FILED

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DEPT. OF REAL ESTATE .
By

BEFORE THE DEPARTMENT OF REAL ESTATE STATE OF CALIFORNIA

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| In the Matter of the Accusation of |) No. H-41499 LA |
|--|------------------------------------|
| NEXT DOOR PROPERTIES, |) <u>STIPULATION AND AGREEMENT</u> |
| a corporation doing business as Integra Real Estate Group, |) |
| JORGE VARGAS, individually |) } |
| and as former designated officer of | Ć |
| Next Door Properties, and |) |
| SHIVA MEHRDAD, |) |
| Respondents. |) |
| |) |

It is hereby stipulated by and between Respondents JORGE VARGAS, and SHIVA MEHRDAD ("Respondents"), represented by Mary Work and Fredrick M. Ray, and the Complainant, acting by and through Steve Chu, Counsel for the Department of Real Estate ("Department"), as follows for the purpose of settling and disposing of the Accusation filed on September 25, 2019, in this matter:

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- 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 ("Stipulation").
- 2. Respondents have received, read and understand the Statement to Respondent, the Discovery Provisions of the APA, and the Accusation filed by the Department of Real Estate in this proceeding.
- 3. On October 7, 2019, and October 9, 2019, Respondents filed a Notice of Defense pursuant to Section 11506 of the Government Code for the purpose of requesting a hearing on the allegations in the Accusation. Respondents hereby freely and voluntarily withdraw said Notices of Defense. Respondents acknowledge that Respondents understand that by withdrawing said Notices of Defense, Respondents will thereby waive Respondents' right to require the Real Estate Commissioner ("Commissioner") to prove the allegations in the Accusation at a contested hearing held in accordance with the provisions of the APA and that Respondents will waive other rights afforded to Respondents in connection with the hearing such as the right to present evidence in defense of the allegations in the Accusation and the right to cross-examine witnesses.
- 4. Respondents, pursuant to the limitations set forth below, hereby admit that the factual allegations in the Accusation filed in this proceeding are true and correct and the Commissioner shall not be required to provide further evidence to prove such allegations.

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

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

DETERMINATION OF ISSUES

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

I.

The conduct, acts, and/or omissions of Respondent JORGE VARGAS, as described in the Accusation, constitute cause for the suspension or revocation of all real estate licenses and license rights of Respondent JORGE VARGAS under California Business and Professions Code ("Code") sections 10137, 10177(d), 10177(g), and 10177(h) for violation of Code sections 10137 and 10159.2 and Title 10, Chapter 6, California Code of Regulations ("Regulations") section 2725.

II.

The conduct, acts, and/or omissions of Respondent SHIVA MEHRDAD, as described in the Accusation, constitute cause for the suspension or revocation of all real estate licenses and license rights of Respondent SHIVA MEHRDAD under Code sections 10137, 10177(d), and 10177(g) for violation of Code section 10137.

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All licenses and licensing rights of Respondent JORGE VARGAS under the Real Estate Law are suspended for a period of one hundred twenty (120) days from the effective

1. Sixty (60) days of said suspension shall be stayed, upon the condition that Respondent petitions pursuant to Code Section 10175.2 and pays a monetary penalty pursuant to Code Section 10175.2 at a rate of one hundred dollars (\$100) for each day of the suspension for a total monetary penalty of \$6,000, and upon the following terms and conditions:

date of this Decision and Order; provided, however, that:

- a. Said payment shall be in the form of a cashier's check made payable to the Department of Real Estate. Said check 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 Decision and Order.
- b. No final determination be made after hearing or upon stipulation that cause for disciplinary against any of the real estate licenses or license rights of Respondent occurred within two (2) years from the effective date of this Decision and Order.
- c. If Respondent fails to pay the monetary penalty in accordance with the terms and conditions of this Decision and Order, the suspension shall go into effect automatically. Respondent shall not be entitled to any repayment or credit, prorated or otherwise, for any money paid to the Department under the terms of this Decision and Order.

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- d. If Respondent pays the monetary penalty and all other money due under this Stipulation and Agreement and if no final determination be made after hearing or upon stipulation that cause for disciplinary against any of the real estate licenses or license rights of Respondent occurred within two (2) years from the effective date of this Decision and Order, then the entire stay hereby granted pursuant to this Decision and Order shall become permanent.
- 2. Sixty (60) days of said suspension shall be stayed for two (2) years upon the following terms and conditions:
 - a. Respondent shall obey all laws, rules, and regulations governing the rights, duties, and responsibilities of a real estate licensee in the State of California.
 - b. No final determination be made after hearing or upon stipulation that cause for disciplinary against any of the real estate licenses or license rights of Respondent occurred within two (2) years from the effective date of this Decision and Order. Should such a determination be made, the Commissioner may, in his discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed suspension. Should no such determination be made, the stay imposed herein shall become permanent.

- 4. Respondent shall, within twelve (12) months from the effective date of this Decision and Order, take and pass the Professional Responsibility Examination administered by the Department including the payment of the appropriate examination fee. If the Department has not resumed administration of the Professional Responsibility Examination in that time period, the deadline shall be extended until the Department resumes administration. If Respondent fails to satisfy this condition, all of Respondent's real estate licenses and license rights shall automatically be suspended until Respondent passes the examination.
- 5. Respondent agrees to be available to be called as a witness, and testify as a witness if called to testify, for any hearing dates before the Office of Administrative Hearings for this case, Case No. H-41499 LA. Respondent's failure to meet this condition shall constitute an independent violation of the terms of the restricted license and shall be grounds for the suspension or revocation of that license, provided, however, that Respondent will have the right to an administrative hearing and determination based on a violation of this paragraph.

