

1 Bureau of Real Estate  
2 P.O. Box 137007  
3 Sacramento, CA 95813-7007  
4 Telephone: (916) 263-8672  
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7

**FILED**

NOV 03 2015

BUREAU OF REAL ESTATE

By *L. Just*

8 **BEFORE THE BUREAU OF REAL ESTATE**

9 **STATE OF CALIFORNIA**

10 \* \* \*

11 In the Matter of the Accusation of )

12 LEGACY REAL ESTATE & ASSOCIATES )  
13 INC., CHIT RK PRASHAR, and THOMAS )  
14 RICHARD SUMMERS, )

15 Respondents. )

No. H-11825 SF

STIPULATION AND  
AGREEMENT

16 It is hereby stipulated by and between LEGACY REAL ESTATE &  
17 ASSOCIATES INC. (LEGACY), CHIT RK PRASHAR (PRASHAR), and THOMAS  
18 RICHARD SUMMERS (SUMERS) (collectively referred to as "Respondents"), represented by  
19 Shannon B. Jones, and the Complainant, acting by and through Truly Sughrue, Counsel for the  
20 Bureau of Real Estate (Bureau), as follows for the purpose of settling and disposing the  
21 Accusation filed on March 19, 2015, in this matter:

22 1. All issues which were to be contested and all evidence which was to be  
23 presented by Complainant and Respondents at a formal hearing on the Accusation, which hearing  
24 was to be held in accordance with the provisions of the Administrative Procedure Act (APA),  
25 shall instead and in place thereof be submitted solely on the basis of the provisions of this  
26 Stipulation and Agreement.  
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1                   2.     Respondents have received, read, and understand the Statement to  
2 Respondent, and the Discovery Provisions of the APA filed by the Bureau in this proceeding.

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

12                  4.     This Stipulation and Agreement is based on the factual allegations  
13 contained in the Accusation. In the interest of expediency and economy, Respondents choose not  
14 to contest these factual allegations, but to remain silent and understand that, as a result thereof,  
15 these factual statements will serve as a prima facie basis for the "Determination of Issues" and  
16 "Order" set forth below. The Commissioner shall not be required to provide further evidence to  
17 prove such allegations.

18                  5.     This Stipulation and Agreement and Respondents' decision not to contest  
19 the Accusation are made for the purpose of reaching an agreed disposition of this proceeding and  
20 are expressly limited to this proceeding and any other proceeding or case in which the Bureau,  
21 the state or federal government, an agency of this state, or an agency of another state is involved.

22                  6.     Respondents LEGACY and PRASHAR understand that by agreeing to  
23 this Stipulation and Agreement, Respondents LEGACY and PRASHAR agree to pay the cost of  
24 the audit, which resulted in the determination that Respondents committed the violation(s)  
25 found in the Determination of Issues. The amount of said costs is \$10,515.97.

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27 ///



I

The acts and omissions of Respondents LEGACY and PRASHAR as described in the First Cause of Action in the Accusation are grounds for the suspension or revocation of Respondents LEGACY and PRASHAR's licenses and license rights under the following sections of the Code and Title 10 of the California Code of Regulations (Regulations):

As to Paragraph 11, under Section 10177(d) (willful disregard or violation of Real Estate Law) and Section 10177(q) (violation of Civil Code) of the Code, in conjunction with Section 10085.6 (unlawful collection of advance fees related to loan modifications) of the Code and Section 2945.4 (unlawful collection of advance fees related to loan modifications) of the Civil Code;

As to Paragraph 12(a), under Section 10177(d) of the Code, in conjunction with Section 10085 (failure to submit materials used in collection of advance fees to Bureau) of the Code and Section 2970 (materials used in collection of advance fees must be approved by Bureau prior to use) of the Regulations;

As to Paragraph 12(b), under Section 10177(d) of the Code, in conjunction with Sections 10145 (trust fund handling) and 10146 (handling of advance fees as trust funds) of the Code and 2832 of the Regulations;

As to Paragraph 12(c), under Section 10177(d) of the Code in conjunction with Section 10146 (handling of advance fees as trust funds) of the Code and Section 2972 (verified accounting of advance fee handling to principals) of the Regulations;

As to Paragraph 12(d), under Section 10177(d) of the Code in conjunction with Section 2831.1 (separate beneficiary records) of the Regulations;

As to Paragraph 12(e), under Section 10177(d) of the Code in conjunction with Section 2831.2 (trust account reconciliation) of the Regulations;

As to Paragraph 12(f), under Section 10177(d) of the Code, in conjunction with Section 10166.02(a) (failure to notify Bureau of loan activity) of the Code; and

1 As to Paragraph 12(g), under Section 10177(d) of the Code, in conjunction with  
2 Section 10166.02(b) (failure to obtain license endorsement) of the Code.

