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**FILED**

DEC - 3 2014

BUREAU OF REAL ESTATE

By K. Contreras

9 BEFORE THE BUREAU OF REAL ESTATE

10 STATE OF CALIFORNIA

11 \* \* \*

12 In the Matter of the Accusation of )  
13 ) NO. H-6191 SAC  
14 STEPHEN SCOTT BLANCHE, )  
15 ) ACCUSATION  
16 Respondent. )  
17 )

18 The Complainant, TRICIA D. PARKHURST, a Deputy Real Estate Commissioner  
19 of the State of California, makes this Accusation for cause against STEPHEN SCOTT BLANCHE  
20 (herein "Respondent") dba "Sac City Rentals," and is informed and alleges as follows:

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22 At all times herein mentioned, Respondent was and now is licensed and/or has  
23 license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions  
24 Code) (herein "the Code").

25 2

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

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At all times herein mentioned, 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 on

1 behalf of others, for compensation or in expectation of compensation within the meaning of  
2 Section 10131(b) of the Code, the operation and conduct of a property management business,  
3 which included leasing or renting and offering to lease or rent, and placing for rent, and soliciting  
4 listings of places for rent, and soliciting for prospective tenants of real property or improvements  
5 thereon, and collecting rents from real property or improvements thereon.

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7 Between about January 23, 2014, and January 29, 2014, an audit was conducted  
8 on the records of Respondent for the period between about November 1, 2012, and about  
9 November 30, 2013.

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11 In so acting as a real estate broker, as described in Paragraph 3 above, Respondent  
12 accepted or received funds in trust (herein "trust funds") from or on behalf of owners, tenants,  
13 and others in connection with the leasing, renting, and collection of rents on real property or  
14 improvements thereon.

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16 The aforesaid trust funds accepted or received by Respondent were  
17 deposited or caused to be deposited by Respondent into one or more bank accounts  
18 (herein "trust fund accounts") maintained by Respondent for the handling of trust funds at  
19 the Elk Grove branch of Wells Fargo Bank, in the name of "Michelle Blanche Sac City  
20 Rentals", account number xxxxxx0370 (herein "Account #1").

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22 Between about November 1, 2012 to about November 30, 2013, in connection  
23 with the collection and disbursement of said trust funds, Respondent:

24 (a) caused, suffered or permitted the balance of funds in Account #1 to be  
25 reduced to amounts less than the liability of Respondent resulting in a trust fund shortage of  
26 about \$64,681.46 on about November 30, 2013, in violation of Section 2832.1 of Chapter 6,  
27 Title 10, California Code of Regulations (herein "the Regulations"); and

1 (b) failed to place trust funds entrusted to Respondent into the hands of a  
2 principal on whose behalf the funds were received, into a neutral escrow depository, or into a  
3 trust fund account in the name of Respondent as trustee at a bank or other financial institution,  
4 in conformance with the requirements of Section 10145 of the Code and Section 2832 of the  
5 Regulations, in that Respondent placed such funds into Account #1, an account that was not  
6 designated as a trust account and was not in the name of Respondent as trustee.

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8 At all times herein mentioned, Respondent failed to obtain a written agreement  
9 with real estate salesperson Michelle Blanche, in violation of Section 2726 of the Regulations.

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11 The facts alleged above are grounds for the suspension or revocation of the license  
12 and license rights of Respondent under the following provisions of the Code and/or the Regulations:

- 13 (a) as to Paragraph 7(a) under Section 2832.1 of the Regulations, in  
14 conjunction with Section 10177(d) of the Code;
- 15 (b) as to Paragraph 7(b) under Section 10145 of the Code and Section 2832  
16 of the Regulations, in conjunction with Section 10177(d) of the Code;
- 17 (c) as to Paragraph 8 under Section 2726 of the Regulations, in conjunction  
18 with Section 10177(d) of the Code.

19 COST RECOVERY

20 10

21 Audit Costs

22 The acts and/or omissions of Respondent as alleged above entitle the Bureau to  
23 reimbursement of the costs of its audit pursuant to Section 10148(b) of the Code.

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25 Investigation and Enforcement Costs

26 Section 10106 of the Code provides, in pertinent part, that in any order issued in  
27 resolution of a disciplinary proceeding before the Bureau, the Commissioner may request the

1 Administrative Law Judge to direct a licensee found to have committed a violation of this part to  
2 pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

3 WHEREFORE, Complainant prays that a hearing be conducted on the allegations of  
4 this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action  
5 against all licenses and license rights of Respondent under the Real Estate Law (Part 1 of Division 4  
6 of the Business and Professions Code), for the cost of the investigation and enforcement as permitted  
7 by law, and for such other and further relief as may be proper under other applicable provisions of  
8 law.

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12 TRICIA D. PARKHURST  
13 Deputy Real Estate Commissioner  
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15 Dated at Sacramento, California  
16 this 20th day of November, 2014.  
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