

1 BUREAU OF REAL ESTATE  
2 P. O. Box 137007  
3 Sacramento, CA 95813-7007

4 Telephone: (916) 263-8670  
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**FILED**

JUN 30 2016

BUREAU OF REAL ESTATE  
By B. Nicholas

8 BEFORE THE BUREAU OF REAL ESTATE  
9 STATE OF CALIFORNIA

10 \* \* \*

11  
12 In the Matter of the Accusation of ) BRE No. H-2904 FR  
13 )  
14 MAD, INC. and, )  
15 MICHAEL VICTOR SALVADORI ) STIPULATION AND AGREEMENT  
Respondents. ) IN SETTLEMENT AND ORDER

16 It is hereby stipulated by and between MAD, INC. (MAD), and MICHAEL  
17 VICTOR SALVADORI (SALVADORI), collectively Respondents, their counsel Edward Lear,  
18 and the Complainant, acting by and through Richard K. Uno, Counsel for the Bureau of Real  
19 Estate (Bureau); as follows for the purpose of settling and disposing of the First Amended  
20 Accusation filed on March 15, 2015, in this matter:

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

26 2. Respondents have received, read, and understand the Statement to  
27 Respondent, the Discovery Provisions of the APA and the Accusation filed by the Bureau of Real

1 Estate in this proceeding.

2           3.       Respondents filed a Notice of Defense pursuant to Section 11505 of the  
3 Government Code for the purpose of requesting a hearing on the allegations in the First  
4 Amended Accusation. Respondents hereby freely and voluntarily withdraw said Notice of  
5 Defense. Respondents acknowledge that they understand that by withdrawing said Notice of  
6 Defense they will thereby waive their right to require the Real Estate Commissioner  
7 (Commissioner) to prove the allegations in the First Amended Accusation at a contested hearing  
8 held in accordance with the provisions of the APA and that he will waive other rights afforded to  
9 them in connection with the hearing such as the right to present evidence in defense of the  
10 allegations in the First Amended Accusation and the right to cross-examine witnesses.

11           4.       This Stipulation is based on the factual allegations contained in the First  
12 Amended Accusation. In the interest of expediency and economy, Respondents chose not to  
13 contest these factual allegations, but to remain silent and understand that, as a result thereof,  
14 these factual statements will serve as a prima facie basis for the "Determination of Issues" and  
15 "Order" set forth below. The Commissioner shall not be required to provide further evidence to  
16 prove such allegations.

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

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



1 the provisions of Section 10156.7 of the Code and to the following limitations, conditions, and  
2 restrictions imposed under authority of Section 10156.6 of the Code:

3 1. The restricted license issued to MAD may be suspended prior to hearing  
4 by Order of the Commissioner on evidence satisfactory to the Commissioner that MAD has  
5 violated provisions of the California Real Estate Law, the Subdivided Lands Law, Regulations of  
6 the Commissioner or conditions attaching to the restricted license.

7 2. MAD shall not be eligible to apply for the issuance of any unrestricted  
8 real estate license nor the removal of any of the conditions, limitations, or restrictions of a  
9 restricted until two (2) years have elapsed from the effective date of this Stipulation. MAD shall  
10 not be eligible to apply for any unrestricted licenses until all restrictions attaching to the license  
11 have been removed.

12 MICHAEL VICTOR SALVADORI

13 All licenses and licensing rights of SALVADORI, under the Real Estate Law are  
14 revoked; provided, however, a restricted real estate broker license shall be issued to  
15 SALVADORI, pursuant to Section 10156.5 of the Code, if SALVADORI makes application  
16 therefore and pays to the Bureau of Real Estate the appropriate fee for the restricted license  
17 within 90 days from the effective date of this Stipulation. The restricted license issued to  
18 SALVADORI shall be subject to all of the provisions of Section 10156.7 of the Code and to the  
19 following limitations, conditions, and restrictions imposed under authority of Section 10156.6 of  
20 the Code:

21 1. The restricted license issued to SALVADORI may be suspended prior to  
22 hearing by Order of the Commissioner in the event of SALVADORI's conviction or plea of nolo  
23 contendere to a crime which is substantially related to SALVADORI's fitness or capacity as a  
24 real estate licensee.

25 2. The restricted license issued to SALVADORI may be suspended prior to  
26 hearing by Order of the Commissioner on evidence satisfactory to the Commissioner that  
27

1 SALVADORI has violated provisions of the California Real Estate Law, the Subdivided Lands  
2 Law, Regulations of the Commissioner or conditions attaching to the restricted license.

3 3. SALVADORI shall not be eligible to apply for the issuance of any  
4 unrestricted real estate license nor the removal of any of the conditions, limitations, or  
5 restrictions of a restricted until two (2) years have elapsed from the effective date of this  
6 Stipulation. SALVADORI shall not be eligible to apply for any unrestricted licenses until all  
7 restrictions attaching to the license have been removed.

8 4. SALVADORI shall, within nine (9) months from the effective date of this  
9 Stipulation, present evidence satisfactory to the Commissioner that SALVADORI has, since the  
10 most recent issuance of an original or renewal real estate license, taken and successfully  
11 completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate  
12 Law for renewal of a real estate license. If SALVADORI fails to satisfy this condition,  
13 SALVADORI's real estate license shall automatically be suspended until SALVADORI presents  
14 evidence satisfactory to the Commissioner of having taken and successfully completed the  
15 continuing education requirements. Proof of completion of the continuing education courses  
16 must be delivered to the Bureau of Real Estate, Flag Section, at P.O. Box 137013, Sacramento,  
17 CA 95813-7013.

