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FILED
JAN 19 1994
DEPARTMENT OF REAL ESTATE

By *Muric A. Zinn*

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

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11 In the Matter of the Accusation of)
12 NETWORK REAL ESTATE OF) No. H-2978 SAC
13 CENTRAL CALIFORNIA, INC.,) ACCUSATION
14 WILLIAM PAPOLA, JR.,)
15 Respondents.)

16 The Complainant, Charles W. Koenig, a Deputy Real Estate
17 Commissioner of the State of California, for cause of Accusation
18 against NETWORK REAL ESTATE OF CENTRAL CALIFORNIA, INC. dba ERA
19 Network Real Estate Property Management (hereinafter "respondent
20 NETWORK") and WILLIAM PAPOLA JR. (hereinafter "respondent
21 PAPOLA"), is informed and alleges as follows:

22 I

23 The Complainant, Charles W. Koenig, a Deputy Real Estate
24 Commissioner of the State of California, makes this Accusation in
25 his official capacity.

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II

Respondent NETWORK is presently licensed and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) (hereinafter "Code"). At all times herein mentioned, respondent NETWORK was licensed as a real estate broker corporation by and through its designated broker-officer respondent PAPOLA.

III

Respondent PAPOLA is presently licensed and/or has license rights under the Code. At all times herein mentioned, Respondent PAPOLA was licensed as a real estate broker and served as the designated broker-officer of Respondent NETWORK.

IV

Whenever reference is made in an allegation in this Accusation to an act or omission of "Respondents", such allegation shall be deemed to mean the act or omission of each of the Respondents named in the caption hereof, acting individually, jointly, and severally.

V

On or before July 31, 1992 and continuing thereafter, Respondents, acting on behalf of another or others and in expectation of compensation, leased or rented, offered to lease or rent, solicited prospective tenants, or collected rents and otherwise managed certain real properties located in or near Grass Valley, California.

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1 VI

2 During the course of the property management activities
3 described in Paragraph V above, Respondents received and disbursed
4 funds held in trust on behalf of another or others.

5 VII

6 Within the three-year period immediately preceding the
7 filing of this Accusation and continuing through on or about
8 July 31, 1993, Respondents maintained the following trust fund
9 accounts:

10	<u>ACCOUNT NO.</u>	<u>BANK</u>
11	No. .03906	Bank of Commerce
12	ERA Network Real Estate Property	Grass Valley, California
13	Management Division Trust Account	
	(hereinafter "Trust #1")	
14	No. 03914	Bank of Commerce
15	ERA Network Real Estate Property	Grass Valley, California
	Management Division Trust Account	
	(hereinafter "Trust #2")	

16 Trust #1 and Trust #2 were not in the name of respondent
17 NETWORK or respondent PAPOLA as trustee.

18 VIII

19 In connection with the collection and disbursement of
20 said trust funds, Respondents failed to deposit and maintain said
21 trust funds in Trust #1 in such manner that as of July 31, 1993,
22 there was a shortage of \$4,344.77 of trust funds.

23 IX

24 In connection with the collection and disbursement of
25 said trust funds, Respondents failed to deposit and maintain said
26 trust funds in Trust #2 in such manner that as of July 31, 1993,
27 there was a shortage of \$1,534.74 of trust funds.

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X

Respondents failed to obtain prior written consent of their principals for the reduction of the aggregate balance of trust funds in said bank accounts to an amount less than the existing aggregate trust fund liability to the owners of said funds.

XI

The facts alleged above are grounds for the suspension or revocation of Respondents' licenses under Sections 2830 and 2832.1 of Title 10, California Code of Regulations and Section 10145 of the Code all in conjunction with Section 10177(d) of the Code.

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


CHARLES W. KOENIG
Deputy Real Estate Commissioner

Dated at Sacramento, California,
this 7th day of January, 1994.