

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

FILED

SEP 20 2022

DEPT. OF REAL ESTATE
By 

8 **DEPARTMENT OF REAL ESTATE**
9 **STATE OF CALIFORNIA**

10 ***

11 In the Matter of the Accusation of
12 INLAND EQUITIES INC, and DOUGLAS
13 WASHBURN MEAD, individually and as
14 designated officer of Inland Equities Inc,
15 Respondents.

DRE No. H-42154 LA

STIPULATION AND AGREEMENT
IN SETTLEMENT AND ORDER

16
17 It is hereby stipulated by and between Respondents INLAND EQUITIES INC and
18 DOUGLAS WASHBURN MEAD (collectively “Respondents”) and their attorney of record, Frank
19 Buda, and the Complainant, acting by and through Kevin H. Sun, Counsel for the Department of
20 Real Estate, as follows for the purpose of settling and disposing of the Accusation filed on
21 November 9, 2021, in this matter (Case No. H-42154 LA):

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

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

4 3. On November 17, 2021, Respondents filed Notices of Defense pursuant to
5 Section 11506 of the Government Code for the purpose of requesting a hearing on the allegations in
6 the Accusation. Respondents hereby freely and voluntarily withdraw said Notices of Defense.
7 Respondents acknowledge that they understand that by withdrawing said Notices of Defense they
8 will thereby waive their rights to require the Commissioner to prove the allegations in the
9 Accusation at a contested hearing held in accordance with the provisions of the APA and that they
10 will waive other rights afforded to them in connection with the hearing such as the right to present
11 evidence in defense of the allegations in the Accusation 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, but
14 to remain silent, and understands that, as a result thereof, these factual allegations, without being
15 admitted or denied, will serve as a prima facie basis for the disciplinary action stipulated to herein.
16 The Real Estate Commissioner shall not be required to provide further evidence to prove said
17 factual allegations.

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

22 6. It is understood by the parties that the Real Estate Commissioner may adopt the
23 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 below "Order". In the event
25 that the Commissioner in his discretion does not adopt the Stipulation and Agreement, it shall be
26 void and of no effect, and Respondents shall retain the right to a hearing and proceeding on the
27 Accusation under all the provisions of the APA and shall not be bound by any admission 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.

6 **DETERMINATION OF ISSUES**

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

10 The conduct of Respondents, as described in the Accusation, are in violation of
11 California Business and Professions Code (“Code”) Sections 10086(a), 10161.8, and 10159.2, and
12 Title 10, Chapter 6, California Code of Regulations (“Regulations”) Sections 2725 and 2752 and
13 are grounds for the suspension or revocation of all of the real estate license and license rights of
14 Respondents under the provision of Code Sections 10177(d), (g), and (h) of the Code. The conduct
15 of Respondents, as described in the Accusation, are further in violation of California Financial
16 Code Section 17006(a)(4).

17 **ORDER**

18 WHEREFORE, THE FOLLOWING ORDER is hereby made:

19 I.

20 (INLAND EQUITIES INC)

21 All licenses and license rights of Respondents INLAND EQUITIES INC under
22 the Real Estate Law are suspended for a period of sixty (60) days from the effective date of this
23 Decision;

24 A. Provided, however, that the initial thirty (30) days of said suspension shall be
25 stayed for two (2) years upon the following terms and conditions:

26 1. Respondents INLAND EQUITIES INC shall pay a monetary penalty
27 pursuant to Code section 10175.2 at the rate of \$50.00 per day for each of the thirty (30) days of

1 suspension for a total monetary penalty of \$1,500.00.

2 2. Said payment shall be in the form of a cashier's check made payable to the
3 Department of Real Estate. Said check must be delivered to the Department of Real Estate, Flag
4 Section, P.O. Box 137013, Sacramento, CA 95813-7013, **prior to the effective date of this**

5 **Decision and Order.**

6 3. No further cause for disciplinary action against the real estate license of
7 Respondents INLAND EQUITIES INC occurs within two (2) years from the effective date of the
8 Decision in this matter.