18 5. All licenses and licensing rights of SALVADORI are indefinitely  
19 suspended unless or until SALVADORI provides proof satisfactory to the Commissioner, of  
20 having taken and successfully completed the continuing education course on trust fund  
21 accounting and handling specified in paragraph (3) of subdivision (a) of Section 10170.5 of the  
22 Code. Proof of satisfaction of these requirements includes evidence that SALVADORI has  
23 successfully completed the trust fund account and handling continuing education courses, no  
24 earlier than 120 days prior to the effective date of the Stipulation in this matter. Proof of  
25 completion of the trust fund accounting and handling course must be delivered to the Bureau of  
26 Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013 or by fax at 916-  
27 263-8758, prior to the effective date of this Decision and Order.

1                   6.       Pursuant to Section 10148 of the Code, SALVADORI shall pay the sum of  
2 \$3,986.48 for the Commissioner's cost of the subsequent audit, No. FR 14007, which led to this  
3 disciplinary action. SALVADORI shall pay such cost within sixty (60) days of receiving an  
4 invoice therefore from the Commissioner. Payment of audit costs should not be made until  
5 SALVADORI receives the invoice. If SALVADORI fails to satisfy this condition in a timely  
6 manner as provided for herein, SALVADORI's real estate licenses shall automatically be  
7 suspended until payment is made in full, or until a decision providing otherwise is adopted  
8 following a hearing held pursuant to this condition.

9                                   MAD, INC. and MICHAEL VICTOR SALVADORI

10                   1.       Pursuant to Section 10148 of the Code, Respondents shall, jointly and  
11 severally, pay the sum of \$5,970.25 for the Commissioner's cost of the initial audit, No. SC  
12 120105, which led to this disciplinary action. Respondents shall pay such cost within sixty (60)  
13 days of receiving an invoice therefore from the Commissioner. Payment of audit costs should  
14 not be made until Respondents receive the invoice. If Respondents fail to satisfy this condition  
15 in a timely manner as provided for herein, Respondents' real estate licenses shall automatically  
16 be suspended until payment is made in full, or until a decision providing otherwise is adopted  
17 following a hearing held pursuant to this condition.

18                   2.       Pursuant to Section 10148 of the Code, Respondents shall, jointly and  
19 severally, pay the Commissioner's reasonable cost, not to exceed \$5,970.25, for an audit to  
20 determine if Respondents have corrected the violation(s) found in the "Determination of Issues".  
21 In calculating the amount of the Commissioner's reasonable cost, the Commissioner may use the  
22 estimated average hourly salary for all persons performing audits of real estate brokers, and shall  
23 include an allocation for travel time to and from the auditor's place of work. Respondents shall  
24 pay such cost within sixty (60) days of receiving an invoice therefore from the Commissioner.  
25 Payment of the audit costs should not be made until Respondents receive the invoice. If  
26 Respondents fails to satisfy this condition in a timely manner as provided for herein,  
27 Respondents' real estate licenses shall automatically be suspended until payment is made in full,

1 or until a decision providing otherwise is adopted following a hearing held pursuant to this  
2 condition.

3  
4 5/19/16  
5 DATED

*Richard K. Uno*  
6 RICHARD K. UNO, Counsel III  
7 BUREAU OF REAL ESTATE

8 \*\*\*

9 I have read the Stipulation and Agreement in Settlement and Order and its terms  
10 are understood by me and are agreeable and acceptable to me. I understand that I am waiving  
11 rights given to me by the California Administrative Procedure Act (including but not limited  
12 to Sections 11506, 11508, 11509 and 11513 of the Government Code), and I willingly,  
13 intelligently, and voluntarily waive those rights, including the right of requiring the  
14 Commissioner to prove the allegations in the Accusation at a hearing at which I would have the  
15 right to cross-examine witnesses against me and to present evidence in defense and mitigation  
16 of the charges.

17 5-19-16  
18 DATED

*Michael Victor Salvatori*  
19 MAD, INC.  
20 BY: MICHAEL VICTOR SALVADORI

21 \*\*\*

22 5-19-16  
23 DATED

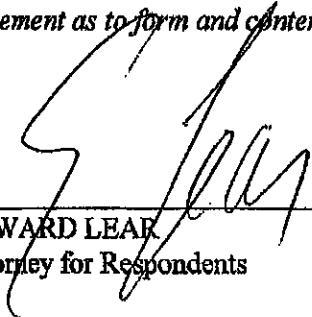
*Michael Victor Salvatori*  
24 MICHAEL VICTOR SALVADORI  
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*I have reviewed this Stipulation and Agreement as to form and content and have advised my clients accordingly.*

5/19/16  
DATED

  
EDWARD LEAR  
Attorney for Respondents

The foregoing Stipulation and Agreement In Settlement and Order is hereby adopted by the Real Estate Commissioner as his Decision and Order and shall become effective at 12 o'clock noon on JUL 21 2016.

IT IS SO ORDERED JUNE 27, 2016.

WAYNE S. BELL  
REAL ESTATE COMMISSIONER  


By: JEFFREY MASON  
Chief Deputy Commissioner