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**FILED**

FEB 16 2016

BUREAU OF REAL ESTATE  
By B. Nicholas

BEFORE THE BUREAU OF REAL ESTATE  
STATE OF CALIFORNIA

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|                                    |   |                   |
|------------------------------------|---|-------------------|
| In the Matter of the Accusation of | ) |                   |
|                                    | ) | NO. H- 11946 SF   |
| STEVEN GERALD LARSON,              | ) |                   |
|                                    | ) | <u>ACCUSATION</u> |
| Respondent.                        | ) |                   |
| _____                              | ) |                   |

The Complainant, ROBIN S. TANNER, a Supervising Special Investigator of the State of California, makes this Accusation in her official capacity against STEVEN GERALD LARSON ("Respondent"), and is informed and alleges as follows:

1

Respondent is presently licensed by the California Bureau of Real Estate ("Bureau") and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) ("Code") as a restricted real estate broker.

2

At all times herein mentioned, Respondent conducted real estate activity under his individual broker license and the fictitious business names "Westside Home Loans," "Westside Property Management Company," and "Westside Real Estate Services," registered with the Bureau.

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2 Whenever reference is made in an allegation in this Accusation to an act or  
3 omission of Respondent, such allegation shall be deemed to mean that the officers, directors,  
4 employees, agents and/or real estate licensees employed by or associated with Respondent  
5 committed such act or omission while engaged in the furtherance of the business or operations  
6 and while acting within the course and scope of their authority and employment.

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

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17 In so acting as a real estate broker as described in Paragraph 4, above, Respondent  
18 accepted or received funds in trust ("trust funds") from or on behalf of tenants, owners, and  
19 others in connection with real estate leasing, renting, and collection of rents on real property or  
20 improvements thereon, and thereafter from time-to-time made disbursements of said funds.

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22 The aforesaid trust funds accepted or received by Respondent were deposited or  
23 caused to be deposited by Respondent into one or more bank accounts maintained by Respondent  
24 for the handling of trust funds at the Los Gatos, California branch of Wells Fargo Bank, under  
25 account name:

26 (a) "Westside Property Management," Account Number xxxx2645  
27 ("the Bank Account").

Between about October 14, 2015 and about December 1, 2015, an audit was conducted of the records of Respondent in connection with the activities described in Paragraphs 4, 5, and 6, above. The auditor herein examined the records for the period between about January 1, 2013 and about September 30, 2015, and found Respondent:

- (a) caused, suffered or permitted the balance of funds in the Bank Account to be reduced to amounts, which as of August 31, 2015, were approximately \$272,294.97 less than the aggregate liability of all owners of such funds, without the prior written consent of the owners of such funds, in violation of Section 10145 of the Code in conjunction with Section 2832.1 of Chapter 6, Title 10, of the California Code of Regulations (“Regulations”);
- (b) conducted property management activities under an unlicensed entity, “Westside Property Management Company, LLC,” in violation of Section 10130 of the Code;
- (c) failed to designate the Bank Account as a trust account in the name of the broker or his licensed dba in violation of Section 10145(a) of the Code in conjunction with Section 2832 of the Regulations;
- (d) commingled with his own money or property the money or other property of others which was received and held in trust by Respondent in violation of Section 10176(e) of the Code;
- (e) failed to maintain a written separate record of all trust funds received and disbursed in the Bank Account, containing all information required by Section 2831.1 of the Regulations;
- (f) failed to reconcile the balance of separate beneficiary or transaction records with the control record of trust funds received and disbursed at least once a month, and/or failed to maintain a record of such reconciliations for each account as required by Section 2831.2 of the Regulations;

- 1 (g) failed to maintain for a period of three years copies of all listings, deposit  
2 receipts, canceled checks, trust records, and/or other documents executed by  
3 Respondent in violation of Section 10158 of the Code; and,  
4 (h) failed to maintain a definite place of business within the State of California  
5 to serve as his office for the transaction of real estate activities in violation  
6 of Section 10162 of the Code.

7 COST RECOVERY

8 8

9 Audit Costs

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

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13 Investigation and Enforcement Costs

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

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

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25  
26 Dated at Oakland, California

27 this 10<sup>th</sup> day of February, 2016.

  
ROBIN S. TANNER  
Supervising Special Investigator