

FILED

FEB 27 2025

DEPARTMENT OF REAL ESTATE

By By dsw

MEGAN LEE OLSEN, Counsel, (SBN 272554)
Department of Real Estate
651 Bannon Street, Suite 507
Sacramento, CA 95811

Telephone: (916) 576-8700
(916) 263-3767 (Fax)
(916) 737-4394 (Direct)

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of

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

Respondents.

No. H-7305 SAC

FIRST AMENDED
ACCUSATION

The Complainant, HEATHER NISHIMURA, acting in her official capacity as a
Supervising Special Investigator of the State of California, for cause of Accusation against
Respondents BC & EC CHASE HOLDINGS, INC. (CHI) and ELIZABETH IRENE
CAMPBELL-CHASE (CAMPBELL-CHASE), collectively Respondents, is informed and
alleges as follows:

1

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

2

At all times mentioned, CHI was and is licensed by the State of California
Department of Real Estate (Department) as a real estate broker corporation.

///

///

At all times mentioned herein, CAMPBELL-CHASE was and is licensed by the Department individually as a real estate broker, and as the designated broker officer of CHI. As the designated broker officer, CAMPBELL-CHASE was responsible, pursuant to Section 10159.2 of the Code, for the supervision of the activities of officers, agents, real estate licensees and employees of CHI for which a real estate license is required to ensure the compliance of the corporation with the Real Estate Law and Regulations.

Whenever reference is made to an allegation in this Accusation to an act or omission of CHI, such allegation shall be deemed to mean that the officers, directors, employees, agents and real estate licensees employed by or associated with CHI committed such acts or omissions while engaged in furtherance of the business or operation of CHI and while acting within the course and scope of their corporate authority and employment.

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

///

///

///

///

1 FIRST CAUSE OF ACTION

2 Audit OK 22-0046

3 6

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

6 7

7 Beginning on January 30, 2023, and continuing intermittently through February
8 2, 2023, the Department conducted an audit of the records of CHI's property management
9 activities. The Department's auditor examined records for the period of May 1, 2022, through
10 November 30, 2022 (the audit period).

11 8

12 While acting as a real estate broker as described in Paragraph 5, above, and
13 within the audit period, Respondents accepted or received funds in trust (trust funds) from or on
14 behalf of property owners, lessees and others in connection with property management
15 activities, and deposited, caused to be deposited, or directed that the trust funds be deposited
16 those funds into the following bank account maintained by Respondents, at Redwood Capital
17 Bank, P.O. Box 1401, Eureka, California 95502, identified as follows:

18 Trust Account #1

19 Account No.: XXXXXX4087

20 Account Name: BC & EC CHASE HOLDINGS INC

21 DBA PACIFIC COAST RENTALS

22 CLIENT TRUST ACCOUNT

23 Signatories: Elizabeth Campbell; Raeanne Velma Marie Hall

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

25 9

26 In the course of the property management activities described in Paragraph 5, in
27 connection with the collection and disbursement of trust funds during the audit period,
Respondents violated the Real Estate Law as described below:

- 1 (a) A bank reconciliation was performed on Trust Account #1, and as of
2 November 30, 2022, there was a shortage in the amount of \$25,527.70
3 revealed, in violation of Section 10145 of the Code;
- 4 (b) Respondents failed to obtain written permission from owners of trust funds in
5 Trust Account #1, to allow the balances to drop below accountability, in
6 violation of Section 2832.1 of Chapter 6, Title 10, California Code of
7 Regulations (Regulations); and
- 8 (c) Respondents caused, suffered or permitted funds of others which were
9 received and held by Respondents to be commingled with broker funds in
10 excess of \$200 in Trust Account #1, in violation of Section 10176 (e) of the
11 Code, and Section 2835 of the Regulations.

12 10

13 The acts and/or omissions described above constitute violations of Sections
14 2832.1 (Written Permission for Balance Below Accountability), and 2835 (Commingling) of the
15 Regulations, and of Sections 10145 (Trust Fund Handling) and 10176 (e) (Commingling), and
16 are grounds for discipline under Sections 10176 (e), 10177 (d) (Willful Disregard of Real Estate
17 Laws) and/or 10177(g) (Negligence/Incompetence Licensee) of the Code.

18 SECOND CAUSE OF ACTION

19 Failure to Supervise

20 11

21 Each and every allegation in Paragraphs 1 through 10, inclusive, is incorporated
22 by this reference as if fully set forth herein.

23 12

24 Respondent CAMPBELL-CHASE failed to exercise reasonable supervision and
25 control over the property management activities of CHI. In particular, CAMPBELL-CHASE
26 permitted, ratified and/or caused the conduct described above to occur, and failed to take
27 reasonable steps, including but not limited to, the handling of trust funds, supervision of

1 employees, and the implementation of policies, rules and systems to ensure the compliance of
2 the business with the Real Estate Law and the Regulations.

3 13

4 The above acts and/or omissions of CAMPBELL-CHASE violate Section 2725
5 (Broker Supervision) of the Regulations, and Section 10159.2 (Responsibility/Designated
6 Officer) of the Code and constitute grounds for disciplinary action under the provisions of
7 Sections 10177(d), 10177(g) and/or 10177(h) (Broker Supervision) of the Code.

8 PRIOR ADMINISTRATIVE ACTION

9 14

10 Effective April 27, 2022, in Case No. H-7038 SAC, before the Department, the
11 Real Estate Commissioner suspended all licensing rights of CHI for a period of 60-days, and that
12 suspension was stayed pursuant to terms and conditions imposed pursuant to Section 10156.6
13 and 10156.7 of the Code for the following violations: Sections 10177 (d) and 10177 (g) of the
14 Code.

15 COST RECOVERY

16 15

17 Audit Costs

18 The acts and/or omissions of Respondents, as alleged above, entitle the
19 Department to reimbursement of the costs of its audit pursuant to Section 10148 (b) (Audit Costs
20 for Trust Fund Handling Violations) of the Code.

21 16

22 Costs of Investigation and Enforcement

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

27 ///

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, for the cost of the investigation and enforcement as permitted by law, for the cost of the
5 audit as permitted by law, and for such other and further relief as may be proper under other
6 provisions of law.

7
8 
9 HEATHER NISHIMURA
Supervising Special Investigator

10 Dated at Sacramento, California,
11 this 26th day of February, 2025.
12

13 DISCOVERY DEMAND

14 Pursuant to Sections 11507.6, *et seq.* of the *Administrative Procedure Act*, the
15 Department of Real Estate hereby makes demand for discovery pursuant to the guidelines set
16 forth in the *Administrative Procedure Act*. Failure to provide Discovery to the Department of
17 Real Estate may result in the exclusion of witnesses and documents at the hearing or other
18 sanctions that the Office of Administrative Hearings deems appropriate.
19
20
21
22
23
24
25
26
27