

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

FILED

APR 14 2022

DEPT. OF REAL ESTATE

By 

7 BEFORE THE DEPARTMENT OF REAL ESTATE

8 STATE OF CALIFORNIA

9 * * *

10 In the Matter of the Accusation of) No. H-42064 LA
11)
12 EXCEL FUNDING REAL ESTATE) **STIPULATION**
13 SERVICES INC) **AND**
14) **AGREEMENT**
15 and)
16)
17 JEROLD ANTHONY SAUNDERS,)
18 as designated officer of Excel Funding Real)
19 Estate Services Inc,)
20 Respondents.)

21 It is hereby stipulated by and between Respondents EXCEL FUNDING REAL
22 ESTATE SERVICES INC (“EFRESI”) and JEROLD ANTHONY SAUNDERS, both
23 represented by Frank M. Buda, Esq./Law Office of Frank M. Buda, and the Complainant, acting
24 by and through Julie L. To, Counsel for the Department of Real Estate (“Department” or
25 “DRE”), as follows for the purpose of settling and disposing of the Accusation (“Accusation”)
26 filed on July 13, 2021, in Case No. H-42064 LA, in this matter.

27 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

DRE Stipulation & Agreement: ERESI & Saunders, H-42064 LA

1 was to be held in accordance with the provisions of the Administrative Procedure Act (“APA”),
2 shall instead and in place thereof be submitted solely on the basis of the provisions of this
3 Stipulation and Agreement (“Stipulation”).

4 2. Respondents have received, read and understand the Statement to Respondent,
5 the Discovery Provisions of the APA and the Accusation filed by the Department of Real Estate
6 (“Department”) in this proceeding.

7 3. On July 19, 2021, Respondents timely filed their respective Notices of Defense
8 pursuant to Section 11506 of the Government Code for the purpose of requesting a hearing on
9 the allegations in the Accusation. Respondents hereby freely and voluntarily withdraw said
10 Notices of Defense. Respondents acknowledge that they understand that by withdrawing said
11 Notices of Defense they thereby waive their right to require the Commissioner to prove the
12 allegations in the Accusation at a contested hearing held in accordance with the provisions of the
13 APA and that they will waive other rights afforded to them in connection with the hearing such
14 as the right to present evidence in their defense and the right to cross-examine witnesses.

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

21 5. This Stipulation is made for the purpose of reaching an agreed disposition of
22 this proceeding and is expressly limited to this proceeding and any other proceeding or case in
23 which the Department or another licensing agency of this state, another state, or if the federal
24 government is involved, and otherwise shall not be admissible in any other criminal or civil
25 proceeding.

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

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

14 8. Respondents understand that by agreeing to this Stipulation, Respondents agree
15 to pay for the cost of the audits which resulted in the determination that Respondents committed
16 the violations found in the Determination of Issues, pursuant to Business and Professions Code
17 ("Code") Section 10148. The amount of said costs for the audit examinations (LA190161 and
18 LA20005) total \$7,057.55. Respondents agrees to pay, pursuant to Code Section 10148, the
19 amount \$7,057.55 for the cost of Audit Nos. LA190161 and LA200005.

20 9. Respondents have received, read, and understand the "Notice Concerning
21 Costs of Subsequent Audit." Respondents further understands that by agreeing to this
22 Stipulation, the findings set forth below in the Determination of Issues become final, and the
23 Commissioner may charge Respondents for the cost of any subsequent (follow-up) audit(s)
24 conducted pursuant to Code Section 10148 to determine if the violations found in audits
25 LA190161 and LA200005 have been corrected. The maximum cost of the follow-up audits will
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27 DRE Stipulation & Agreement: ERESI & Saunders, H-42064 LA

1 not exceed one-hundred twenty-five percent (125%) of the cost of the original audit; in the
2 instant case, the cost of the original audits total \$7,057.55, and the maximum cost of the follow-
3 up audit ($\$7,057.55 \times 125\%$) will not exceed \$8,821.94. Therefore, Respondents may be charged
4 a maximum of \$8,821.94 in the event of a subsequent audit.

5 10. Respondents understand that by agreeing to this Stipulation, Respondents
6 agree to be jointly and severally liable for payment of the Commissioner's cost of the
7 investigation and enforcement which resulted in the determination that Respondents committed
8 the violations found in the Determination of Issues, pursuant to Code Section 10106. The
9 amount of said investigation and enforcement costs is \$978.50 (comprised of \$594.50 in
10 investigation costs and \$384.00 in enforcement costs); therefore, Respondents agree to pay,
11 pursuant to Code Section 10106, the amount \$978.50

12 DETERMINATION OF ISSUES

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

16 The conduct, acts or omissions of Respondent EFRESI as described in Paragraph
17 4, herein above, are in violation of the Real Estate Law pursuant to Code Section 10177(g), and
18 are bases for the suspension or revocation of the license and license rights of Respondent
19 EFRESI.

20 The conduct, acts or omissions of Respondent SAUNDERS as described in
21 Paragraph 4, herein above, are in violation of the Real Estate Law pursuant to Code Sections
22 10177(g) and 10177(h), and are bases for the suspension or revocation of the license and license
23 rights of Respondent SAUNDERS.

