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DEPARTMENT OF REAL ESTATE
BY: James B. [Signature]

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8

9 BEFORE THE DEPARTMENT OF REAL ESTATE

10 STATE OF CALIFORNIA

11 * * *

12 In the Matter of the Accusation of)

No. H-37644 LA

13 STATEWIDE PROPERTY SERVICES INC;)
14 and DAVID RUSSELL DANIEL,)
15 individually and as designated)
16 officer of Statewide Property)
17 Services Inc,)

A C C U S A T I O N

18 Respondents.)
19)
20)
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23)
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25)
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27)

18 The Complainant, Maria Suarez, a Deputy Real Estate
19 Commissioner of the State of California, for cause of Accusation
20 against STATEWIDE PROPERTY SERVICES INC and DAVID RUSSELL DANIEL,
21 individually and as designated officer of Statewide Property
22 Services Inc, alleges as follows:

23 1.

24 The Complainant, Maria Suarez, acting in her official
25 capacity as a Deputy Real Estate Commissioner of the State of
26
27

1 California, makes this Accusation against STATEWIDE PROPERTY
2 SERVICES INC and DAVID RUSSELL DANIEL

3 2.

4 All references to the "Code" are to the California
5 Business and Professions Code and all references to "Regulations"
6 are to Title 10, Chapter 6, California Code of Regulations.

7 LICENSE HISTORY

8 3.

9 A. At all times mentioned, STATEWIDE PROPERTY SERVICES
10 INC ("STATEWIDE") and DAVID RUSSELL DANIEL ("DANIEL") were
11 licensed or had license rights issued by the Department of Real
12 Estate ("Department") as real estate brokers.

13 B. From April 24, 1997 through the present, STATEWIDE
14 was licensed by the Department as a corporate real estate broker
15 by and through DANIEL, as the designated officer and broker
16 responsible, pursuant to Code Section 10159.2, for supervising
17 the activities requiring a real estate license conducted on
18 behalf STATEWIDE of by STATEWIDE's officers, agents and
19 employees, including DANIEL.

20 C. At all times mentioned, DAVID RUSSELL DANIEL
21 ("DANIEL") was licensed or had license rights issued by the
22 Department as a real estate broker. On January 24 1994, DANIEL
23 was originally licensed as a real estate broker.

24 D. On August 4, 2010, DANIEL signed a Stipulation and
25 Agreement on behalf of himself and STATEWIDE before the
26 Department in Case No. H-36563 LA, in which STATEWIDE and DANIEL
27 stipulated to violating Code Section 10177(g). The Stipulation

1 and Agreement, which became effective on November 3, 2010,
2 suspended the licenses and license rights of DANIEL for thirty
3 (30) days, with thirty (30) days stayed for one year upon certain
4 terms and conditions. DANIEL was also required to pass the
5 Professional Responsibility Exam. STATEWIDE was publicly
6 reprimanded.

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BROKERAGE

STATEWIDE PROPERTY SERVICES INC

4.

At all times mentioned, in the City of Moreno Valley,
County of Riverside, STATEWIDE and DANIEL acted as real estate
brokers conducting licensed activities within the meaning of Code
Section 10131(b) by managing the rental properties of others for
compensation.

AUDIT

STATEWIDE PROPERTY SERVICES INC

5.

On July 15, 2011, the Department completed an audit
examination of the books and records of STATEWIDE pertaining to
the property management activities described in Paragraph 4 which
require a real estate license. The audit examination covered a
period of time beginning on August 1, 2008 to May 31, 2011. The
audit examination revealed violations of the Code and the
Regulations as set forth in the following paragraphs, and as more
fully discussed in Audit Report SD090076 and the exhibits and
workpapers attached to said audit report.

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1 VIOLATIONS OF THE REAL ESTATE LAW

2 6.

3 In the course of activities described in Paragraph 4
4 above, and during the examination period described in Paragraph
5 5, Respondents STATEWIDE and DANIEL acted in violation of the
6 Code and the Regulations in that:

7 (a) STATEWIDE did not return a property management
8 balance of \$1,306.24 to property owner Luck Hanesana upon
9 Hanesana's termination of STATEWIDE's services on November 3,
10 2008. As of June 23, 2010, Hanesana had still not received a
11 \$1,306.24 refund from STATEWIDE. This failure to disburse trust
12 funds is in violation of Code Section 10145(a).

