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DEPARTMENT OF REAL ESTATE P. O. Box 137007 Sacramento, CA 95813-7007

Telephone:

(916) 576-8700



MAR 0 9 2022

DEPARTMENT OF REAL ESTATE

By D. H. OWO'S

BEFORE THE DEPARTMENT OF REAL ESTATE STATE OF CALIFORNIA

In the Matter of the Accusation of:

JCHEN PROPERTIES, INC. and
JENNIFER H. CHEN,

Respondents.

Case No. H-12515 SF

STIPULATION AND AGREEMENT
IN SETTLEMENT AND ORDER

Respondents.

It is hereby stipulated by and between Respondents JCHEN PROPERTIES, INC. ("JCHEN PROPERTIES") and JENNIFER H. CHEN ("JCHEN"), acting by and through their counsel Shannon B. Jones, and the Complainant, acting by and through Jason D. Lazark, Counsel for the Department of Real Estate (the "Department"), as follows for the purpose of settling and disposing of the First Amended Accusation filed on October 15, 2021, in this matter:

1. All issues which were to be contested and all evidence which was to be presented by Complainant and Respondents JCHEN PROPERTIES and JCHEN (collectively referred to herein as "Respondents") at a formal hearing on the First Amended 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 ("Stipulation and Agreement").

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- 2. Respondents have received, read, and understand the Statement to Respondent, the Discovery Provisions of the APA and the First Amended Accusation filed by the Department of Real Estate in this proceeding.
- 3. Respondents filed Notices of Defense pursuant to Section 11505 of the Government Code for the purposes of requesting a hearing on the allegations in the First Amended Accusation. Respondents hereby freely and voluntarily withdraw said Notices of Defense. Respondents acknowledge that they understand that by withdrawing said Notices of Defense they will thereby waive their rights to require the Real Estate Commissioner ("Commissioner") to prove the allegations in the First Amended Accusation at a contested hearing held in accordance with the provisions of the APA, and that they will waive other rights afforded to them in connection with the hearing such as the right to present evidence in defense of the allegations in the First Amended Accusation and the right to cross-examine witnesses.
- 4. Respondents, pursuant to the limitations set forth below, hereby admit that the factual allegations as set forth in the First Amended Accusation filed in this proceeding are true and correct and the Commissioner shall not be required to provide further evidence of such allegations.
- 5. This Stipulation and Agreement is made for the purpose of reaching an agreed disposition of this proceeding and is expressly limited to this proceeding and any other proceeding or case in which the Department, the state or federal government, any agency of this state, or an agency of another state is involved.
- 6. It is understood by the parties that the Real Estate Commissioner may adopt the Stipulation and Agreement as his Decision in this matter, thereby imposing the penalties and sanctions on Respondents' real estate licenses and license rights, endorsement and endorsement rights, as set forth in the below "Order." In the event that the Commissioner in his discretion does not adopt the Stipulation and Agreement, it shall be void and of no effect, and Respondents shall retain the right to a hearing and proceeding on the First Amended

Accusation under all the provisions of the APA and shall not be bound by any admission or waiver made herein.

- 7. The Order, or any subsequent Order of the Real Estate Commissioner made pursuant to this Stipulation and Agreement, shall not constitute an estoppel, merger or bar to any further administrative or civil proceedings by the Department with respect to any matters not specifically alleged to be causes for accusation in this proceeding.
- 8. Respondents understand that by agreeing to this Stipulation and Agreement, Respondents agree to be responsible for jointly and severally paying, pursuant to Section 10106 of the Business and Professions Code ("the Code"), the costs of the investigation and enforcement of this case which resulted in the determination that Respondents committed the violations found in the Determination of Issues. The amount of such costs is \$2,177.55.

* * *

<u>DETERMINATION OF ISSUES</u>

By reason of the foregoing stipulations, admissions and waivers, and solely for the purpose of settlement of the pending First Amended Accusation without a hearing, it is stipulated and agreed that the following determination of issues shall be made:

I. AS TO JCHEN PROPERTIES

The acts and omissions of JCHEN PROPERTIES, as described in the First Amended Accusation, are grounds for the suspension or revocation of the licenses and license rights of JCHEN PROPERTIES under the provisions of Sections 10140, 10177(d), and 10177(g) of the Code.

II. AS TO JCHEN

The acts and omissions of JCHEN, as described in the First Amended Accusation, are grounds for the suspension or revocation of the licenses and license rights of JCHEN under the provisions of Sections 10140, 10159.2, 10177(d), 10177(g) and 10177(h) of the Code, and Section 2725 of Title 10, California Code of Regulations ("the Regulations").

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ORDER

I. AS TO JCHEN PROPERTIES

- 1. The corporate real estate broker license and license rights of JCHEN PROPERTIES under the Real Estate Law are revoked; provided, however, a restricted corporate real estate broker license shall be issued to JCHEN PROPERTIES pursuant to Section 10156.5 of the Code if JCHEN PROPERTIES makes application therefore and pays to the Department the appropriate fee for the restricted license within 90 days from the effective date of this Decision and Order.
- 2. The restricted license issued to JCHEN PROPERTIES shall be subject to all of the provisions of Section 10156.7 of the Code as to the following limitations, conditions, and restrictions imposed under authority of Section 10156.6 of that Code: The restricted license issued to JCHEN PROPERTIES shall be suspended prior to hearing by Order of the Commissioner on evidence satisfactory to the Commissioner that JCHEN PROPERTIES has violated provisions of the California Real Estate Law, the Subdivided Lands Law, Regulations of the Real Estate Commissioner, or conditions attaching to the restricted license.
- 3. JCHEN PROPERTIES shall not be eligible to apply for the issuance of an unrestricted real estate license nor for removal of any of the conditions, limitations, or restrictions of a restricted license until three (3) years have elapsed from the effective date of this Decision. JCHEN PROPERTIES shall not be eligible for any unrestricted licenses until all restrictions attaching to the license have been removed.