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1 e) If Respondents pay the monetary penalty and if no further cause for
2 disciplinary action against the real estate licenses of Respondents occurs within one (1) year from
3 the effective date of the Decision, the stay hereby granted shall become permanent.

4 2. The remaining thirty (30) days of the sixty (60)-day suspension shall be stayed
5 for one (1) year upon the following terms and conditions:

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

9 b) That no final subsequent determination be made, after hearing or upon
10 stipulation, that cause of disciplinary action occurred within one (1) year
11 from the effective date of this Decision and Order. Should such a
12 determination be made, the Commissioner may, in his discretion, vacate
13 and set aside the stay order and reimpose all or a portion of the stayed
14 suspension. Should no such determination be made, the stay imposed
15 herein shall become permanent.

16 3. All licenses and licensing rights of Respondents are indefinitely suspended
17 unless or until Respondents pay the sum of \$987.50 for the Commissioner's reasonable cost of
18 the investigation and enforcement which led to this disciplinary action; said costs total \$978.50
19 (comprised of \$594.50 in investigation costs and \$384.00 in enforcement costs). Respondents'
20 payment shall be in the form of a cashier's check or certified check made payable to the
21 Department of Real Estate. The investigation and enforcement costs must be delivered to the
22 Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior
23 to the effective date of this Decision and Order.

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27 DRE Stipulation & Agreement: ERESI & Saunders, H-42064 LA

1 4. Pursuant to Section 10148 of the Code, Respondents shall pay the sum of
2 \$7,057.55 for the Commissioner's cost of the audits (LA190161 and LA20005) which led to this
3 disciplinary action. According to the Departments records to date, on or about January 19, 2021,
4 Respondents paid the sum of \$7,057.55 for the Commissioner's cost of Audit Nos. LA190161
5 and LA20005; therefore Respondents have already satisfied this condition.

6 5. Pursuant to Section 10148 of the Code, Respondents shall pay the
7 Commissioner's reasonable cost, not to exceed 8,821.94 [or, 125% of the original audit cost], for
8 a subsequent audit to determine if Respondents have corrected the violations found in the
9 Determination of Issues. In calculating the amount of the Commissioner's reasonable cost, the
10 Commissioner may use the estimated average hourly salary for all persons performing audits of
11 real estate brokers, and shall include an allocation for travel time to and from the auditor's place
12 of work. Respondents shall pay such cost within sixty (60) days of receiving an invoice therefore
13 from the Commissioner. Payment of the audit costs should not be made until Respondents
14 receive the invoice. If Respondents fail to satisfy this condition in a timely manner as provided
15 for herein, Respondents' real estate licenses shall automatically be suspended until payment is
16 made in full, or until a decision providing otherwise is adopted following a hearing held pursuant
17 to this condition.

18 DATED: 3-8-22

Julie To

Julie L. To, Counsel for
Department of Real Estate

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II.

EXECUTION OF THE STIPULATION

23 We have read the Stipulation and Agreement. Its terms are understood by us and
24 are agreeable and acceptable to us. We understand that we are waiving rights given to us by the
25 California Administrative Procedure Act (including but not limited to Sections 11506, 11508,
26

27 DRE Stipulation & Agreement: ERESI & Saunders, H-42064 LA

1 11509 and 11513 of the Government Code), and we willingly, intelligently and voluntarily waive
2 those rights, including the right of requiring the Commissioner to prove the allegations in the
3 Accusation at a hearing at which we would have the right to cross-examine witnesses against us
4 and to present evidence in defense and mitigation of the charges.

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III.

MAILING AND FACSIMILE

Respondents can signify acceptance and approval of the terms and conditions of this Stipulation and Agreement by sending a hard copy of the original signed signature page of the Stipulation herein to Julie L. To, Legal Section, Department of Real Estate, 320 W. Fourth St., Suite 350, Los Angeles, California 90013-1105. In the event of time constraints before an administrative hearing, Respondents can signify acceptance and approval of the terms and conditions of this Stipulation and Agreement by e-mailing a scanned copy of the signature page, as actually signed by Respondents to the Department counsel assigned to this case. Respondents agree, acknowledge, and understand that by electronically sending to the Department a scan of Respondents' actual signatures as they appear on the Stipulation and Agreement, that receipt of the scan by the Department shall be binding on Respondents as if the Department had received the original signed Stipulation and Agreement.

DATED: 3/4/2022


EXCEL FUNDING REAL ESTATE SERVICES
INC, Respondent
By: Jerold Anthony Saunders, Designated Officer

DATED: 3/4/2022


JEROLD ANTHONY SAUNDERS, Respondent

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

DATED: 3-7-2022


Frank M. Buda, Attorney for Respondents

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The foregoing Stipulation and Agreement is hereby adopted as my Decision as to Respondents EXCEL FUNDING REAL ESTATE SERVICES INC and JEROLD ANTHONY SAUNDERS and shall become effective at 12 o'clock noon on MAY 16 2022, 2022.

IT IS SO ORDERED 4.8.22, 2022.

REAL ESTATE COMMISSIONER


DOUGLAS R. McCAULEY