

FILED

OCT 05 2023

DEPT. OF REAL ESTATE

By \_\_\_\_\_

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BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of	)	No. H-05779 SD
	)	
	)	
THOMAS J. MARTINDALE; and	)	<u>A C C U S A T I O N</u>
BONNIE JO HATCHER,	)	
	)	
Respondents.	)	

The Complainant, Veronica Kilpatrick, a Supervising Special Investigator of the State of California, acting in her official capacity, for cause of Accusation against THOMAS J. MARTINDALE ("MARTINDALE") and BONNIE JO HATCHER ("HATCHER"), is informed and alleges as follows:

1.

The Complainant, Veronica Kilpatrick, acting in her official capacity as Supervising Special Investigator of the State of California, makes this Accusation.

2.

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 unless otherwise specified.

1 (License History: MARTINDALE, HATCHER, SDPM, LLC, and Monica B. Cuevas)

2 3.

3 a. MARTINDALE is presently licensed by the Department Real Estate as a real  
4 estate broker (license no. 01475075). MARTINDALE was originally licensed on or about  
5 January 18, 2005, and has been so licensed since then. At no time has MARTINDALE had a  
6 fictitious business name registered with the Department of Real Estate.

7 b. HATCHER is presently licensed and/or issued by the Department of Real  
8 Estate as a real estate salesperson (license no. 02129323). HATCHER was originally licensed  
9 on or about April 20, 2021, and has been so licensed since then. At no time has HATCHER  
10 had a fictitious business name registered with the Department of Real Estate. From on or about  
11 November 23, 2021 through the present, HATCHER's sponsoring broker has been  
12 MARTINDALE. Previously, from on or about April 28, 2021 to November 22, 2021,  
13 HATCHER's sponsoring broker was James Vaughn Carter (license no. 01352336).

14 c. At no time has SDPM, LLC been licensed with the Department of Real  
15 Estate in any capacity. Respondent HATCHER has been SDPM, LLC's manager from on or  
16 about January 12, 2022 through the present and SDPM, LLC's agent for service of process  
17 from on or about December 12, 2022 through the present. From on or about January 12, 2022  
18 to December 11, 2022, SDPM, LLC's agent for service of process was Monica B. Cuevas  
19 ("Cuevas").

20 d. At no time has Cuevas been licensed with the Department of Real Estate in  
21 any capacity.

22 4.

23 At all times mentioned, in the County of San Diego, MARTINDALE and  
24 HATCHER were engaged in the business of a real estate broker conducting licensed activities  
25 within the meaning of Code section 10131(b) ("[l]eases or rents or offers to lease or rent, or  
26 places for rent, or solicits listings of places for rent, or solicits for prospective tenants, or  
27

1 negotiates the sale, purchase, or exchanges of leases on real property, or on a business  
2 opportunity, or collects rents from real property, or improvements thereon, or from business  
3 opportunities”).

4  
5 (Conducting Licensed Activities Under Unlicensed Entity SDPM LLC)

6 5.

7 From at least July 26, 2022 through the present, Respondent HATCHER  
8 conducted licensed property management activities under SDPM, LLC, an unlicensed entity, in  
9 violation of Code section 10177(d) and 10177(g).

10 6.

11 From at least July 26, 2022 through the present, Respondent MARTINDALE  
12 permitted HATCHER to conduct licensed property management activities under SDPM, LLC,  
13 an unlicensed entity under MARTINDALE’s broker license without adequate supervision, in  
14 violation of Code sections 10177(d), 10177(g), and 10177(h).

15  
16 (Property Management Audit)

17 7.

18 On or about May 11, 2023, the Department of Real Estate completed an audit  
19 examination of the books and records of MARTINDALE to determine whether  
20 MARTINDALE handled and accounted for trust funds and conducted their real estate activities  
21 in accordance with the Real Estate Law and Regulations. The audit examination covered a  
22 period of time beginning on May 1, 2021 and ending on February 28, 2023. The audit  
23 examination revealed violations of the Code and the Regulations set forth in the following  
24 paragraphs, and more fully discussed in Audit Report SD220021 and the exhibits and work  
25 papers attached to said audit report.

26 ///

1 Bank Accounts

2 8.