3 II

4 The acts and omissions of Respondent SUMMERS as described in the First  
5 Cause of Action of the Accusation are grounds for the suspension or revocation of SUMMERS'  
6 licenses and license rights under the following sections of the Code and Regulations:

7 As to Paragraph 11, under Sections 10177(d) and 10177(q) of the Code, in  
8 conjunction with Section 10085.6 of the Code and Section 2945.4 of the Civil Code;

9 As to Paragraph 12(a), under Section 10177(d) of the Code, in conjunction with  
10 Section 10085 of the Code and Section 2970 of the Regulations;

11 As to Paragraph 12(f), under Section 10177(d) of the Code, in conjunction with  
12 Section 10166.02(a) of the Code;

13 As to Paragraph 12(g), under Section 10177(d) of the Code, in conjunction with  
14 Section 10166.02(b) of the Code.

15 III

16 The acts and omissions of Respondents LEGACY and PRASHAR as described  
17 in the Second Cause of Action in the Accusation are grounds for the suspension or revocation of  
18 Respondents LEGACY and PRASHAR's licenses and license rights under the following  
19 sections of the Code and Regulations:

20 As to Paragraph 17(a), under Section 10176(e) (comingling) of the Code;

21 As to Paragraph 17(b), under Section 10177(d) of the Code in conjunction with  
22 Section 2831 (control record) of the Regulations;

23 As to Paragraph 17(c), under Section 10177(d) of the Code in conjunction with  
24 Section 2831.1 of the Regulations; and

25 As to Paragraph 17(d), under Section 10177(d) of the Code in conjunction with  
26 Section 2831.2 of the Regulations.

27

1 IV

2 The acts and omissions of PRASHAR as described in the Third Cause of Action  
3 in the Accusation are grounds for the suspension or revocation of PRASHAR's licenses and  
4 license rights under Section 10177(h) of the Code.

5 \* \* \*

6 ORDER

7 I

8 All licenses and licensing rights of LEGACY under the Real Estate Law are  
9 suspended for a period of one hundred and twenty (120) days from the effective date of this  
10 Order; provided, however, that:

- 11 1) Thirty (30) days of said suspension shall be stayed, upon the condition that LEGACY petition  
12 pursuant to Section 10175.2 of the Code and pays a monetary penalty pursuant to Section  
13 10175.2 of the Code at a rate of \$100 for each day of the suspension for a total monetary  
14 penalty of \$3,000.
- 15 a) Said payment shall be in the form of a cashier's check made payable to the Bureau of  
16 Real Estate. Said check must be delivered to the Bureau of Real Estate, Flag Section at  
17 P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this  
18 Decision and Order.
- 19 b) No further cause for disciplinary action against the Real Estate licenses of LEGACY  
20 occurs within two (2) years from the effective date of the Decision and Order in this  
21 matter.
- 22 c) If LEGACY fails to pay the monetary penalty in accordance with the terms and  
23 conditions of this Decision and Order, the suspension shall go into effect automatically.  
24 LEGACY shall not be entitled to any repayment nor credit, prorated or otherwise, for  
25 money paid to the Bureau under the terms of this Decision and Order.
- 26 d) If LEGACY pays the monetary penalty and any other moneys due under this Stipulation  
27 and Agreement and if no further cause for disciplinary action against the real estate

1 license of said Respondent occurs within two (2) years from the effective date of this  
2 Decision and Order, the entire stay hereby granted pursuant to this Decision and Order, as  
3 to said Respondent only, shall become permanent.

4 2) Ninety (90) days of said suspension shall be stayed for two (2) years upon the following  
5 terms and conditions:

6 a) LEGACY shall obey all laws, rules and regulations governing the rights, duties and  
7 responsibilities of a real estate licensee in the State of California; and,

8 b) That no final subsequent determination be made, after hearing or upon stipulation, that  
9 cause for disciplinary action occurred within two (2) years from the effective date of this  
10 Decision and Order. Should such a determination be made, the Commissioner may, in  
11 his discretion, vacate and set aside the stay order and reimpose all or a portion of the  
12 stayed suspension. Should no such determination be made, the stay imposed herein shall  
13 become permanent.