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

- 1. Sixty (60) days of said suspension shall be stayed, upon the condition that Respondent petitions pursuant to Code Section 10175.2 and pays a monetary penalty pursuant to Code Section 10175.2 at a rate of one hundred dollars (\$100) for each day of the suspension for a total monetary penalty of \$6,000, and upon the following terms and conditions:
 - a. Said payment shall be in the form of a cashier's check made payable to the Department of Real Estate. Said check 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 Decision and Order.
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- d. If Respondent pays the monetary penalty and all other money due under this Stipulation and Agreement and if no final determination be made after hearing or upon stipulation that cause for disciplinary against any of the real estate licenses or license rights of Respondent occurred within two (2) years from the effective date of this Decision and Order, then the entire stay hereby granted pursuant to this Decision and Order shall become permanent.
- 2. Sixty (60) days of said suspension shall be stayed for two (2) years upon the following terms and conditions:
 - a. Respondent shall obey all laws, rules, and regulations governing the rights, duties, and responsibilities of a real estate licensee in the State of California.
 - b. No final determination be made after hearing or upon stipulation that cause for disciplinary against any of the real estate licenses or license rights of Respondent occurred within two (2) years from the effective date of this Decision and Order. Should such a determination be made, the Commissioner may, in his discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed suspension. Should no such determination be made, the stay imposed herein shall become permanent.

- 3. Respondent shall, within twelve (12) months from the effective date of this Decision and Order, present evidence satisfactory to the Commissioner that Respondent has, since the most recent issuance of an original or renewal real estate license, taken and successfully completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a real estate license. If Respondent fails to satisfy this condition, Respondent's real estate license shall automatically be suspended until Respondent presents evidence satisfactory to the Commissioner of having taken and successfully completed the continuing education requirements. 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.
- 4. Respondent shall, within twelve (12) months from the effective date of this Decision and Order, take and pass the Professional Responsibility Examination administered by the Department including the payment of the appropriate examination fee. If the Department has not resumed administration of the Professional Responsibility Examination in that time period, the deadline shall be extended until the Department resumes administration. If Respondent fails to satisfy this condition, all of Respondent's real estate licenses and license rights shall automatically be suspended until Respondent passes the examination.
- 5. Respondent agrees to be available to be called as a witness, and testify as a witness if called to testify, for any hearing dates before the Office of Administrative Hearings for this case, Case No. H-41499 LA. Respondent's failure to meet this condition shall constitute an independent violation of the terms of the restricted license and shall be grounds for the suspension or revocation of that license, provided, however, that Respondent will have the right to an administrative hearing and determination based on a violation of this paragraph.

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6. All licenses and licensing rights of Respondent SHIVA MEHRDAD are indefinitely suspended unless or until Respondent SHIVA MEHRDAD pays, jointly and severally with Respondent JORGE VARGAS, the sum of \$5,097.65 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 made payable to the Department of Real Estate. 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 Decision and Order.

Steve Chu, Counsel Department of Real Estate

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DATED:

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We have read the Stipulation and Agreement. We understand that we are waiving rights given to us by the California Administrative Procedure Act, (including but not limited to sections 11521 and 11523 of the Government Code), and we willingly, intelligently, and voluntarily waive those rights, including the right to seek reconsideration and the right to seek judicial review of the Commissioner's Decision and Order by way of a writ of mandate.

We agree, acknowledge, and understand that we cannot rescind or amend this Stipulation and Agreement.

We can signify acceptance and approval of the terms and conditions of this Stipulation and Agreement by mailing the original signed Stipulation and Agreement to: Steve Chu, Department of Real Estate, 320 West 4th Street, Suite 350, Los Angeles, California 90013-1105. Steve Chu must receive the original signed Stipulation and Agreement or a copy faxed to (213) 576-6917 by June 9, 2021; if not, this Stipulation and Agreement is invalid and void.

DATED: 5/24/2021

Mary Work

Respondent

JORGE VARGAS

SHIVA MEHRDAD

Counsel for Respondent JORGE VARGAS
Approved as to Form

DATED:

Respondent

DATED:

Fredrick M. Ray
Counsel for Respondent SHIVA MEHRDAD
Approved as to Form

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2/25/2021

DATED: 5/25/2011

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| DATED: | | |
|--------|--------------|--|
| | JORGE VARGAS | |
| | Respondent | |

DATED: _____

Mary Work
Counsel for Respondent JORGE VARGAS

Approved as to Form

SHIVA MEHRDAD Respondent

Frederic m Da

Fredrick M. Ray

Counsel for Respondent SHIVA MEHRDAD Approved as to Form

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DATED:

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DATED:

JORGE VARGAS
Respondent

DATED:

Mary Work
Counsel for Respondent JORGE VARGAS
Approved as to Form

SHIVA MEHRDAD
Respondent

Fredrick M. Ray Counsel for Respondent SHIVA MEHRDAD Approved as to Form

The foregoing Stipulation and Agreement is hereby adopted by me as my

Decision in this matter as to Respondents JORGE VARGAS and SHIVA MEHRDAD, and shall become effective at 12 o'clock noon on 10/19/2021

IT IS SO ORDERED 9.7-2

DOUGLAS R. McCAULEY REAL ESTATE COMMISSIONER

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