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Department of Real Estate
P.O. Box 187007
Sacramento, CA 95818-7007

Telephone (916) 227-0789

FILED
NOV 14 2012
DEPARTMENT OF REAL ESTATE
By *[Signature]*

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)	No. H-11413 SF
)	
SAM'S DOGHOUSE, INC. and,)	<u>STIPULATION AND</u>
MIKE NELSON ROWLAND,)	<u>AGREEMENT</u>
)	
Respondents.)	

It is hereby stipulated by and between SAM'S DOGHOUSE, INC. ("SAM'S") and MIKE NELSON ROWLAND ("ROWLAND") (collectively referred to as "Respondents") and their attorney, K.P. Dean Harper, and the Complainant, acting by and through Jason Lazark, Counsel for the Department of Real Estate ("Department"), as follows for the purpose of settling and disposing of the Accusation filed on June 19, 2012 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.

2. Respondents received, read, and understand the Statement to Respondent, and the Discovery Provisions of the APA filed by the Department in this proceeding.

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1 3. Respondents filed a Notice of Defense pursuant to section 11505 of the
2 Government Code for the purpose of requesting a hearing on the allegations in the Accusation.
3 Respondents hereby freely and voluntarily withdraw said Notice of Defense. Respondents
4 acknowledge that Respondents understand that by withdrawing said Notice of Defense
5 Respondents will thereby waive Respondents' rights to require the Real Estate Commissioner
6 ("Commissioner") to prove the allegations in the Accusation at a contested hearing held in
7 accordance with the provisions of the APA, and that Respondents will waive other rights
8 afforded to Respondents in connection with the hearing such as the right to present evidence in
9 defense of the allegations in the Accusation and the right to cross-examine witnesses.

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

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

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

25 7. Respondents understand that by agreeing to this Stipulation and
26 Agreement, Respondents agrees to pay, pursuant to Section 10148 of the California Business and
27 Professions Code (Code), the cost of the audit, which resulted in the determination that

1 * * *

2 ORDER

3 I. SAM'S DOGHOUSE INC.

4 All licenses and licensing rights of Respondent SAM'S under the Real Estate Law
5 are suspended for a period of thirty (30) days from the effective date of this Order; provided,
6 however, that:

7 1. Thirty (30) days of said suspension shall be stayed, upon the condition that
8 Respondent SAM'S petitions, pursuant to section 10175.2 of the Code, and pays a monetary
9 penalty pursuant to section 10175.2 of the Code at a rate of \$50 for each day of the suspension,
10 for a total monetary penalty of \$1,500.

11 a) Said payment shall be in the form of a cashier's check or certified check made
12 payable to the Recovery Account of the Real Estate Fund. Said check must
13 be delivered to the Department prior to the effective date of the Order in this
14 matter.

15 b) If Respondent SAM'S fails to pay the monetary penalty as provided above
16 prior to the effective date of this Order, the stay of the suspension shall be
17 vacated as to Respondent SAM'S and the order of suspension shall be
18 immediately executed, under this Order, in which event Respondent SAM'S
19 shall not be entitled to any repayment nor credit, prorated or otherwise, for the
20 money paid to the Department under the terms of this Order.

21 c) If Respondent SAM'S pays the monetary penalty and any other moneys due
22 under this Stipulation and Agreement the entire stay hereby granted in this
23 Order, as to Respondent SAMS's only, shall become permanent.

24 II. MIKE NELSON ROWLAND

25 All licenses and licensing rights of Respondent ROWLAND under the Real Estate
26 Law are suspended for a period of thirty (30) days from the effective date of this Order; provided,
27 however, that:

1 2. Thirty (30) days of said suspension shall be stayed, upon the condition that
2 Respondent ROWLAND petitions, pursuant to section 10175.2 of the Code, and pays a monetary
3 penalty pursuant to section 10175.2 of the Code at a rate of \$50 for each day of the suspension,
4 for a total monetary penalty of \$1,500.

5 a) Said payment shall be in the form of a cashier's check or certified check made
6 payable to the Recovery Account of the Real Estate Fund. Said check must
7 be delivered to the Department prior to the effective date of the Order in this
8 matter.

9 b) If Respondent ROWLAND fails to pay the monetary penalty as provided
10 above prior to the effective date of this Order, the stay of the suspension shall
11 be vacated as to Respondent ROWLAND and the order of suspension shall be
12 immediately executed, under this Order, in which event Respondent
13 ROWLAND shall not be entitled to any repayment nor credit, prorated or
14 otherwise, for the money paid to the Department under the terms of this Order.

15 c) If Respondent ROWLAND pays the monetary penalty and any other moneys
16 due under this Stipulation and Agreement the entire stay hereby granted in this
17 Order, as to Respondent ROWLAND only, shall become permanent.

