

**FILED**

**November 29, 2012**

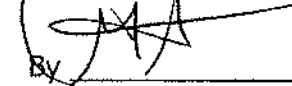
DEPARTMENT OF REAL ESTATE

P. O. Box 187007

Sacramento, CA 95818-7007

Telephone: (916) 227-0789

DEPARTMENT OF REAL ESTATE

By 

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of

)

DRE No. H-2655 FR

)

JESSE BONILLA CANALES

)

STIPULATION AND AGREEMENT

and BETTY T. ROMERO,

)

IN SETTLEMENT AND ORDER

)

)

Respondents.

)

)

It is hereby stipulated by and between JESSE BONILLA CANALES

(CANALES), BETTY T. ROMERO (ROMERO), and their attorney, Frank Buda and the

Complainant, acting by and through Richard K. Uno, Counsel for the Department of Real

Estate; as follows for the purpose of settling and disposing of the Accusation filed on August

11, 2011, in this matter:

1. All issues which were to be contested and all evidence which was to be presented by Complainant and Respondents at a formal hearing on the Accusation, which hearing was to be held in accordance with the provisions of the Administrative Procedure Act ("APA"), shall instead and in place thereof be submitted solely on the basis of the provisions of this Stipulation and Agreement In Settlement and Order.

///

///

1                   2. Respondents have received, read and understand the Statement to  
2 Respondent, the Discovery Provisions of the APA and the Accusation filed by the Department  
3 of Real Estate in this proceeding.

4                   3. On August 24, 2011, CANALES and ROMERO filed a Notice of Defense  
5 pursuant to Section 11505 of the Government Code for the purpose of requesting a hearing on  
6 the allegations in the Accusation. Respondents hereby freely and voluntarily withdraw said  
7 Notices of Defense. Respondents acknowledge that they understand that by withdrawing said  
8 Notices of Defense they will thereby waive their rights to require the Commissioner to prove  
9 the allegations in the Accusation at a contested hearing held in accordance with the provisions  
10 of the APA and that they will waive other rights afforded to them in connection with the  
11 hearing such as the right to present evidence in defense of the allegations in the Accusation and  
12 the right to cross-examine witnesses.

13                  4. Respondents, pursuant to the limitations set forth below, hereby admit that  
14 the factual allegations or findings of fact as set forth in the Accusation filed in this proceeding  
15 are true and correct and the Real Estate Commissioner shall not be required to provide further  
16 evidence of such allegations.

17                  5. It is understood by the parties that the Real Estate Commissioner may adopt  
18 the Stipulation and Agreement In Settlement and Order as her Decision in this matter, thereby  
19 imposing the penalties and sanctions on Respondents' real estate licenses and license rights as  
20 set forth in the below "Order". In the event that the Commissioner in his discretion does not  
21 adopt the Stipulation and Agreement In Settlement and Order, it shall be void and of no effect,  
22 and Respondents shall retain the right to a hearing and proceeding on the Accusation under all  
23 the provisions of the APA and shall not be bound by any admission or waiver made herein.

24 ///

25 ///

26 ///

27 ///

6. The Order or any subsequent Order of the Real Estate Commissioner made pursuant to this Stipulation and Agreement In Settlement and Order shall not constitute an estoppel, merger or bar to any further administrative or civil proceedings by the Department of Real Estate with respect to any matters which were not specifically alleged to be causes for accusation in this proceeding.

7. Respondents understand that by agreeing to this Stipulation and Agreement In Settlement and Order, Respondents agree to pay, pursuant to Section 10148 of the Business and Professions Code (Code), the cost of the audit which led to this disciplinary action. The amount of said cost is \$3,047.50.

8. Respondents have received, read and understand the “Notice Concerning Costs of Subsequent Audits”. Respondents understand that by agreeing to this Stipulation and Agreement in Settlement and Order, the findings set forth below in the DETERMINATION OF ISSUES become final, and that the Commissioner may charge Respondents for the cost of any audit conducted pursuant to Section 10148 of the Code to determine if the violations have been corrected. The maximum costs of said audit will not exceed \$3,047.50.

## DETERMINATION OF ISSUES

By reason of the foregoing stipulations, admissions and waivers, and solely for the purpose of settlement of the pending Accusation without a hearing, it is stipulated and agreed that the acts and/or omissions of Respondents, as described in the Accusation, constitute grounds for the suspension or revocation of the licenses and license rights of Respondent CANALES and ROMERO under the provisions of Sections 2972 of the California Code of Regulations (Regulations), and Sections 10085, 10145, 10146, 10177(d), 10177(g), 10240 and 10241 of the Code and of Respondent ROMERO under the provisions of Sections 10159.2 and 10177(h) of the Code.

