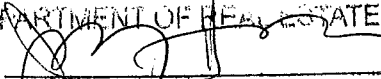


1 Department of Real Estate
2 320 West 4th Street, Ste. 350
3 Los Angeles, California 90013-1105
4 Telephone: (213) 576-6982

FILED

OCT 05 2012

DEPARTMENT OF REAL ESTATE
BY: 

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)	No. H-37776 LA
)	L-2012010908
12 SUPERSTARS INC., doing business as Award Escrow,)	
13 Century 21 Superstars and Superstars University; and)	
14 DAVID PATRICK ROMERO, individually and as)	<u>STIPULATION</u>
designated officer of Superstars Inc.,)	<u>AND</u>
)	<u>AGREEMENT</u>
15 Respondents.)	
16)	

17 It is hereby stipulated by and between Respondents SUPERSTARS INC. and
18 DAVID PATRICK ROMERO, individually and as designated officer of SUPERSTARS INC.
19 Corporation (sometimes collectively referred to as "Respondents"), represented by Frank M.
20 Buda Esq. and the Complainant, acting by and through Julie L. To, Counsel for the Department
21 of Real Estate, as follows for the purpose of settling and disposing of the Accusation
22 ("Accusation") filed on January 5, 2012, in this matter:

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

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

4 3. Respondents timely filed a Notice of Defense pursuant to Section 11506 of the
5 Government Code for the purpose of requesting a hearing on the allegations in the Accusation.
6 Respondents hereby freely and voluntarily withdraw said Notice of Defense. Respondents
7 acknowledge that they understand that by withdrawing said Notice of Defense they thereby waive
8 their right to require the Commissioner to prove the allegations in the Accusation at a contested
9 hearing held in accordance with the provisions of the APA and that they will waive other rights
10 afforded to them in connection with the hearing such as the right to present evidence in their
11 defense and the right to cross-examine witnesses.

12 4. This Stipulation is based on the factual allegations contained in the Accusation.
13 In the interest of expedience and economy, Respondents choose not to contest these allegations,
14 but to remain silent and understand that, as a result thereof, these factual allegations, without
15 being admitted or denied, will serve as a prima facie basis for the disciplinary action stipulated to
16 herein. The Real Estate Commissioner shall not be required to provide further evidence to prove
17 said factual allegations.

18 5. This Stipulation is made for the purpose of reaching an agreed disposition of
19 this proceeding and is expressly limited to this proceeding and any other proceeding or case in
20 which the Department of Real Estate ("Department"), the state or federal government, or any
21 agency of this state, another state or federal government is involved.

22 6. It is understood by the parties that the Real Estate Commissioner may adopt
23 this Stipulation as his Decision in this matter thereby imposing the penalty and sanctions on
24 Respondents' real estate licenses and license rights as set forth in the "Order" herein below. In
25 the event that the Commissioner in her discretion does not adopt the Stipulation, it shall be void
26 and of no effect and Respondents shall retain the right to a hearing and proceeding on the
27 Accusation under the provisions of the APA and shall not be bound by any stipulation or waiver

1 made herein.

2 7. The Order or any subsequent Order of the Real Estate Commissioner made
3 pursuant to this Stipulation shall not constitute an estoppel, merger or bar to any further
4 administrative or civil proceedings by the Department of Real Estate with respect to any matters
5 which were not specifically alleged to be causes for Accusation in this proceeding but do
6 constitute a bar, estoppel and merger as to any allegations actually contained in the Accusations
7 against Respondent herein.

8 8. Respondents understand that by agreeing to this Stipulation, Respondents agree
9 to pay, pursuant to Business and Professions Code Section 10148, the cost of the audit. The
10 amount of said cost for the original audit (LA090251/LA100092) is \$5,728.50.

11 9. Respondents have received, read, and understand the "Notice Concerning
12 Costs of Subsequent Audit". Respondents further understand that by agreeing to this Stipulation,
13 the findings set forth below in the Determination of Issues become final, and the Commissioner
14 may charge Respondents for the cost of any subsequent audit conducted pursuant to Business and
15 Professions Code Section 10148 to determine if the violations have been corrected. The
16 maximum cost of the follow-up audit will not exceed \$5,728.50.

17 10. Respondents understand that by agreeing to this Stipulation, Respondents
18 agree to pay, pursuant to Business and Professions Code Section 10106, the Commissioner's cost
19 of the investigation and enforcement. The amount of said cost is \$1,159.91.