18 3. All licenses and licensing rights of Respondent ROWLAND shall be
19 indefinitely suspended unless Respondent provides proof satisfactory to the Commissioner, of
20 having taken and successfully completed the continuing education course on trust fund
21 accounting and handling specified in paragraph (3) of subdivision (a) of Section 10170.5 of the
22 Code. Proof of satisfaction of this requirement includes evidence that respondent has
23 successfully completed the trust fund account and handling continuing education course within
24 120 days prior to the effective date of the Decision in this matter.

25 4. Respondent ROWLAND shall, within six (6) months from the effective
26 date of this Decision, take and pass the Professional Responsibility Examination administered by
27 the Department including the payment of the appropriate examination fee. If Respondent

1 ROWLAND fails to satisfy this condition, the Commissioner may order suspension of
2 Respondent ROWLAND's licenses until Respondent ROWLAND passes the examination.

3 III. MIKE NELSON ROWLAND AND SAM'S DOGHOUSE INC.

4 5. Pursuant to section 10148 of the Code, Respondents ROWLAND and
5 SAM'S shall be jointly and severally liable to pay the sum of \$3,312.69 for the Commissioner's
6 cost of the audit which led to this disciplinary action. Respondents shall be jointly and severally
7 liable to pay such cost within sixty (60) days of receiving an invoice therefor from the
8 Commissioner. The Commissioner may suspend Respondents' licenses pending a hearing held
9 in accordance with section 11500, et seq., of the Government Code, if payment is not timely made
10 as provided for herein, or as provided for in a subsequent agreement between the Respondents
11 and the Commissioner. The suspension(s) shall remain in effect until payment is made in full or
12 until Respondents enter into an agreement satisfactory to the Commissioner to provide for
13 payment, or until a decision providing otherwise is adopted following a hearing held pursuant to
14 this condition.

15 6. Pursuant to section 10148 of the Code, Respondents ROWLAND and
16 SAM'S shall be jointly and severally liable to pay the Commissioner's reasonable cost, not to
17 exceed \$3,312.69, for an audit to determine if Respondents have corrected the trust fund
18 violation(s) found in the Determination of Issues. In calculating the amount of the
19 Commissioner's reasonable cost, the Commissioner may use the estimated average hourly salary
20 for all persons performing audits of real estate brokers, and shall include an allocation for travel
21 time to and from the auditor's place of work. Respondents shall pay such cost within sixty (60)
22 days of receiving an invoice therefor from the Commissioner detailing the activities performed
23 during the audit and the amount of time spent performing those activities. The Commissioner
24 may suspend Respondents' licenses pending a hearing held in accordance with section 11500, et
25 seq., of the Government Code, if payment is not timely made as provided for herein, or as
26 provided for in a subsequent agreement between Respondents and the Commissioner. The
27 suspension(s) shall remain in effect until payment is made in full or until Respondents enter into

1 an agreement satisfactory to the Commissioner to provide for payment, or until a decision
2 providing otherwise is adopted following a hearing held pursuant to this condition.

3 7. All licenses and licensing rights of Respondents ROWLAND and SAM'S
4 are indefinitely suspended unless or until Respondents pay the sum of \$284.03 for the
5 Commissioner's reasonable costs of the investigation and enforcement which led to this
6 disciplinary action. Said payment shall be in the form of a cashier's check or certified check made
7 payable to the Recovery Account of the Real Estate Fund.

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9
10 9-24-12


11 _____
DATED

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11 _____
12 JASON LAZARK
13 Counsel for Complainant

13 * * *

14 I have read the Stipulation and Agreement, discussed it with my counsel, and its
15 terms are understood by me and are agreeable and acceptable to me. I understand that I am
16 waiving rights given to me by the California Administrative Procedure Act, and I willingly,
17 intelligently and voluntarily waive those rights, including the right of requiring the
18 Commissioner to prove the allegations in the Accusation at a hearing at which I would have the
19 right to cross-examine witnesses against me and to present evidence in defense and mitigation of
20 the charges.

21
22 9/15/2012
23 _____
DATED

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22 _____
23 MIKE NELSON ROWLAND,
24 Designated Officer for Respondent
25 SAM'S DOGHOUSE, INC.

25 9/15/2012
26 _____
DATED

25 
26 _____
27 MIKE NELSON ROWLAND
Respondent

1
2 *I have reviewed the Stipulation and Agreement as to form and content and have*
3 *advised my client accordingly.*

4 9-18-12

5 DATED



6 K.P. DEAN HARPER
7 Attorney for Respondents

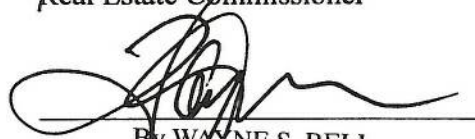
8 * * *

9 The foregoing Stipulation and Agreement is hereby adopted as my Decision and
10 shall become effective at 12 o'clock noon on DEC 04 2012.

11 IT IS SO ORDERED

12 10/22/2012

13 Real Estate Commissioner



14 By WAYNE S. BELL
15 Chief Counsel