

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**

APR 25 2017

BUREAU OF REAL ESTATE  
By B. Nicholas

8 BEFORE THE BUREAU OF REAL ESTATE  
9 STATE OF CALIFORNIA

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11  
12 In the Matter of the Accusation of ) BRE No. H-3029 FR  
13 )  
14 DAWN B. PENTONEY and )  
MANZANITA PROPERTY MANAGEMENT, INC., )  
15 Respondents. ) STIPULATION AND AGREEMENT  
IN SETTLEMENT AND ORDER

16  
17 It is hereby stipulated by and between DAWN B. PENTONEY (PENTONEY),  
18 MANZANITA PROPERTY MANAGEMENT, INC. (MPM), collectively Respondents, their  
19 counsel, Adam J. Richards, and the Complainant, acting by and through Richard K. Uno,  
20 Counsel for the Bureau of Real Estate (Bureau); as follows for the purpose of settling and  
21 disposing of the Accusation filed on July 29, 2016, in this matter:

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

27 2. Respondents have received, read, and understands the Statement to

1 Respondent, the Discovery Provisions of the APA and the Accusation filed by the Bureau of Real  
2 Estate in this proceeding.

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

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

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

25           6.       The Order or any subsequent Order of the Commissioner made pursuant to  
26 this Stipulation shall not constitute an estoppel, merger, or bar to any further administrative or  
27 civil proceedings by the Bureau of Real Estate with respect to any matters which were not

1 specifically alleged to be causes for accusation in this proceeding.

2           7. Respondents understand that by agreeing to this Stipulation, Respondents  
3 agrees to pay, pursuant to Section 10148 of the Code, the cost of the audit which resulted in the  
4 violation(s) found in the Determination of Issues. The amount of such costs is \$4,766.90.

5           8. Respondents further understand that by agreeing to this Stipulation, the  
6 findings set forth below in the "Determination of Issues" become final, and that the  
7 Commissioner may charge said Respondents for the costs of any audit conducted pursuant to  
8 Section 10148 of the Code to determine if the violations have been corrected. The maximum  
9 cost of said audit shall not exceed \$5,958.66.

#### 10 DETERMINATION OF ISSUES

11           By reason of the foregoing stipulations, admissions and waivers, and solely for  
12 the purpose of settlement of the pending Accusation without a hearing, it is stipulated and agreed  
13 that the acts and/or omissions of Respondents, as described in the Accusation, constitute grounds  
14 for the suspension or revocation of the licenses and license rights of Respondents under the  
15 provisions of Sections 10177(d) of the Code.

#### 16 ORDER

#### 17 DAWN B. PENTONEY

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

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1                   1.     The restricted license issued to PENTONEY may be suspended prior to  
2 hearing by Order of the Commissioner in the event of PENTONEY's conviction or plea of nolo  
3 contendere to a crime which is substantially related to Respondent's fitness or capacity as a real  
4 estate licensee.

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

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

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

24                  5.     All licenses and licensing rights of PENTONEY are indefinitely  
25 suspended unless or until PENTONEY provides proof satisfactory to the Commissioner, of  
26 having taken and successfully completed the continuing education course on trust fund  
27 accounting and handling specified in paragraph (3) of subdivision (a) of Section 10170.5 of the



1 Code. Proof of satisfaction of these requirements includes evidence that Respondent has  
2 successfully completed the trust fund account and handling continuing education courses, no  
3 earlier than 120 days prior to the effective date of the Decision and Order in this matter. Proof of  
4 completion of the trust fund accounting and handling course must be delivered to the Bureau of  
5 Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013 or by fax at 916-  
6 263-8758, prior to the effective date of this Decision and Order.

7 6. PENTONEY shall, within six (6) months from the effective date of this  
8 Decision, take and pass the Professional Responsibility Examination administered by the Bureau  
9 including the payment of the appropriate examination fee. If PENTONEY fails to satisfy this  
10 condition, PENTONEY's real estate license shall automatically be suspended until Respondent  
11 passes the examination.

12 MANZANITA PROPERTY MANAGEMENT INC.

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

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

23 2. The restricted license issued to MPM may be suspended prior to hearing  
24 by Order of the Commissioner on evidence satisfactory to the Commissioner that MPM has  
25 violated provisions of the California Real Estate Law, the Subdivided Lands Law, Regulations of  
26 the Commissioner or conditions attaching to the restricted license.

