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1 Department of Real Estate
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FILED

MAR - 4 2020

DEPT. OF REAL ESTATE

By 

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

To:

11 ALEJANDRO A. HARTE,

12 Respondent.

DRE No. H-41627 LA

ORDER TO DESIST & REFRAIN

(B&P Code § 10086)

14
15 The Commissioner ("Commissioner") of the California Department of Real Estate
16 ("Department") caused an investigation to be made of the activities of ALEJANDRO A.
17 HARTE, aka Alejandro Albert Harte, Alejandro Harte, and Alex Harte ("Respondent"). Based
18 on that investigation, the Commissioner has determined that Respondent has engaged in or is
19 engaging in acts or practices constituting violations of the California Business and Professions
20 Code ("Code"), including engaging in the business of, acting in the capacity of, advertising, or
21 assuming to act, as a real estate broker in the State of California within the meaning of Section
22 10131, subdivision (b), of the Code (leasing or renting or offering to lease or to rent or
23 soliciting for prospective tenants for rentals, or collecting rents from real property or
24 improvements thereon). Based on the findings of that investigation, as set forth below, the

1 Commissioner hereby issues the following Findings of Fact and Desist and Refrain Order
2 pursuant to Section 10086 of the Code.

3 All references to the "Code" are to the California Business and Professions Code, all
4 references to the "Real Estate Law" are to Part 1 of Division 4 of the Code, and all references to
5 "Regulations" are to the Regulations of the Real Estate Commissioner, Title 10, Chapter 6,
6 California Code of Regulations.

7 FINDINGS OF FACT

8 1. The Department has never issued a license in any capacity to Respondent.

9 2. On or about March 30, 2011, the Department issued a real estate corporation license
10 to Freeman Property Management, Inc. ("FPMI"), License ID 01897343. FPMI's license
11 expired on March 29, 2019.

12 3. On or about December 1, 2003, the Department issued a real estate broker license to
13 Helaine Beth Campbell ("Campbell"), License ID 01121743. Campbell's license expired on
14 November 30, 2019.

15 4. FPMI is a corporation formed in California, on or about January 5, 2011. According
16 to filings submitted to the California Secretary of State, Respondent is the owner, President,
17 Chief Executive Officer, and a director for FPMI. Campbell is listed as the Chief Financial
18 Officer for FPMI.

19 5. T.L.A. and L.A.¹ ("property owners") own real property located at 24660 Lincoln
20 Ave., Murrieta, California 92562 ("Lincoln Ave. property").

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24 ¹ Initials are used in place of individuals' full names to protect their privacy. Documents containing individuals' full names will be provided during the discovery phase of this case to Respondent(s) and/or their attorneys, after service of a timely and proper request for discovery on Complainant's counsel.

1 6. On or about March 31, 2017, Respondent solicited or offered to perform property
2 management activities for the property owners including, but not limited to, leasing or renting
3 or offering to lease or to rent or soliciting for prospective tenants for the Lincoln Ave. property
4 and collecting rents from real property or improvements thereon.

5 7. In or around April, 2017, Respondent informed the property owners that he had
6 found a tenant, L. Kaplan ("Kaplan"), for the Lincoln Ave. property. Respondent induced the
7 property owners to lease the Lincoln Ave. property to Kaplan. The property owners relied on
8 Respondent's advice, representations, and recommendation to lease the Lincoln Ave. property
9 to Kaplan. Respondent did not provide a copy of Kaplan's credit report or letters of reference
10 to the property owners. Respondent leased the Lincoln Ave. property to Kaplan on or about
11 April 9, 2017.

12 8. Respondent represented himself to be the property manager for the Lincoln Ave.
13 property. Respondent collected rents from Kaplan and handled all aspects of the property
14 management for the Lincoln Ave. property during Kaplan's tenancy at the Lincoln Ave.
15 property.

16 9. Respondent's acts which include, but are not limited to, soliciting for a tenant,
17 leasing, and collecting rents for the Lincoln Ave. property fall within the purview of Code
18 section 10131, subdivision (b), which are in violation of Code sections 10130 and 10137.

19 10. The property owners dealt with Respondent, not CAMPBELL, concerning the
20 property management of the Lincoln Ave. property.

21 11. Respondent failed to prepare or timely provide a property management agreement
22 for the Lincoln Ave. property to the property owners.

23 12. On or about March 31, 2017, the property owners provided Respondent with
24 written instructions stating that no pets would be allowed in the Lincoln Ave. property. The

1 property owners later discovered that Kaplan's lease agreement for the Lincoln Ave. property
2 failed to note that no pets were allowed. Respondent leased the Lincoln Ave. property to
3 Kaplan, who had pets living in the Lincoln Ave. property during Kaplan's tenancy.