20 DETERMINATION OF ISSUES

21 By reason of the foregoing, it is stipulated and agreed that the following
22 determination of issues shall be made:

23 I.

24 The conduct, acts or omissions of SUPERSTARS INC., as described in Paragraph
25 4, herein above, are in violation of Section 10145, 10159.5, 10160, and 10163 of the Business
26 and Professions Code ("Code") and Regulation 2950(h) and is a basis for the suspension or
27 revocation of Respondent's license and license rights as a violation of the Real Estate Law

1 pursuant to Code 10177(d).

2 II.

3 The conduct, acts or omissions of DAVID PATRICK ROMERO, as described in
4 Paragraph 4, herein above, are in violation of Code Section 10159.2 and is a basis for discipline
5 of Respondent's license and license rights as violation of the Real Estate Law pursuant to Code
6 Section 10177(h).

7 ORDER

8 WHEREFORE, THE FOLLOWING ORDER is hereby made:

9 I.

10 All licenses and licensing rights of Respondents SUPERSTARS INC. and
11 DAVID PATRICK ROMERO, under the Real Estate Law are suspended for a period of ninety
12 (90) days from the effective date of this Decision :

13
14 A. Provided, however, that if Respondents request, the initial thirty (30) days of
15 said suspension (or a portion thereof) shall be stayed for two (2) years upon condition that:

16 1. Each Respondent pays a monetary penalty pursuant to Section 10175.2 of the
17 Business and Professions Code at the rate of \$50.00 per day for each day of the suspension for a
18 monetary penalty of \$1,500.00 for each Respondent, or \$3,000.00 total.

19
20 2. Said payment shall be in the form of a cashier's check or certified check made
21 payable to "Recovery Account of the Real Estate Fund." Said check must be received by the
22 Department prior to the effective date of the Decision in this matter.

23 3. No further cause for disciplinary action against the real estate license of
24 Respondents occur within two (2) years from the effective date of the Decision in this matter.

25
26 4. If Respondents fail to pay the monetary penalty in accordance with the terms of
27 the Decision, the Commissioner may, without a hearing, order the immediate execution of all or

1 any part of the stayed suspension, in which event the Respondents shall not be entitled to any
2 repayment nor credit, prorated or otherwise, for money paid to the Department under the terms of
3 this Decision.

4 5. If Respondents pay the monetary penalty and if no further cause for
5 disciplinary action against the real estate licenses of Respondents occurs within two (2) years
6 from the effective date of the Decision, the stay hereby granted shall become permanent.

7 B. The remaining sixty (60) days of the ninety (90) day suspension shall be stayed
8 for two (2) years upon the following terms and conditions:

9 1. Respondents shall obey all laws, rules and regulations governing the rights,
10 duties and responsibilities of a real estate licensee in the State of California; and

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

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20 II.

21 Pursuant to Section 10148 of the Business and Professions Code, Respondents
22 SUPERSTARS INC. and DAVID PATRICK ROMERO, shall pay the Commissioner's
23 reasonable cost for (a) the audit which led to this disciplinary action and (b) a subsequent audit to
24 determine if Respondents are now in compliance with the Real Estate Law. The cost of the audit
25 which led to this disciplinary action is \$5,728.50. In calculating the amount of the
26 Commissioner's reasonable cost, the Commissioner may use the estimated average hourly salary
27 for all persons performing audits of real estate brokers, and shall include an allocation for travel

1 time to and from the auditor's place of work. Said amount for the prior and subsequent audits
2 shall not exceed \$11,457.00. Respondents shall pay such cost within 60 days of receiving an
3 invoice from the Commissioner detailing the activities performed during the audit and the
4 amount of time spent performing those activities.

5 The Commissioner may suspend the license of Respondent pending a hearing held
6 in accordance with Section 11500, et seq., of the Government Code, if payment is not timely
7 made as provided for herein, or as provided for in a subsequent agreement between the
8 Respondents and the Commissioner. The suspension shall remain in effect until payment is
9 made in full or until Respondent enters into an agreement satisfactory to the Commissioner to
10 provide for payment, or until a decision providing otherwise is adopted following a hearing held
11 pursuant to this condition.

12 III.

13 All licenses and licensing rights of DAVID PATRICK ROMERO, are indefinitely
14 suspended unless or until Respondents SUPERSTARS INC. and DAVID PATRIC ROMERO,
15 jointly and severally pay the sum of \$1,159.91 for the Commissioner's reasonable cost of the
16 investigation and enforcement which led to this disciplinary action. Said payment shall be in the
17 form of a cashier's check or certified check made payable to the Real Estate Fund.