27 3. MPM shall not be eligible to apply for the issuance of any unrestricted

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

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

14 PENTONEY AND MPM (Respondents)

15 5. Pursuant to Section 10148 of the Code, Respondents shall, jointly and  
16 severally, pay the sum of \$4,766.90 for the Commissioner's cost of the audit which led to this  
17 disciplinary action. Respondents shall pay such cost within sixty (60) days of receiving an  
18 invoice therefore from the Commissioner. Payment of audit costs should not be made until  
19 Respondents receives the invoice. If Respondents fail to satisfy this condition in a timely manner  
20 as provided for herein, Respondents' real estate licenses shall automatically be suspended until  
21 payment is made in full, or until a decision providing otherwise is adopted following a hearing  
22 held pursuant to this condition.

23 6. Pursuant to Section 10148 of the Code, Respondent shall pay the  
24 Commissioner's reasonable cost, not to exceed \$5,958.66 for an audit to determine if  
25 Respondents have corrected the violation(s) found in the "Determination of Issues". In  
26 calculating the amount of the Commissioner's reasonable cost, the Commissioner may use the  
27 estimated average hourly salary for all persons performing audits of real estate brokers, and shall

1 include an allocation for travel time to and from the auditor's place of work. Respondents shall  
2 pay such cost within sixty (60) days of receiving an invoice therefore from the Commissioner.  
3 Payment of the audit costs should not be made until Respondent receives the invoice. If  
4 Respondents fail to satisfy this condition in a timely manner as provided for herein, Respondents'  
5 real estate licenses shall automatically be suspended until payment is made in full, or until a  
6 decision providing otherwise is adopted following a hearing held pursuant to this condition.  
7 and enforcement costs must be delivered to the Bureau of Real Estate, Flag Section at P.O. Box  
8 137013, Sacramento, CA 95813-7013, prior to the effective date of this Stipulation.

9  
10 3/15/17

11 DATED

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13 RICHARD K. UNO, Counsel III  
14 BUREAU OF REAL ESTATE

15 \* \* \*

16 I have read the Stipulation and Agreement in Settlement and Order and its terms  
17 are understood by me and are agreeable and acceptable to me. I understand that I am waiving  
18 rights given to me by the California Administrative Procedure Act (including but not limited  
19 to Sections 11506, 11508, 11509 and 11513 of the Government Code), and I willingly,  
20 intelligently, and voluntarily waive those rights, including the right of requiring the  
21 Commissioner to prove the allegations in the Accusation at a hearing at which I would have the  
22 right to cross-examine witnesses against me and to present evidence in defense and mitigation  
23 of the charges. I understand that I must sign and return this Stipulation by fax to (916) 263-  
24 3767 or by email to Richard.Uno@dre.ca.gov. I further agree to mail the original Stipulation

1 no later than five days after signing it to: Bureau of Real Estate, Legal Section, P.O. Box  
2 137007, Sacramento, California 95813-7007. I understand that failure to mail the original  
3 back may result in this matter going to hearing.

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5 3/1/17

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DAWN B. PENTONEY

MANZANITA PROPERTY  
MANAGEMENT, INC.

3/1/17

DATED

BY: DAWN B. PENTONEY

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

3/9/17

DATED

Adam J. Richards

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 \_\_\_\_\_.

IT IS SO ORDERED \_\_\_\_\_.

WAYNE S. BELL  
REAL ESTATE COMMISSIONER



1 no later than five days after signing it to: Bureau of Real Estate, Legal Section, P.O. Box  
2 137007, Sacramento, California 95813-7007. I understand that failure to mail the original  
3 back may result in this matter going to hearing.

4  
5 3/1/17


6 DATED

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9 DAWN B. PENTONEY

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11 MANZANITA PROPERTY  
12 MANAGEMENT, INC.

13 3/1/17

14 DATED

15   
16 BY: DAWN B. PENTONEY

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18 *I have reviewed this Stipulation and Agreement as to form and content and have advised my*  
19 *clients accordingly.*

20  
21 DATED

22 The foregoing Stipulation and Agreement In Settlement and Order is hereby  
23 adopted by the Real Estate Commissioner as his Decision and Order and shall become effective  
24 at 12 o'clock noon on MAY 16 2017

25 IT IS SO ORDERED

26 4/23/2017

27 WAYNE S. BELL  
REAL ESTATE COMMISSIONER