4 13. Respondent failed to timely provide the property owners with a copy of Kaplan's
5 lease agreement for the Lincoln Ave. property. Respondent also failed to provide to the
6 property owners, copies of addendums to the lease agreement and other documents related to
7 the Lincoln Ave. property. The property owners were not provided with copies of the
8 documents or given an opportunity to review or approve the lease documents. The lease
9 agreement addendums which were not provided to the property owners allowed pets at the
10 Lincoln Ave. property contrary to the property owners' written instructions.

11 14. In response to the Department's investigation of the property owner's complaint,
12 Campbell provided copies of documents that appeared to be altered, backdated, or signed by
13 Campbell on the property owners' behalf without the property owners' knowledge, prior
14 approval, or permission.

15 15. Kaplan stopped making timely rental payments in or around December of 2017.
16 Respondent failed to timely notify the property owners that Kaplan's rent payments were late
17 and that Kaplan's rent checks had bounced for insufficient funds.

18 16. The property owners later discovered that Respondent had allowed Kaplan to make
19 weekly cash payments of \$1,000 to FPPI for the rent payments. The property owners were not
20 aware of and had not approved Respondent's decision to change the rent payment terms for
21 Kaplan.

22 17. The property owners asked Respondent to evict Kaplan for failure to pay rent.
23 Respondent failed to timely provide copies of the notices to pay rent or quit that were allegedly
24 given to Kaplan.

1 18. Kaplan eventually vacated the Lincoln Ave. property on or about May 1, 2018.
2 Thereafter, the property owners discovered the damage done to the Lincoln Ave. property by
3 tenant Kaplan. The Lincoln Ave. property needed extensive cleaning and repairs after Kaplan
4 vacated the property. The property owners also discovered that Respondent was not licensed as
5 a broker.

6 19. Respondent's other company, Home & Business Construction, prepared invoices
7 and estimates for repairs to the Lincoln Ave. property, including the following: \$600.00 for
8 trash removal; \$550.00 for cleaning oil stains from the driveway, replacing light bulbs,
9 replacing an AC filter, purchasing and programming a garage remote, and purchasing a ceiling
10 fan remote; and \$1,050.00 for replacing the dishwasher that was stolen from the Lincoln Ave.
11 property.

12 20. The property owners brought a small claims suit concerning the Lincoln Ave.
13 property against Respondent Harte, FPMI, and Campbell. The suit was filed before the
14 Superior Court of California, County of Riverside, in Case No. SWS1801279. On October 1,
15 2018, the Court entered a judgement on the property owners' claim against Respondent Harte
16 FPMI, and Campbell for a total amount of \$5,059.85. Respondent, FPMI, and Campbell have
17 not satisfied the judgment.

18 CONCLUSIONS OF LAW

19 Based on the information contained in Findings of Fact, Paragraphs 1 through 20,
20 above, Respondent ALEJANDRO A. HARTE did one or more of the following acts for another
21 or others, for or in expectation of compensation: lease or rent or offer to lease or rent, or place
22 for rent, or solicit listings of places for rent, or solicit for prospective tenants for rentals, or
23 collect rents from real property, or improvements thereon, all of which requires a real estate
24 license under Section 10131, subdivision (b), of the Code, when Respondent was not licensed

1 by the Department to conduct such activities, in violation of Section 10130 of the Code.

2 DESIST AND REFRAIN ORDER

3 Based on the Findings of Fact and Conclusions of Law stated herein:

4 Respondent ALEJANDRO A. HARTE, whether doing business under his own
5 name, any other names, or any fictitious business names, IS HEREBY ORDERED to
6 immediately desist and refrain from performing any acts within the State of California for which
7 a real estate broker license is required, and in particular, doing one or more of the following acts
8 for another or others, for or in expectation of compensation: lease or rent or offer to lease or rent,
9 or place for rent, or solicit listings of places for rent, or solicit for prospective tenants for rentals,
10 or collect rents from real property, or improvements thereon, or engage in rental property
11 management activities of any kind whatsoever, unless and until Respondent obtains a real estate
12 broker license issued by the Department.

13 DATED: 3/2/20, 2020.

14
15 Acting Real Estate Commissioner

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17 _____
18 SANDRA KNAUS

19 **Notice:** Business and Professions Code section 10139 provides that "Any person acting as a
20 real estate broker or real estate salesperson without a license or who advertises using words
21 indicating that he or she is a real estate broker without being so licensed shall be guilty of a
22 public offense punishable by a fine not exceeding twenty thousand dollars (\$20,000), or by
23 imprisonment in the county jail for a term not to exceed six months, or by both fine and
24 imprisonment; or if a corporation, be punished by a fine not exceeding sixty thousand dollars
(\$60,000)."

cc: Alejandro A. Harte
Sacto.