9 4. If Respondents INLAND EQUITIES INC fails to pay the monetary penalty
10 in accordance with the terms and conditions of the Decision, the suspension shall go into effect
11 automatically with regard to said Respondent. Respondents INLAND EQUITIES INC shall not be
12 entitled to any repayment nor credit, prorated or otherwise, for money paid to the Department under
13 the terms of this Decision and Order.

14 5. If Respondents INLAND EQUITIES INC pays the monetary penalty and if
15 no further cause for disciplinary action against the real estate license of Respondents occurs within
16 two (2) years from the effective date of the Decision, the stay hereby granted shall become
17 permanent.

18 B. The remaining thirty (30) days of the sixty (60) day suspension shall be stayed
19 for two (2) years upon the following terms and conditions:

20 1. That Respondents INLAND EQUITIES INC shall obey all laws, rules and
21 regulations governing the rights, duties and responsibilities of a real estate licensee in the State of
22 California; and

23 2. That no final subsequent determination be made after hearing or upon
24 stipulation, that cause for disciplinary action occurred within two (2) years from the effective date
25 of this Decision. Should such a determination be made, the Commissioner may, in his discretion,
26 vacate and set aside the stay order and re-impose all or a portion of the stayed suspension. Should
27 no such determination be made under this section, the stay imposed herein shall become permanent.

1 II.

2 (DOUGLAS WASHBURN MEAD)

3 All licenses and license rights of Respondents DOUGLAS WASHBURN
4 MEAD under the Real Estate Law are suspended for a period of sixty (60) days from the effective
5 date of this Decision;

6 A. Provided, however, that the initial thirty (30) days of said suspension shall be
7 stayed for two (2) years upon the following terms and conditions:

8 1. Respondents DOUGLAS WASHBURN MEAD shall pay a monetary
9 penalty pursuant to Code section 10175.2 at the rate of \$50.00 per day for each of the thirty (30)
10 days of suspension for a total monetary penalty of \$1,500.00.

11 2. Said payment shall be in the form of a cashier's check made payable to the
12 Department of Real Estate. Said check must be delivered to the Department of Real Estate, Flag
13 Section, P.O. Box 137013, Sacramento, CA 95813-7013, **prior to the effective date of this**
14 **Decision and Order.**

15 3. No further cause for disciplinary action against the real estate license of
16 Respondents DOUGLAS WASHBURN MEAD occurs within two (2) years from the effective date
17 of the Decision in this matter.

18 4. If Respondents DOUGLAS WASHBURN MEAD fails to pay the monetary
19 penalty in accordance with the terms and conditions of the Decision, the suspension shall go into
20 effect automatically with regard to said Respondent. Respondents DOUGLAS WASHBURN
21 MEAD shall not be entitled to any repayment nor credit, prorated or otherwise, for money paid to
22 the Department under the terms of this Decision and Order.

23 5. If Respondents DOUGLAS WASHBURN MEAD pays the monetary
24 penalty and if no further cause for disciplinary action against the real estate license of Respondents
25 occurs within two (2) years from the effective date of the Decision, the stay hereby granted shall
26 become permanent.

27 B. The remaining thirty (30) days of the sixty (60) day suspension shall be stayed

1 for two (2) years upon the following terms and conditions:

2 1. That Respondents DOUGLAS WASHBURN MEAD shall obey all laws,
3 rules and regulations governing the rights, duties and responsibilities of a real estate licensee in the
4 State of California; and

5 2. That no final subsequent determination be made after hearing or upon
6 stipulation, that cause for disciplinary action occurred within two (2) years from the effective date
7 of this Decision. Should such a determination be made, the Commissioner may, in his discretion,
8 vacate and set aside the stay order and re-impose all or a portion of the stayed suspension. Should
9 no such determination be made under this section, the stay imposed herein shall become permanent.