3 At all times mentioned, in connection with the activities described in Paragraph  
4 4, above, MARTINDALE accepted or received funds including funds in trust ("trust funds")  
5 from or on behalf of actual or prospective parties, such as owners of real property, and  
6 thereafter made deposits and/or disbursements of such funds. From time to time herein  
7 mentioned, during the audit period, said trust funds were deposited and/or maintained by  
8 MARTINDALE in the trust account as follows:

9 \*\*\*\*\*3203

10 U.S. Bank  
11 125 N. Broadway  
12 Escondido, CA 92025

BA 1

13 \*\*\*\*\*3565

14 U.S. Bank  
15 125 N. Broadway  
16 Escondido, CA 92025

BA 2

17 9.

18 In the course of activities described in Paragraphs 4 and 8, above, and during the  
19 audit examination period in Paragraph 7, above, Respondent MARTINDALE acted in violation  
20 of the Code and the Regulations as set forth below:

21 (a) Failed to designate BA 1 and BA 2, which were used to handle trust funds  
22 related to MARTINDALE's licensed activities, as trust accounts, in violation of Code section  
23 10145 and Regulations section 2832.

24 (b)(1) Permitted Cuevas, an unlicensed and unbonded person, to be an  
25 authorized signatory on BA 1 and BA 2, into which were deposited trust funds, in violation of  
26 Code section 10145 and Regulations section 2834. On May 15, 2023, HATCHER, the only  
27 other signatory to BA 1 and BA 2, removed Cuevas as a signatory to BA 1 and BA 2.

1 (b)(2) Failed to be a signatory of BA 1 and BA 2, in violation of Code section  
2 10145 and Regulations section 2834.

3 (c) Failed to maintain trust funds in BA 1 in accordance with instructions from  
4 the person entitled to the funds, in violation of Code section 10145(a). For example, as of  
5 February 28, 2023, BA 1 had a \$50.00 trust fund discrepancy, which was corrected on May 5,  
6 2023.

7 (d) Failed to maintain an accurate record of all trust funds received and  
8 disbursed (control record/general ledger) for BA 1 and BA 2, in violation of Code section  
9 10145 and Regulations section 2831.

10 (e) Failed to maintain complete separate records for BA 2, in violation of Code  
11 section 10145 and Regulations section 2831.1. For example, as of February 28, 2023, BA 2  
12 had unidentified and unaccounted fund of \$238.53, which was corrected on May 5, 2023.

13 (f)(1) Failed to exercise adequate supervision over his real estate activities to  
14 ensure compliance with Real Estate Laws and Regulations, in violation of Regulations section  
15 2725.

16 (f)(2) Failed to establish policies, rules, procedures, and system to review,  
17 oversee, inspect, and manage transactions requiring a real estate license and the handling of  
18 trust funds, in violation of Code section 10177(h) and Regulations section 2725.

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10.

The conduct of Respondent MARTINDALE described in Paragraph 8, above, violated the Code and the Regulations as set forth below:

<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
9(a)	Code section 10145 and Regulations section 2832
9(b)	Code section 10145 and Regulations section 2834
9(c)	Code section 10145(a)
9(d)	Code section 10145 and Regulations section 2831
9(e)	Code section 10145 and Regulations section 2831.1
9(f)	Code section 10177(h) and Regulations section 2725

The foregoing violations constitute cause for discipline of the real estate license and license rights of Respondent MARTINDALE under the provisions of Code sections 10177(d), 10177(g), and 10177(h).

(COSTS)

11.

Code section 10106 provides, in pertinent part, that in any order issued in resolution of a disciplinary proceeding before the Department of Real Estate, 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 investigation and enforcement of the case.

12.

Code section 10148(b) provides, in pertinent part, that the Commissioner shall charge a real estate broker for the cost of any audit, if the Commissioner has found in a final decision following a disciplinary hearing that the broker has violated Code section 10145 or a regulation or rule of the Commissioner interpreting said section.

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 the license and license rights of THOMAS J. MARTINDALE and BONNIE JO HATCHER under the Real Estate Law (Part 1 of Division 4 of the California Business and Professions Code), for the cost of investigation and enforcement pursuant to Code section 10106 and as permitted by law, and for such other and further relief as may be proper under other applicable provisions of law, including costs of audit pursuant to Code section 10148(b).

Dated at San Diego, California: October 5, 2023

Veronica Kilpatrick

Veronica Kilpatrick  
Supervising Special Investigator

cc: Thomas J. Martindale  
Bonnie Jo Hatcher  
Veronica Kilpatrick  
Sacto  
Enforcement  
Audits – Mandeep Sidhu