

1 Department of Real Estate
2 320 West Fourth Street, #350
3 Los Angeles, California 90013

4 (213) 576-6982
5 (213) 620-6430

FILED
SEPT. 11, 2008
DEPARTMENT OF REAL ESTATE

By C.A.

6
7
8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of) No. H-34811 LA
12 SCOTT MICHAEL TASSONE,) L-2008040999
13) STIPULATION AND
14 Respondent.) AGREEMENT

15 It is hereby stipulated by and between SCOTT MICHAEL
16 TASSONE (sometimes referred to herein as "Respondent"),
17 representing himself, and the Complainant, acting by and
18 through Martha J. Rosett, Counsel for the Department of Real
19 Estate, as follows for the purpose of settling and disposing of
20 the Accusation filed on April 10, 2008 in this matter:

21 1. All issues which were to be contested and all
22 evidence which was to be presented by Complainant and
23 Respondent at a formal hearing on the Accusation, which hearing
24 was to be held in accordance with the provisions of the
25 Administrative Procedure Act (APA), shall instead and in place
26
27

1 thereof be submitted solely on the basis of the provisions of
2 this Stipulation and Agreement.

3 2. Respondent has received, read and understands the
4 Statement to Respondent, the Discovery Provisions of the APA
5 and the Accusation filed by the Department of Real Estate in
6 this proceeding.

7 3. On April 28, 2008, Respondent filed a Notice of
8 Defense pursuant to Section 11506 of the Government Code for
9 the purpose of requesting a hearing on the allegations in the
10 Accusation. In order to effectuate this settlement, Respondent
11 hereby freely and voluntarily withdraws said Notice of Defense.
12 Respondent acknowledges that he understands that by withdrawing
13 said Notice of Defense, he will thereby waive his right to
14 require the Commissioner to prove the allegations in the
15 Accusation at a contested hearing held in accordance with the
16 provisions of the APA and that he will waive other rights
17 afforded to him in connection with the hearing such as the
18 right to present evidence in defense of the allegations in the
19 Accusation and the right to cross-examine witnesses.

20 4. Respondent, pursuant to the limitations set forth
21 below, although not admitting or denying the truth of the
22 allegations, will not contest the factual allegations contained
23 in the Accusation filed in this proceeding and the Real Estate
24 Commissioner shall not be required to provide further evidence
25 of such allegations.

26 5. It is understood by the parties that the Real
27 Estate Commissioner may adopt the Stipulation and Agreement as

1 his Decision in this matter, thereby imposing the penalty and
2 sanctions on Respondent's real estate license and license
3 rights as set forth in the below "Order". In the event that
4 the Commissioner in his discretion does not adopt the
5 Stipulation and Agreement, it shall be void and of no effect,
6 and Respondent shall retain the right to a hearing and
7 proceeding on the Accusation under all the provisions of the
8 APA and shall not be bound by any stipulation or waiver made
9 herein.

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

17 7. This Stipulation and Respondent's decision not to
18 contest the Accusation are made for the purpose of reaching an
19 agreed disposition of this proceeding, and are expressly
20 limited to this proceeding and any other proceeding or case in
21 which the Department of Real Estate ("Department"), or another
22 licensing agency of this state, another state or if the federal
23 government is involved and otherwise shall not be admissible in
24 any other criminal or civil proceedings.

25 ///

26 ///

27 ///

1 DETERMINATION OF ISSUES

2 By reason of the foregoing stipulations and waivers
3 and solely for the purpose of settlement of the pending
4 Accusation without a hearing, it is stipulated and agreed that
5 the following Determination of Issues shall be made:

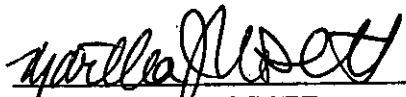
6 The conduct, acts or omissions of Respondent SCOTT
7 MICHAEL TASSONE, as set forth in the Accusation, constitute
8 cause to suspend or revoke the real estate license and
9 licensing rights of Respondent SCOTT MICHAEL TASSONE under the
10 provisions of Business and Professions Code ("Code") Sections
11 10130, 10177(d) and 10177(j).

12 ORDER

13 WHEREFORE, THE FOLLOWING ORDER is hereby made:

14 All licenses and licensing rights of Respondent SCOTT
15 MICHAEL TASSONE under the Real Estate Law are hereby revoked.