1 ORDER

2 I. JESSE BONILLA CANALES

3 The corporate real estate broker license and license rights of Respondent  
4 CANALES under the Real Estate Law are suspended for a period of sixty (60) days from the  
5 effective date of this Order; provided, however, that:

6 1. Thirty (30) days of said suspension shall be stayed, upon the condition that  
7 CANALES petitions pursuant to Section 10175.2 of the Code and pays a monetary penalty  
8 pursuant to Section 10175.2 of the code at a rate of \$50.00 for each day of the suspension for a  
9 total monetary penalty of \$1,500.00

10 a. Said payment shall be in the form of a cashier's check or certified check made  
11 payable to the Recovery Account of the Real Estate Fund. Said check must be received by the  
12 Department prior to the effective date of the Decision in this matter.

13 b. No further cause for disciplinary action against the real estate license of  
14 CANALES occurs within one year from the effective date of the Decision in this matter.

15 c. If CANALES fails to pay the monetary penalty in accordance with the terms  
16 and conditions of the Decision, the Commissioner may, without a hearing, order the immediate  
17 execution of all or any part of the stayed suspension in which event CANALES shall not be  
18 entitled to any repayment nor credit, prorated or otherwise, for money paid to the Department  
19 under the terms of this Decision.

20 d. If CANALES pays the monetary penalty, and if no further cause for  
21 disciplinary action against the real estate license of CANALES occurs within one (1) year from  
22 the effective date of the Decision, the stay hereby granted shall become permanent.

23 2. Thirty (30) days of said suspension shall be stayed for one (1) year upon the  
24 following terms and conditions:

25 a) CANALES shall obey all laws, rules and regulations governing the rights,  
26 duties and responsibilities of a real estate licensee in the State of California; and,  
27



1                    b) That no final subsequent determination be made, after hearing or upon  
2 stipulation that cause for disciplinary action occurred within one (1) year from the effective  
3 date of this Order. Should such a determination be made, the Commissioner may, in his  
4 discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed  
5 suspension. Should no such determination be made, the stay imposed herein shall become  
6 permanent.

7                    3. CANALES shall, within six (6) months from the effective date of this  
8 Decision, take and pass the Professional Responsibility Examination administered by the  
9 Department including the payment of the appropriate examination fee. If CANALES fails to  
10 satisfy this condition, the Commissioner may order suspension of CANALES's license until  
11 Respondent passes the examination.

12                    4. All licenses and licensing rights of CANALES are indefinitely suspended  
13 unless or until Respondent provides proof satisfactory to the Commissioner, of having taken and  
14 successfully completed the continuing education course on trust fund accounting and handling  
15 specified in paragraph (3) of subdivision (a) of Section 10170.5 of the Code. Proof of  
16 satisfaction of this requirement includes evidence that respondent has successfully completed the  
17 trust fund account and handling continuing education course within 120 days prior to the  
18 effective date of the Decision in this manner.

## 19 20                    II. BETTY T. ROMERO

21                    The real estate broker license and license rights of Respondent ROMERO,  
22 under the Real Estate Law are suspended for a period of sixty (60) days from the effective date  
23 of this Order; provided, however, that:

24                    1. Thirty (30) days of said suspension shall be stayed, upon the condition that  
25 ROMERO petition pursuant to Section 10175.2 of the Code and pays a monetary penalty  
26 pursuant to Section 10175.2 of the code at a rate of \$50.00 for each day of the suspension for a  
27 total monetary penalty of \$1,500.00

1           a. Said payment shall be in the form of a cashier's check or certified check made  
2 payable to the Recovery Account of the Real Estate Fund. Said check must be received by the  
3 Department prior to the effective date of the Decision in this matter.

4           b. No further cause for disciplinary action against the real estate license of  
5 ROMERO occurs within one year from the effective date of the Decision in this matter.

6           c. If ROMERO fails to pay the monetary penalty in accordance with the terms  
7 and conditions of the Decision, the Commissioner may, without a hearing, order the immediate  
8 execution of all or any part of the stayed suspension in which event ROMERO shall not be  
9 entitled to any repayment nor credit, prorated or otherwise, for money paid to the Department  
10 under the terms of this Decision.

11           d. If ROMERO pays the monetary penalty, and if no further cause for  
12 disciplinary action against the real estate license of ROMERO occurs within one (1) year from  
13 the effective date of the Decision, the stay hereby granted shall become permanent.

14           2. Thirty (30) days of said suspension shall be stayed for one (1) year upon the  
15 following terms and conditions:

16           a) ROMERO shall obey all laws, rules and regulations governing the rights,  
17 duties and responsibilities of a real estate licensee in the State of California; and,

18           b) That no final subsequent determination be made, after hearing or upon  
19 stipulation that cause for disciplinary action occurred within one (1) year from the effective  
20 date of this Order. Should such a determination be made, the Commissioner may, in his  
21 discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed  
22 suspension. Should no such determination be made, the stay imposed herein shall become  
23 permanent.