18 IV.

19 All licenses and licensing rights of DAVID PATRICK ROMERO, are indefinitely
20 suspended unless or until Respondent provides proof satisfactory to the Commissioner, of having
21 taken and successfully completed the continuing education course on trust fund accounting and
22 handling specified in paragraph (3) of subdivision (a) of Section 10170.5 of the Business and
23 Professions Code. Proof of satisfaction of this requirement includes evidence that respondent has
24 successfully completed the trust fund account and handling continuing education course within
25 120 days prior to the effective date of the Decision in this matter.

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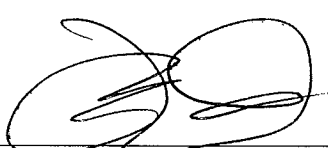
1 V.

2 Respondent DAVID PATRICK ROMERO, shall, within nine (9) months from the
3 effective date of this Decision, present evidence satisfactory to the Real Estate Commissioner
4 that Respondent has, since the most recent issuance of an original or renewal real estate license,
5 taken and successfully completed the continuing education requirements of Article 2.5 of
6 Chapter 3 of the Real Estate Law for renewal of a real estate license. If Respondent fails to
7 satisfy this condition, the Commissioner may order the suspension of Respondent's license until
8 Respondent presents such evidence. The Commissioner shall afford Respondent the opportunity
9 for a hearing pursuant to the Administrative Procedure Act to present such evidence.

10 VI.

11 Respondent DAVID PATRICK ROMERO, shall within six (6) months from the
12 effective date of the Decision herein, take and pass the Professional Responsibility Examination
13 administered by the Department including the payment of the appropriate examination fee. If
14 Respondent fails to satisfy this condition, the Commissioner may order suspension of
15 Respondent's license until Respondent passes the examination. The Commissioner shall afford
16 Respondent the opportunity for a hearing pursuant to the Administrative Procedure Act to present
17 such evidence.
18

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22 DATED: 08-07-12



JULIE L. TO, Counsel for
Department of Real Estate

24 * * *

25 EXECUTION OF THE STIPULATION

26 We have read the Stipulation and Agreement and discussed it with our attorney.
27 Its terms are understood by us and are agreeable and acceptable to us. We understand that we

1 are waiving rights given to us by the California Administrative Procedure Act (including but not
2 limited to Sections 11506, 11508, 11509 and 11513 of the Government Code), and we 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 we would have the
5 right to cross-examine witnesses against us and to present evidence in defense and mitigation of
6 the charges.

7 MAILING AND FACSIMILE

8 Respondents (1) shall mail the original signed signature page of the stipulation
9 herein to Julie L. To: Attention: Legal Section, Department of Real Estate, 320 W. Fourth St.,
10 Suite 350, Los Angeles, California 90013-1105. Respondents shall also (2) facsimile a copy of
11 signed signature page, to the Department at the following telephone/fax number: (213) 576-6917,
12 Attention: Julie L. To.

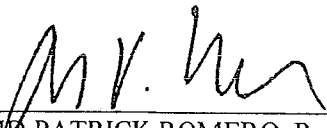
13 A facsimile constitutes acceptance and approval of the terms and conditions of
14 this stipulation. Respondents agree, acknowledge and understand that by electronically sending
15 to the Department a facsimile copy of Respondents' actual signature as it appears on the
16 stipulation that receipt of the facsimile copy by the Department shall be as binding on
17 Respondents as if the Department had received the original signed stipulation.

18
19
20 DATED: 9/7/12



SUPERSTARS INC., Respondent
By: DAVID PATRICK ROMERO, D.O.

21
22
23
24 DATED: 9/7/12



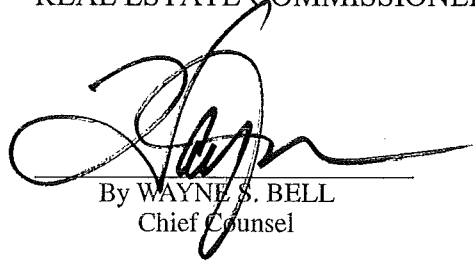
DAVID PATRICK ROMERO, Respondent,
Individually and as designated officer

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The foregoing Stipulation and Agreement is hereby adopted as my Decision as to Respondents SUPERSTARS INC. and DAVID PATRICK ROMERO, and shall become effective at 12 o'clock noon on NOV 05 2012, 2012.

IT IS SO ORDERED 9/24, 2012.

REAL ESTATE COMMISSIONER



By WAYNE S. BELL
Chief Counsel