above,
21 entitle the Bureau to reimbursement of the costs of its audit pursuant to Section 10148(b) (audit
22 costs for trust fund handling violation) of the Code.


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

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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 licenses and license rights of Respondents under the Code, for the costs of investigation and enforcement as permitted by law, and for such other and further relief as may be proper under the provisions of law.


BRENDA SMITH
Deputy Real Estate Commissioner

Dated at Fresno, California,
this 22 day of October, 2014

DISCOVERY DEMAND

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