13 (b) The separate records maintained for the handling
14 of trust fund receipts and disbursements were incomplete, in
15 violation of Code Section 10145 and Regulation 2831.1.

16 (c) STATEWIDE did not maintain a monthly trust fund
17 reconciliation of all separate records to the columnar records of
18 trust funds received and disbursed, in violation of Code Section
19 10145 and Regulation 2831.2.

20 (d) STATEWIDE used the unlicensed fictitious business
21 name "Statewide Property Services" without first obtaining a
22 license from the Department bearing such fictitious business
23 name, in violation of Code Section 10159 and Regulation 2731.

24 (e) STATEWIDE did not notify the Commissioner of the
25 employment of Real Estate Salesperson Kimberly Casey, in
26 violation of Code Section 10161.8 and Regulation 2752.
27

1 (f) The original license certificates of two
2 salesperson employed by STATEWIDE were not made available for
3 inspection, in violation of Code Section 10160.

4 (g) STATEWIDE did not provide broker-salesman
5 agreements for two salespersons, in violation of Regulation 2726.

6 (h) STATEWIDE failed to retain records for
7 transactions for which a license is required, in violation of
8 Code Section 10148.

9 7.

10 The conduct of Respondents STATEWIDE and DANIEL,
11 described in Paragraph 6, above, violated the Code and the
12 Regulations as set forth below:

13 PARAGRAPH

PROVISIONS VIOLATED

14
15 6(a)

Code Section 10145(a)

16 6(b)

Code Section 10145 and Regulation
17 2831.1

18 6(c)

Code Section 10145 and Regulation
19 2831.2

20 6(d)

Code Section 10159 and Regulation
21 2731

22 6(e)

Code Section 10161.8 and Regulation
23 2752

24 6(f)

Code Section 10160

25 6(g)

Regulation 2726

26 6(h)

Code Section 10148

1 The foregoing violations constitute cause for the
2 suspension or revocation of the real estate license and license
3 rights of STATEWIDE and DANIEL, under the provisions of Code
4 Sections 10177(d) and/or 10177(g).

5 NEGLIGENCE

6 8.

7 The overall conduct of Respondents STATEWIDE and DANIEL
8 constitutes negligence or incompetence. This conduct and
9 violation are cause for the suspension or revocation of the real
10 estate license and license rights of said Respondents pursuant to
11 Code Section 10177(g).

12 SUPERVISION AND COMPLIANCE

13 9.

14 The overall conduct of Respondent DANIEL constitutes a
15 failure on his part, as officer designated by a corporate broker
16 licensee, to exercise the reasonable supervision and control over
17 the licensed activities of STATEWIDE as required by Code Section
18 10159.2, and to keep STATEWIDE in compliance with the Real Estate
19 Law, and is cause for the suspension or revocation of the real
20 estate license and license rights of DANIEL pursuant to the
21 provisions of Code Sections 10177(d), 10177(g) and 10177(h).

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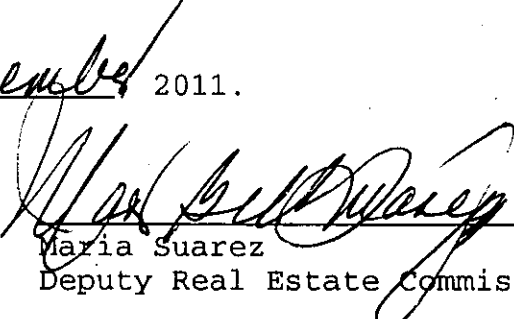
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1 WHEREFORE, Complainant prays that a hearing be
2 conducted on the allegations of this Accusation and that upon
3 proof thereof, a decision be rendered imposing disciplinary
4 action against the license and license rights of Respondents
5 STATEWIDE PROPERTY SERVICES INC and DAVID RUSSELL DANIEL,
6 individually and as designated officer of Statewide Property
7 Services Inc, under the Real Estate Law (Part 1 of Division 4 of
8 the Business and Professions Code) and for such other and further
9 relief as may be proper under other applicable provisions of law.
10 Dated at Los Angeles, California

11
12 this 13th day of November 2011.

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14 
15 Maria Suarez
16 Deputy Real Estate Commissioner
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24 cc: STATEWIDE PROPERTY SERVICES INC
25 DAVID RUSSELL DANIEL
26 Maria Suarez
27 Sacto
Audits