16
17 DATED: 8/5/08


18 MARTHA J. ROSETT
19 Counsel for Complainant

20 * * *

21 I have read the Stipulation and Agreement, and its terms
22 are understood by me and are agreeable and acceptable to me. I
23 understand that I am waiving rights given to me by the
24 California Administrative Procedure Act (including but not
25 limited to Sections 11506, 11508, 11509 and 11513 of the
26 Government Code), and I willingly, intelligently and
27 voluntarily waive those rights, including the right of

1 requiring the Commissioner to prove the allegations in the
 2 Accusation at a hearing at which I would have the right to
 3 cross-examine witnesses against me and to present evidence in
 4 defense and mitigation of the charges.

5 Respondent may signify acceptance and approval of the
 6 terms and conditions of this Stipulation and Agreement by faxing
 7 a copy of his signature page, as actually signed by Respondent,
 8 to the Department at the following fax number (213) 576-6917.
 9 Respondent agrees, acknowledges and understands that by
 10 electronically sending to the Department a fax copy of his actual
 11 signature as it appears on the Stipulation, that receipt of the
 12 faxed copy by the Department shall be as binding on Respondent as
 13 if the Department had received the original signed Stipulation
 14 and Agreement.

15 DATED:

7/30/08



SCOTT MICHAEL TASSONE
Respondent

16
17
18 * * *

19 The foregoing Stipulation and Agreement is hereby
 20 adopted as my decision in this matter and shall become
 21 effective at 12 o'clock noon on _____
 22

23 IT IS SO ORDERED _____

24 JEFF DAVI
Real Estate Commissioner

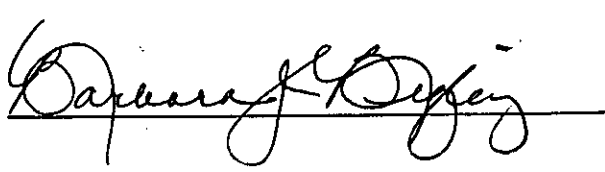
1 requiring the Commissioner to prove the allegations in the
2 Accusation at a hearing at which I would have the right to
3 cross-examine witnesses against me and to present evidence in
4 defense and mitigation of the charges.

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6 terms and conditions of this Stipulation and Agreement by faxing
7 a copy of his signature page, as actually signed by Respondent,
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11 signature as it appears on the Stipulation, that receipt of the
12 faxed copy by the Department shall be as binding on Respondent as
13 if the Department had received the original signed Stipulation
14 and Agreement.

15
16 DATED: _____
17 SCOTT MICHAEL TASSONE
18 Respondent

19 * * *

20 The foregoing Stipulation and Agreement is hereby
21 adopted as my Decision in this matter and shall become
22 effective at 12 o'clock noon on October 1, 2008.

23 IT IS SO ORDERED 9-5-08
24 JEFF DAVI
25 Real Estate Commissioner
26 
27

1 MARTHA J. ROSETT, Counsel (SBN 142072)
2 Department of Real Estate
3 320 West Fourth St., #350
4 Los Angeles, CA 90013

5 (213) 576-6982
6 (213) 620-6430

FILED
April 10, 2008
DEPARTMENT OF REAL ESTATE

By _____

7
8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * * *

11 In the Matter of the Accusation of) No. H-34811 LA
12)
13 SCOTT MICHAEL TASSONE,) A C C U S A T I O N
14 Respondent.)

15 The Complainant, Robin Trujillo, a Deputy Real Estate
16 Commissioner, for cause of Accusation against SCOTT MICHAEL
17 TASSONE, is informed and alleges as follows:

18 1.

19 The Complainant, Robin Trujillo, a Deputy Real Estate
20 Commissioner of the State of California, makes this Accusation in
21 her official capacity.
22

23 2.

24 Respondent SCOTT MICHAEL TASSONE (hereinafter
25 "Respondent") is currently licensed and/or has license rights
26 under the Real Estate Law, Part 1 of Division 4 of the California
27

1 Business and Professions Code (hereinafter "Code") as a real
2 estate salesperson. Respondent was first licensed as a real
3 estate salesperson on or about September 15, 1998.

4 3.

5 On or about January 2, 2004, Respondent's real estate
6 salesperson license was suspended pursuant to Family Code Section
7 17520, which suspension was released on or about April 13, 2004.
8 On October 30, 2004, Respondent's real estate salesperson license
9 was again suspended pursuant to Family Code Section 17520, and
10 remained suspended until on or about September 13, 2007.

11 4.

12 Between on or about October 15, 2004 and October 29,
13 2004, Respondent's salesperson license was activated in the
14 employ of Security Pacific Holding Inc. as his supervising
15 broker. Between October 30, 2004 and September 13, 2007,
16 Respondent's license was not activated in the employ of any real
17 estate broker. Beginning on or about October 5, 2007,
18 Respondent's license was activated in the employ of broker Tracy
19 Lyn Kelly.
20

21 FIRST CAUSE OF ACCUSATION: UNLICENSED ACTIVITY

22 (Business and Professions Code Section 10130)

23 5.