24           3. ROMERO shall, within six (6) months from the effective date of this  
25 Decision, take and pass the Professional Responsibility Examination administered by the  
26 Department including the payment of the appropriate examination fee. If ROMERO fails to  
27 satisfy this condition, the Commissioner may order suspension of ROMERO's license until



1 Respondent passes the examination.

2 JESSE BONILLA CANALES AND BETTY T. ROMERO

3 Pursuant to Section 10148 of the Code, CANALES and ROMERO shall be

4 jointly and severally liable to pay for: a) the Commissioner's reasonable cost of the audit  
5 which led to this disciplinary action in the amount of \$3,047.50 and b) a subsequent audit to  
6 determine if Respondents have corrected the trust fund violations found in the Determination of  
7 Issues in an amount that shall be no more than \$3,047.50. In calculating the amount of the  
8 Commissioner's reasonable cost, the Commissioner may use the estimated average hourly  
9 salary for all persons performing audits of real estate brokers, and shall include an allocation  
10 for travel costs, including mileage, time to and from the auditor's place of work and per diem.  
11 Respondents shall pay such cost within sixty (60) days of receiving an invoice from the  
12 Commissioner detailing the activities performed during the audit and the amount of time spent  
13 performing those activities. The Commissioner may, in his discretion, vacate and set aside the  
14 stay order, if payment is not timely made as provided for herein, or as provided for in a  
15 subsequent agreement between the Respondents and the Commissioner. The vacation and the  
16 set aside of the stay shall remain in effect until payment is made in full, or until Respondents  
17 enter into an agreement satisfactory to the Commissioner to provide for payment. Should no  
18 order vacating the stay be issued, either in accordance with this condition, the stay imposed  
19 herein shall become permanent.

20  
21  
22 9/7/12

23 DATED

24 

25 RICHARD K. UNO, Counsel III  
26 DEPARTMENT OF REAL ESTATE

27 \* \* \*

I have read the Stipulation and Agreement in Settlement and Order and its terms  
are understood by me and are agreeable and acceptable to me. I understand that I am waiving

1 rights given to me by the California Administrative Procedure Act (including but not limited to  
2 Sections 11506, 11508, 11509 and 11513 of the Government Code), and I willingly,  
3 intelligently, and voluntarily waive those rights, including the right of requiring the  
4 Commissioner to prove the allegations in the Accusation at a hearing at which I would have the  
5 right to cross-examine witnesses against me and to present evidence in defense and mitigation  
6 of the charges.

7  
8  
9 DATED

JESSE BONILLA CANALES  
Respondent

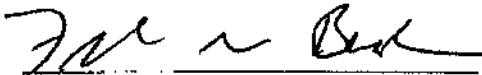
10  
11 \*\*\*

12  
13 8/31/12  
14 DATED

15  
16   
17 BETTY T. ROMERO  
18 Respondent

19  
20 I have reviewed this Stipulation and Agreement as to form and content and have  
21 advised my client accordingly.

22  
23 8-1-12  
24 DATED

25   
26 FRANK BUDA  
27 Attorney for Respondents  
JESSE BONILLA CANALES  
and BETTY T. ROMERO

28  
29 \*\*\*

30 The foregoing Stipulation and Agreement is hereby adopted by the Real Estate



1 rights given to me by the California Administrative Procedure Act (including but not limited to  
2 Sections 11506, 11508, 11509 and 11513 of the Government Code), and I willingly,  
3 intelligently, and voluntarily waive those rights, including the right of requiring the  
4 Commissioner to prove the allegations in the Accusation at a hearing at which I would have the  
5 right to cross-examine witnesses against me and to present evidence in defense and mitigation  
6 of the charges.

7  
8 8-31-12

9 DATED

Jesse Bonilla Canales

JESSE BONILLA CANALES  
Respondent

10  
11 \*\*\*

12  
13 ~~8-31-12~~

14 DATED

BETTY T. ROMERO  
Respondent

15  
16 *I have reviewed this Stipulation and Agreement as to form and content and have*  
17 *advised my client accordingly.*

18  
19 9-1-12

20 DATED

Frank Buda

FRANK BUDA  
Attorney for Respondents  
JESSE BONILLA CANALES  
and BETTY T. ROMERO

21  
22  
23 \*\*\*

24  
25 The foregoing Stipulation and Agreement is hereby adopted by the Real Estate  
26  
27

1 Commissioner as <sup>his</sup> her Decision and Order and shall become effective at 12 o'clock noon on

2 DEC 20 2012

3 IT IS SO ORDERED

11/26/2012

Real Estate Commissioner