II. AS TO JCHEN

All licenses and licensing rights of JCHEN under the Real Estate Law are revoked; provided, however, a restricted real estate broker license shall be issued to JCHEN pursuant to Section 10156.5 of the Code if JCHEN makes application therefore and pays to the Department the appropriate fee for the restricted license within 90 days from the effective date of this Decision.

- 1. The restricted license issued to JCHEN shall be subject to all of the provisions of Section 10156.7 of the Code as to the following limitations, conditions and restrictions imposed under authority of Section 10156.6 of that Code:
 - (a) The restricted license issued to JCHEN shall be suspended prior to hearing by Order of the Commissioner in the event of JCHEN's conviction (including by plea of guilty or nolo contendere) to a crime which is substantially related to JCHEN's fitness or capacity as a real estate licensee; and,
 - (b) The restricted license issued to JCHEN shall be suspended prior to hearing by Order of the Commissioner on evidence satisfactory to the Commissioner that JCHEN has violated provisions of the California Real Estate Law, the Subdivided Lands Law, Regulations of the Real Estate Commissioner, or conditions attaching to the restricted license.
- 2. JCHEN shall not be eligible to apply for the issuance of an unrestricted real estate salesperson license or an unrestricted real estate broker license, nor for removal of any of the conditions, limitations or restrictions of a restricted broker license until three (3) years have elapsed from the effective date of this Decision.
- 3. JCHEN shall notify the Commissioner in writing within 72 hours of any arrest by sending a certified letter to the Commissioner at the Department of Real Estate, Legal Section at Post Office Box 137007, Sacramento, CA 95813-7007. The letter shall set forth the date of JCHEN's arrest, the crime for which JCHEN was arrested and the name and address of the arresting law enforcement agency. JCHEN's failure to timely file written notice shall constitute an independent violation of the terms of the restricted license and shall be grounds for the suspension or revocation of that license.
- 4. JCHEN shall, within nine (9) months from the effective date of this Decision, present evidence satisfactory to the Commissioner that JCHEN has, since the most recent issuance of an original or renewal real estate license, taken and successfully completed the

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continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a real estate license. If JCHEN fails to satisfy this condition, the Commissioner shall order the suspension of the restricted license until the JCHEN presents such evidence. The Commissioner shall afford JCHEN the opportunity for hearing pursuant to the APA to present such evidence. Proof of completion of the continuing education courses must be delivered to the Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013.

5. JCHEN shall, within six (6) months from the issuance of the Order, take and pass the Professional Responsibility Examination administered by the Department, including the payment of the appropriate examination fee. All licenses and licensing rights of JCHEN shall be indefinitely suspended unless or until JCHEN passes the examination. In the event that access to the location for taking the Professional Responsibility Examination is closed during normal business hours, the Department shall extend the time for taking and passing the Professional Responsibility Examination by the same amount of time that access to the test location was closed.

III.

AS TO JCHEN PROPERTIES AND JCHEN JOINTLY AND SEVERALLY

All licenses and licensing rights of Respondents are indefinitely suspended unless or until Respondents, jointly and severally, pay the sum of \$2,177.55 for the Commissioner's reasonable cost of the investigation and enforcement which led to this disciplinary action. Said payment shall be in the form of a cashier's check or certified check made payable to the Department. The investigative and enforcement costs must be delivered to the Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this Stipulation.

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Respondents have read the Stipulation and Agreement in Settlement and Order, discussed it with their counsel, where appropriate, and its terms are understood by them and are agreeable and acceptable to them. Respondents understand that they are waiving rights given to them by the California APA (including but not limited to Sections 11506, 11508, 11509 and 11513 of the Government Code), and willingly, intelligently, and voluntarily waive those rights, including the right of requiring the Commissioner to prove the allegations in the First Amended Accusation at a hearing at which Respondents would have the right to cross-examine witnesses against them and to present evidence in defense and mitigation of the charges.

Respondents further agree to send the original signed Stipulation and Agreement by mail to the following address no later than one (1) week from the date the Stipulation and Agreement is signed by me and my attorney: Department of Real Estate, Legal Section, P.O. Box 137007, Sacramento, California 95813-7007.

Respondents further understand and agree that if they fail to return the original signed Stipulation and Agreement by the due date, Complainant retains the right to set this matter for hearing.

| matter for hearing. | DocuSigned by: |
|---------------------|--|
| 1/26/2022 | Junifer Chen |
| DATED | JENNIFER H. CHEN Designated Officer, JCHEN PROPERTIES, INC. Respondent |
| 1/26/2022 DATED | Jennifer Chen Jennifer H. CHEN Respondent |
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| 1 | I have reviewed the Stipulation and Agreement as to form and content and |
| 2 | have advised my client accordingly. |
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| 5 | DATED SHANNON B. JONES |
| 6 | Attorney for Respondents, JCHEN PROPERTIES, INC., and |
| 7 | JENNIFER H. CHEN |
| 8 | * * * |
| 9 | The foregoing Stipulation and Agreement is hereby adopted as my Decision in |
| 10 | this matter and shall become effective at 12 o'clock noon on MAR 3 0 2022 |
| 11 | IT IS SO ORDERED 3.4, 22, 2022. |
| 12 | REAL ESTATE COMMISSIONER |
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| 15 | Doubs P. Melina |
| 16 | DOUGLAS R. McCAULEY |
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