14 II

15 All licenses and licensing rights of PRASHAR under the Real Estate Law are  
16 suspended for a period of one hundred and twenty (120) days from the effective date of this  
17 Order; provided, however, that:

18 1) Thirty (30) days of said suspension shall be stayed, upon the condition that PRASHAR  
19 petition pursuant to Section 10175.2 of the Code and pays a monetary penalty pursuant to  
20 Section 10175.2 of the Code at a rate of \$100 for each day of the suspension for a total  
21 monetary penalty of \$3,000.

22 a) Said payment shall be in the form of a cashier's check made payable to the Bureau of  
23 Real Estate. Said check must be delivered to the Bureau of Real Estate, Flag Section at  
24 P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this  
25 Decision and Order.

1 b) No further cause for disciplinary action against the Real Estate licenses of PRASHAR

2 occurs within two (2) years from the effective date of the Decision and Order in this  
3 matter.

4 c) If PRASHAR fails to pay the monetary penalty in accordance with the terms and

5 conditions of this Decision and Order, the suspension shall go into effect automatically.

6 PRASHAR shall not be entitled to any repayment nor credit, prorated or otherwise, for  
7 money paid to the Bureau under the terms of this Decision and Order.

8 d) If PRASHAR pays the monetary penalty and any other moneys due under this Stipulation

9 and Agreement and if no further cause for disciplinary action against the real estate

10 license of said Respondent occurs within two (2) years from the effective date of this

11 Decision and Order, the entire stay hereby granted pursuant to this Decision and Order, as

12 to said Respondent only, shall become permanent.

13 2) Ninety (90) days of said suspension shall be stayed for two (2) years upon the following

14 terms and conditions:

15 a) PRASHAR shall obey all laws, rules and regulations governing the rights, duties and

16 responsibilities of a real estate licensee in the State of California; and,

17 b) That no final subsequent determination be made, after hearing or upon stipulation, that

18 cause for disciplinary action occurred within two (2) years from the effective date of this

19 Decision and Order. Should such a determination be made, the Commissioner may, in

20 his discretion, vacate and set aside the stay order and reimpose all or a portion of the

21 stayed suspension. Should no such determination be made, the stay imposed herein shall

22 become permanent.

23 3) All licenses and licensing rights of PRASHAR are indefinitely suspended unless or until

24 PRASHAR provides proof satisfactory to the Commissioner, of having taken and

25 successfully completed the continuing education course on trust fund accounting and

26 handling specified in paragraph (3) of subdivision (a) of Section 10170.5 of the Code. Proof

27 of satisfaction of these requirements includes evidence that PRASHAR has successfully

1 completed the trust fund account and handling continuing education courses, no earlier than  
2 120 days prior to the effective date of the Decision and Order in this matter. Proof of  
3 completion of the trust fund accounting and handling course must be delivered to the Bureau  
4 of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013 or by fax at  
5 916-263-8758, prior to the effective date of this Decision and Order.

6 4) All licenses and licensing rights of PRASHAR are indefinitely suspended unless or until  
7 PRASHAR provides proof satisfactory to the Commissioner, of having taken and  
8 successfully completed the continuing education course on risk management specified in  
9 paragraph (3) of subdivision (a) of Section 10170.5 of the Code. Proof of satisfaction of  
10 these requirements includes evidence that PRASHAR has successfully completed the risk  
11 management continuing education courses, no earlier than 120 days prior to the effective date  
12 of the Decision and Order in this matter. Proof of completion of the risk management course  
13 must be delivered to the Bureau of Real Estate, Flag Section at P.O. Box 137013,  
14 Sacramento, CA 95813-7013 or by fax at 916-263-8758, prior to the effective date of this  
15 Decision and Order.

### 16 III

17 All licenses and licensing rights of SUMMERS under the Real Estate Law are  
18 suspended for a period of one hundred and twenty (120) days from the effective date of this  
19 Order; provided, however, that:

20 1) Thirty (30) days of said suspension shall be stayed, upon the condition that SUMMERS  
21 petition pursuant to Section 10175.2 of the Code and pays a monetary penalty pursuant to  
22 Section 10175.2 of the Code at a rate of \$100 for each day of the suspension for a total  
23 monetary penalty of \$3,000.

24 a) Said payment shall be in the form of a cashier's check made payable to the Bureau of  
25 Real Estate. Said check must be delivered to the Bureau of Real Estate, Flag Section at  
26 P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this  
27 Decision and Order.

1 b) No further cause for disciplinary action against the Real Estate licenses of SUMMERS  
2 occurs within two (2) years from the effective date of the Decision and Order in this  
3 matter.