10 III.

11 (INLAND EQUITIES INC and DOUGLAS WASHBURN MEAD)

12 A. All licenses and licensing rights of Respondents are indefinitely suspended unless
13 or until Respondents pays the sum of \$1,840.30 for the Commissioner's reasonable costs of the
14 investigation and enforcement which led to this disciplinary action. Said payment shall be in the
15 form of a cashier's check made payable to the Department of Real Estate. **The payment for the**
16 **investigative and enforcement costs must be delivered to the Department of Real Estate, Flag**
17 **Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this**
18 **Decision and Order.** If Respondents fails to satisfy this condition, the Commissioner shall order
19 suspension of Respondents' licenses and license rights until the sum is paid.

20 B. All licenses and licensing rights of Respondents are indefinitely suspended unless
21 or until Respondents pays the sum of \$7,851.44, or shows proof of payment, for the
22 Commissioner's reasonable costs of the audit which led to this disciplinary action. Said payment
23 shall be in the form of a cashier's check made payable to the Department of Real Estate. **The**
24 **payment for the investigative and enforcement costs must be delivered to the Department of**
25 **Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the**
26 **effective date of this Decision and Order.** If Respondents fail to satisfy this condition, the
27 Commissioner shall order suspension of Respondents' licenses/license rights until the sum is paid.

1 C. Pursuant to Code section 10148 of the Code, Respondents shall pay the
2 Commissioner's reasonable costs, not to exceed **\$11,777.16**, for a subsequent audit to determine if
3 Respondents have corrected the violations found in the Determination of Issues. In calculating the
4 amount of the Commissioner's reasonable costs, the Commissioner may use the estimated average
5 hourly salary for all persons performing audits of real estate brokers, and shall include an allocation
6 for travel time to and from the auditor's place of work. Respondents shall pay such costs within
7 sixty (60) days of receiving an invoice therefor from the Commissioner. Payment of the audit costs
8 should not be made until Respondents receive the invoice. If Respondents fail to satisfy this
9 condition in a timely manner as provided for herein, Respondents' real estate licenses shall
10 automatically be suspended until payment is made in full, or until a decision, providing otherwise,
11 is adopted following a hearing held pursuant to this condition.

12
13 DATED: 7/21/2022



14 Kevin H. Sun, Counsel for
15 Department of Real Estate

16 * * *

17 **EXECUTION OF THE STIPULATION**


18 We have read the Stipulation, have discussed it with our counsel, and its terms are
19 understood by us and are agreeable and acceptable to us. We understand that we are waiving rights
20 given to us by the California Administrative Procedure Act (including but not limited to Sections
21 11506, 11508, 11509 and 11513 of the Government Code), and we willingly, intelligently and
22 voluntarily waive those rights, including the right of requiring the Commissioner to prove the
23 allegations in the Accusation at a hearing at which we would have the right to cross-examine
24 witnesses against us and to present evidence in defense and mitigation of the charges.

25 Respondents shall mail the original signed signature page of the stipulation herein to
26 Kevin H. Sun, Attention: Legal Section, Department of Real Estate, 320 W. Fourth St., Suite 350,
27 Los Angeles, California 90013-1105.


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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 emailing 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 the Department a scan of Respondents' actual signature as it appears 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. Respondents shall also mail the original signed signature page of this Stipulation to the Department counsel.

Respondents' signatures below constitute acceptance and approval of the terms and conditions of this Stipulation. Respondents agree, acknowledge and understand that by signing this Stipulation, Respondents are bound by its terms as of the date of such signatures and that this agreement is not subject to rescission or amendment at a later date except by a separate Decision and Order of the Real Estate Commissioner.

DATED: 7/20/2022 
INLAND EQUITIES INC
Respondent
By: Douglas W. MEAD - DESIGNATED OFFICER

DATED: 7/20/2022 
DOUGLAS WASHBURN MEAD
Respondent

DATED: 7-20-2022 
Frank Buda, Esq.
Counsel for Respondents
Approved as to Form

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The foregoing Stipulation and Agreement is hereby adopted as my Decision as to Respondents INLAND EQUITIES INC and DOUGLAS WASHBURN MEAD in this matter and shall become effective at 12 o'clock noon on OCT 20 2022, 2022.

IT IS SO ORDERED 9.12.22, 2022.

DOUGLAS R. McCAULEY
REAL ESTATE COMMISSIONER

Douglas R. McCauley