24 Between on or about October 30, 2004 and October 5,
25 2007, Respondent engaged in the business of, acted in the
26 capacity of, advertised or assumed to act as a real estate broker
27

1 in the State of California within the meaning of Code Section
2 10131(a), for another or others in expectation of compensation,
3 when his real estate salesperson license was suspended. Said
4 activity included representing another or others in the purchase
5 and/or sale of real estate.

6 Davis Transactions

7 6.

8 Beginning on or before October 30, 2004, and continuing
9 through on or after April 30, 2005, Respondent represented Cheri
10 and Alan Davis (hereinafter "the Davises") in locating and
11 purchasing a home in Southern California. During the course of
12 Respondent's representation of the Davises, Respondent acted as
13 their broker, soliciting their business through a newspaper
14 advertisement, obtaining their personal financial information to
15 determine eligibility for loans, showing them properties for
16 sale, preparing purchase agreements on their behalf, and
17 collecting trust funds from them in the form of deposits and
18 appraisal fees. At all times, Respondent acted without the
19 supervision of a broker, and from October 30, 2004 on, Respondent
20 conducted activities requiring a real estate license when his
21 real estate salesperson license was suspended.

22 Hale Transactions

23 7.

24 Between on or before February 15, 2005, and on or about
25 May 11, 2005, Respondent represented David Hale in locating and
26
27

1 purchasing investment properties in Southern California. During
2 the course of Respondent's representation of Mr. Hale, Respondent
3 acted as his broker, soliciting his business, obtaining his
4 personal financial information to determine eligibility for
5 loans, showing him properties for sale, preparing purchase
6 agreements and related documents on his behalf, and collecting
7 trust funds from him in the form of deposits. At all times in
8 connection with Mr. Hale, Respondent acted without the
9 supervision of a broker, and from October 29, 2004 on, Respondent
10 conducted activities requiring a real estate license when his
11 real estate salesperson license was suspended.

12 8.

13 Respondent's conduct, as set forth above in Paragraphs
14 5 through 7, in conducting activities requiring a real estate
15 license when his real estate salesperson license was suspended
16 and when he was not employed under a supervising broker,
17 constitutes grounds to revoke or suspend Respondent's real estate
18 salesperson license pursuant to Code Sections 10130 and 10177(d).

19 SECOND CAUSE OF ACCUSATION: FRAUD AND DISHONEST DEALING

20 (Business and Professions Code Section 10177(j))

21 The Davis Transactions

22 9.

23 In connection with his representation of Cheri and Alan
24 Davis, as set forth in Paragraph 6 above, Respondent met with the
25 Davises at property they were interested in purchasing located at
26
27

1 6525 Camino Vista #5, in Anaheim Hills, California. Respondent
2 prepared a Purchase Agreement on their behalf, which he directed
3 them to sign. The Davises gave Respondent in excess of \$6,000.00
4 as a deposit on the purchase, and an additional \$525.00 in
5 appraisal and inspection fees. Respondent acknowledged receipt
6 of these funds in a handwritten note. Respondent made repeated
7 assurances that the Davises' offer had been accepted and that
8 they would be able to move into their new home by Thanksgiving of
9 2004. However, Respondent never placed the funds into an escrow
10 or trust account, and did not provide the Davises with escrow
11 documents.

12 10.

13 Following the initial deposit payments, there were
14 numerous communications between Respondent and the Davises in
15 which additional money was exchanged, and additional sets of
16 papers were signed. The Davises did not receive copies of the
17 paperwork. Throughout, Respondent provided verbal assurances
18 that the purchase of the property in Anaheim Hills was in escrow
19 and would be closing. Finally, in early January, 2005,
20 Respondent indicated that there were problems obtaining financing
21 for the Davises on the Anaheim Hills property. Respondent and
22 the Davises then began looking for new homes in the Corona area.

23 11.

24 In March and April, 2005, Respondent showed the Davises
25 two different properties for which he indicated he had submitted
26 offers on their behalf. However, Respondent did not provide the
27 Davises with copies of offers or escrow documents.

1 12.

2 On or about April 28, 2005, the Davises asked
3 Respondent to return the funds that they had given him, which
4 they believed to be about \$8,000.00. Respondent wrote the
5 Davises a check for \$4,000.00, which the Davises deposited into
6 their account on April 30, 2005. This check bounced, causing the
7 Davises' account to become overdrawn.

8 13.

9 Respondent refused subsequent demands to return the
10 Davises' money to them. Rather, Respondent converted the funds
11 to his personal use.

