

1 RICHARD K. UNO, Counsel III (SBN 98275)
2 Bureau of Real Estate
3 P. O. Box 137007
4 Sacramento, CA 95813-7007

5 Telephone: (916) 263-8670
6 (916) 263-3767 (Fax)
7 (916) 263-8679 (Direct)

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

12 DAWN B. PENTONEY, and
13 MANZANITA PROPERTY MANAGEMENT, INC.
14 Respondents.

No. H- 3029 FR

ACCUSATION

15 The Complainant, BRENDA SMITH, a Supervising Special Investigator of the
16 State of California, for Accusation against DAWN B. PENTONEY (PENTONEY) and
17 MANZANITA PROPERTY MANAGEMENT, INC. (MPM), collectively RESPONDENTS, is
18 informed and alleges as follows:

19 1

20 The Complainant makes this Accusation against RESPONDENTS in her official
21 capacity.

22 2

23 PENTONEY is presently licensed and/or has license rights by the Bureau of Real
24 Estate (Bureau), under the California Business and Professions Code (Code) as a real estate
25 broker.

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1 3

2 MPM is presently licensed by the Bureau as a corporate real estate broker, but
3 was unlicensed between May 11, 2014, when its license expired, and September 14, 2015, when
4 its license was renewed. PENTONEY is the designated officer of MPM.

5 4

6 At all times herein mentioned, RESPONDENTS engaged in the business of,
7 acted in the capacity of, advertised, or assumed to act as real estate brokers within the State of
8 California within the meaning of Section 10131(b) of the Code, including the operation and
9 conduct of a property management business with the public wherein, on behalf of others, for
10 compensation or in expectation of compensation, RESPONDENTS leased or rented or offered
11 to lease or rent, or placed for rent, or solicited listings of places for rent or solicited for
12 prospective tenants, or negotiated the sale, purchase or exchange of leases on real property, or
13 on a business opportunity, or collected rents from tenants.

14 5

15 Beginning on June 9, 2015, and continuing intermittently through June 10, 2015,
16 an audit was conducted at MPM'S main office located on 630-14th Street, #B, Paso Robles,
17 California, here the auditor examined records for the period of April 1, 2014, through May 31,
18 2015 (the audit period).

19 6

20 While acting as a real estate broker as described in Paragraph 4, above, and
21 within the audit period, RESPONDENTS accepted or received funds in trust (trust funds) from
22 or on behalf of property owners, lessees and others in connection with property management
23 activities, deposited or caused to be deposited those funds into bank accounts maintained by
24 RESPONDENTS at Heritage Oaks Bank, 545-12th Street, Paso Robles, CA 93446, as described
25 below:

26 ///

27 ///

TRUST ACCOUNT #1	
Account No.:	XXX0086
Entitled:	Manzanita Property Management Inc Trust Account

and thereafter from time to time made disbursement of said trust funds.

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FIRST CAUSE OF ACTION

Complainant refers to Paragraphs 1 through 6, above, and incorporates the same herein.

8

In the course of the activities described in Paragraph 4, in connection with the collection and disbursement of trust funds, it was determined that:

- (a) During an accountability performed on Trust Account #1, and as of May 31, 2015, a shortage of \$72,818.55 was revealed, in violation of Section 10145 of the Code;
- (b) RESPONDENTS failed to obtain written permission from owners of trust funds in Trust Account #1 to allow the balance to drop below accountability, in violation of Section 2832.1 of the Regulations;
- (c) RESPONDENTS failed to perform monthly reconciliations of the separate beneficiary records and control records for Trust Account #1, as required by Section 2831.2 of the Regulations;
- (d) Between May 11, 2014, and September 14, 2015, when MPM's corporate broker license was expired, PENTONEY continued to conduct real estate activities under MPM's expired license, regarding certain real property commonly known as follows:

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///

Street Address:

Owner:

8921 Palomar Avenue

Nora Picucci

1502 Pine Street

Assana Fard

2889 Old Wrangler Lane

Kimberly Castagnera

3570 Nacimiento Lake Drive

Doug Mondo

5495 Palma Avenue

Andrew Hook

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The acts and/or omissions described above constitute violations of Sections 2831 (control records), 2831.1 (separate beneficiary records), 2831.2 (monthly reconciliations), 2832 (trust fund designation) and 2832.1 (written permission balance below accountability) of the Regulations and of Section 10145 (trust fund handling) of the Code, and are grounds for discipline under Section 10177(d) (willful disregard of real estate laws) and 10177(g) (negligence/incompetence licensee) of the Code.

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SECOND CAUSE OF ACTION

Complainant refers to Paragraphs 1 through 9, above, and incorporates the same herein.

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At all times herein above mentioned, PENTONEY was responsible, as the supervising designated broker/officer for MPM, for the supervision and control of the activities conducted on behalf of MPM's business by its employees to ensure its compliance with the Real Estate Law and Regulations. PENTONEY failed to exercise reasonable supervision and control over the property management activities of MPM. In particular, PENTONEY permitted, ratified and/or caused the conduct described above to occur, and failed to take reasonable steps, including but not limited to, the handling of trust funds, supervision of employees, and the implementation of policies, rules, and systems to ensure the compliance of the business with the Real Estate Law and the Regulations.

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The above acts and/or omissions of PENTONEY violate Section 2725 (broker supervision) of the Regulations and Section 10159.2 (responsibility/designated officer) of the Code and constitute grounds for disciplinary action under the provisions of Sections 10177(d), 10177(g) and 10177(h) (broker supervision) of the Code.

13

Audit Costs

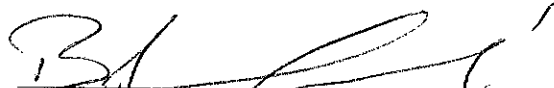
The acts and/or omissions of RESPONDENTS as alleged above, entitle the Bureau to reimbursement of the costs of its audits pursuant to Section 10148(b) (audit costs for trust fund handling violations) of the Code.

14

Costs of Investigation and Enforcement

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

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 Real Estate Law (Part 1 of Division 4 of the Business and Professions Code), and for such other and further relief as may be proper under other provisions of law.



BRENDA SMITH

Supervising Special Investigator

Dated at Fresno, California,

this 25 day of July, 2016.