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FILED

APR 21 2021

DEPARTMENT OF REAL ESTATE  
By J. Taggart

8 BEFORE THE DEPARTMENT OF REAL ESTATE  
9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of )

12 BC & EC CHASE HOLDINGS, INC. and )  
13 ELIZABETH IRENE CAMPBELL-CHASE, )

14 Respondents. )

No. H-7038 SAC

ACCUSATION

15 The Complainant, TRICIA D. PARKHURST, a Supervising Special Investigator  
16 of the State of California, for Accusation against BC & EC CHASE HOLDINGS, INC. (CHI)  
17 and ELIZABETH IRENE CAMPBELL-CHASE (CAMPBELL-CHASE), collectively  
18 RESPONDENTS, is informed and alleges as follows:

19 1

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

22 2

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

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2 CAMPBELL-CHASE is presently licensed by the Department as a real estate  
3 broker and is the designated officer of CHI.

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

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14 FIRST CAUSE OF ACTION

15 Complainant refers to Paragraphs 1 through 4, above, and incorporates the same  
16 herein.

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18 Between May 5, 2019 and December 31, 2020, an audit was conducted at the  
19 Department's main office located on 1651 Exposition Blvd., Sacramento, California, where the  
20 auditor examined records for the period of August 1, 2019, through April 30, 2020 (the audit  
21 period).

22 7

23 While acting as a real estate broker as described in Paragraph 4, above, and  
24 within the audit period, RESPONDENTS accepted or received funds in trust (trust funds) from  
25 or on behalf of property owners, lessees and others in connection with property management  
26 activities, and deposited or caused to be deposited those funds into bank accounts maintained by  
27 RESPONDENTS at Tri Counties Bank, P.O. Box 909, Chico, CA 95927, as described below:

TRUST ACCOUNT #1	
Account No.:	XXXXXX2885
Entitled:	BC & EC Chase Holdings, Inc Trust Acct/DBA Pacific Coast Rentals

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

# 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, as of April 29, 2020, a shortage of \$43,810.13 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 include their license identification numbers on their web site, as required by Section 2773 of the Regulations and Section 10140.6 of the Code.

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The acts and/or omissions described above constitute violations of Sections 2773 (license number in advertising) and 2832.1 (written permission balance below accountability) of the Regulations and of Sections 10140.6 (advertising requirements) and 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.

At all times herein above mentioned, CAMPBELL-CHASE was responsible, as the supervising designated broker/officer for CHI, for the supervision and control of the activities conducted on behalf of CHI's business by its employees to ensure its compliance with the Real Estate Law and Regulations. CAMPBELL-CHASE failed to exercise reasonable supervision and control over the property management activities of CHI. In particular, CAMPBELL 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.

The above acts and/or omissions of CAMPBELL-CHASEE 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.

#### Audit Costs

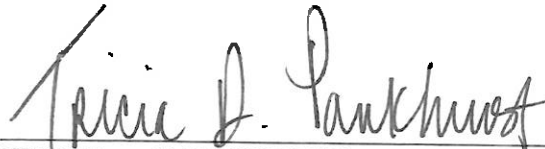
The acts and/or omissions of RESPONDENTS as alleged above, entitle the Department to reimbursement of the costs of its audits pursuant to Section 10148(b) (audit costs for trust fund handling violations) of the Code.

#### 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 Department, 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.

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

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8 TRICIA D. PARKHURST  
9 Supervising Special Investigator

10 Dated at Sacramento, California,  
11 this 19<sup>th</sup> day of April, 2021.

12  
13 DISCOVERY DEMAND

14 The Department of Real Estate hereby requests discovery pursuant to Section  
15 11507.6 of the California Government Code. Failure to provide discovery to the Department  
16 may result in the exclusion of witnesses and/or documents at the hearing, and other sanctions as  
17 the Administrative Law Judge deems appropriate.