12 14.

13 The conduct set forth above in Paragraphs 9 through 13,
14 in engaging in a course and pattern of conduct involving
15 unlicensed activity, misrepresentations, conversion and dishonest
16 dealing, constitutes grounds for the suspension or revocation of
17 Respondent's real estate license and license rights pursuant to
18 Code Sections 10177(j) and 10177(d).

19 THIRD CAUSE OF ACCUSATION: FRAUD AND DISHONEST DEALING

20 (Business and Professions Code Sections 10177(j) and 10177(d))

21 Hale Transactions

22 15.

23 In connection with Respondent's representation of David
24 Hale, as referred to in Paragraph 7 above, on or about February
25 15, 2005, Respondent spoke with Mr. Hale on the telephone about
26 purchasing property, and directed him to view a property located
27 at 6525 Camino Vista, #2, in Anaheim Hills, California 92807

1 ("Camino Vista property"). On February 15, 2005, Mr. Hale signed
2 a Residential Purchase Agreement and Buyer's Inspection Advisory
3 prepared by Respondent. Mr. Hale gave Respondent a total of
4 \$5,325.00 in cash as a "refundable down payment" on the purchase,
5 for which Respondent gave Mr. Hale a receipt.

6 16.

7 Respondent never placed the initial cash deposit
8 received from Mr. Hale into a trust account, nor did he forward
9 the funds to a broker, to escrow, or to the principals.

10 17.

11 On or about March 16, 2005, Respondent directed Mr.
12 Hale sign an additional agreement by which Mr. Hale was to be
13 accepting an offer from third parties to purchase the Camino
14 Vista property from him. Mr. Hale understood the documents to
15 mean that subsequent to the closing of escrow in his purchase of
16 the Camino Vista property, he would turn around and sell the
17 property to these third parties. However, at the time of the
18 signing, Mr. Hale did not own the property, as escrow never
19 closed. Indeed, no escrow was ever opened in connection with
20 this transaction.

21 18.

22 Respondent received in excess of \$10,325.00 from Mr.
23 Hale as payment towards the purchase of the Camino Vista
24 property. On March 28, 2005, Respondent provided Mr. Hale with a
25 document entitled "Seller's Net Proceeds" which purported to
26 detail the estimated cash Mr. Hale would receive upon closing of
27

1 escrow on his "sale" of the Camino Vista property to the third
2 parties.

3 19.

4 No escrow was ever opened in relation to the Camino
5 Vista property. The purchase and re-sale of the Camino Vista
6 property by Mr. Hale was never consummated. Respondent never
7 placed the funds from Mr. Hale into a trust account, nor did he
8 forward them to a broker, escrow or to a principal. Rather, he
9 converted these funds to his own personal use.

10 20.

11 Between February 15, 2005 and May 11, 2005, Mr. Hale
12 gave Respondent additional funds which were supposed to be
13 deposits or payments on additional real estate transactions. On
14 or about April 25, 2005, to repay Mr. Hale a portion of his
15 funds, Respondent wrote Mr. Hale a check for \$7,000.00. The
16 check bounced and was rejected for insufficient funds.

17 21.

18 On or about May 11, 2005, Mr. Hale contacted the true
19 owners of the Camino Vista property and discovered that
20 Respondent had no legal right to sell the property, nor to submit
21 an offer on Mr. Hale's behalf.

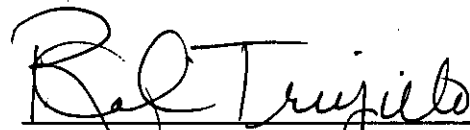
22 22.

23 Respondent's conduct, as set forth in Paragraphs 15
24 through 21 above, in engaging in a pattern or course of conduct
25 involving unlicensed activity, misrepresentation, fraud,
26 conversion and dishonest dealing, constitutes grounds to
27

1 discipline Respondent's real estate license pursuant to Code
2 Sections 10177(j) and 10177(d).

3 WHEREFORE, Complainant prays that a hearing be
4 conducted on the allegations of this Accusation and that upon
5 proof thereof, a decision be rendered imposing disciplinary
6 action against all licenses and/or license rights of Respondent
7 SCOTT MICHAEL TASSONE under the Real Estate Law and for such
8 other and further relief as may be proper under applicable
9 provisions of law.

10 Dated at Los Angeles, California
11 this 8 day of April, 2008.

12
13
14 
15 Deputy Real Estate Commissioner

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18
19
20
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22
23
24 cc: Scott Michael Tassone
25 Tracy Lyn Kelly
26 Sacto.
27 Robin Trujillo