4 c) If SUMMERS fails to pay the monetary penalty in accordance with the terms and  
5 conditions of this Decision and Order, the suspension shall go into effect automatically.  
6 SUMMERS shall not be entitled to any repayment nor credit, prorated or otherwise, for  
7 money paid to the Bureau under the terms of this Decision and Order.

8 d) If SUMMERS pays the monetary penalty and any other moneys due under this Stipulation  
9 and Agreement and if no further cause for disciplinary action against the real estate  
10 license of said Respondent occurs within two (2) years from the effective date of this  
11 Decision and Order, the entire stay hereby granted pursuant to this Decision and Order, as  
12 to said Respondent only, shall become permanent.

13 2) Ninety (90) days of said suspension shall be stayed for two (2) years upon the following  
14 terms and conditions:

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

17 b) That no final subsequent determination be made, after hearing or upon stipulation, that  
18 cause for disciplinary action occurred within two (2) years from the effective date of this  
19 Decision and Order. Should such a determination be made, the Commissioner may, in  
20 his discretion, vacate and set aside the stay order and reimpose all or a portion of the  
21 stayed suspension. Should no such determination be made, the stay imposed herein shall  
22 become permanent.

23 IV

24 1) Respondents LEGACY and PRASHAR shall jointly and severally pay the sum of \$10,515.97  
25 for the Commissioner's cost of the audit which led to this disciplinary action. Respondents  
26 LEGACY and PRASHAR shall pay such cost within sixty (60) days of receiving an invoice  
27 therefore from the Commissioner. Payment of audit costs should not be made until

1 Respondents LEGACY and PRASHAR receives the invoice. If Respondents LEGACY and  
2 PRASHAR fail to satisfy this condition in a timely manner as provided for herein,  
3 Respondents LEGACY and PRASHAR's real estate licenses shall automatically be  
4 suspended until payment is made in full, or until a decision providing otherwise is adopted  
5 following a hearing held pursuant to this condition.

6 2) Respondents LEGACY and PRASHAR shall jointly and severally pay the Commissioner's  
7 reasonable cost, not to exceed \$10,515.97, for an audit to determine if LEGACY has  
8 corrected the violation(s) found in the Determination of Issues. In calculating the amount of  
9 the Commissioner's reasonable cost, the Commissioner may use the estimated average hourly  
10 salary for all persons performing audits of real estate brokers, and shall include an allocation  
11 for travel time to and from the auditor's place of work. Respondents LEGACY and  
12 PRASHAR shall pay such cost within sixty (60) days of receiving an invoice therefore from  
13 the Commissioner. Payment of the audit costs should not be made until Respondents  
14 LEGACY and PRASHAR receive the invoice. If Respondents LEGACY and PRASHAR  
15 fail to satisfy this condition in a timely manner as provided for herein, Respondents  
16 LEGACY and PRASHAR's real estate license shall automatically be suspended until  
17 payment is made in full, or until a decision providing otherwise is adopted following a  
18 hearing held pursuant to this condition.

19 3) All licenses and licensing rights of Respondents are indefinitely suspended unless or until  
20 Respondents pay the sum of \$1,490.50 for the Commissioner's reasonable cost of the  
21 investigation and enforcement which led to this disciplinary action. Said payment shall be in  
22 the form of a cashier's check made payable to the Bureau of Real Estate. The investigative  
23 and enforcement costs must be delivered to the Bureau of Real Estate, Flag Section at P.O.  
24 Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this Decision and  
25 Order.

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9-Sept-15  
DATED

  
TRULY SUGHRUE  
Counsel for Complainant

\*\*\*

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

09/08/15  
DATED

  
William Michael Aboumrad, on behalf of  
LEGACY REAL ESTATE &  
ASSOCIATES INC.  
Respondent

09/08/15  
DATED

  
CHIT RK PRASHAR  
Respondent

09/08/15  
DATED

  
THOMAS RICHARD SUMMERS  
Respondent

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I have reviewed the Stipulation and Agreement as to form and content and have advised my clients accordingly.

9/8/15  
DATED

  
SHANNON B. JONES  
Attorney for Respondents

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1                    The foregoing Stipulation and Agreement is hereby adopted as my Decision and  
2 Order and shall become effective at 12 o'clock noon on NOV 23 2015.

3  
4                    IT IS SO ORDERED OCT 21 2015.

5                    REAL ESTATE COMMISSIONER

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8                    By: JEFFREY MASON  
9                    Chief Deputy Commissioner

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