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FILED AUG 0 3 2018

DEPARTMENT OF REAL ESTATE

By X. Knopp

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of:

FRED W. DE LEON and JENNIFER ELAINE YAGER,

Respondent(s).

DRE No. H-3087 FR As to FRED W. DE LEON only

DECISION

This Decision is being issued in accordance with the provisions of Section 11520 of the Government Code, on evidence of compliance with Section 11505 of the Government Code and pursuant to the Order of Default filed on July 24, 2018, and the Findings of Fact set forth herein, which are based on one or more of the following: (1) The express admissions of Respondent, FRED W. DE LEON ("Respondent"); (2) affidavits; and (3) other evidence.

This Decision revokes one or more real estate license and/or license rights pursuant to the Real Estate Law, Part I of Division 4, of the Business and Professions Code ("the Code") Sections 10177(d) and/or 10177(g), 10177(h) and 10159.2 of the Code, in conjunction with Section 2725 of the Regulations.

Pursuant to Government Code Section 11521, the California Department of Real Estate ("the Department") may order reconsideration of this Decision on petition of any party. The party seeking reconsideration shall set forth new facts, circumstances, and evidence, or errors in law or analysis, that show(s) grounds and good cause for the Commissioner to reconsider the Decision. If new evidence is presented, the party shall specifically identify the new evidence and explain why it was not previously presented. The Department's power to order reconsideration of this Decision shall expire 30 days after mailing of this Decision, or on the effective date of this Decision, whichever occurs first. The right to reinstatement of a revoked real estate license, or to the reduction of a penalty, is controlled by Section 11522 of the Government Code. A copy of Government Code Sections 11521 and 11522 and a copy of the Commissioner's <u>Criteria of Rehabilitation</u> are attached hereto for the information of respondent.

FINDINGS OF FACT

1.

On March 15, 2018, Brenda Smith made the Accusation in her official capacity as a Supervising Special Investigator of the Department. The Accusation, Statement to Respondent, and Notice of Defense were mailed, by certified mail, return receipt requested, to Respondent's last known mailing address on file with the Department on March 26, 2018.

On July 24, 2018, no Notice of Defense having been received or filed herein within the time prescribed by Section 11506 of the Government Code, Respondent's default was entered herein.

2.

Respondent is presently licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the Code as a real estate broker.

3.

Attached as Exhibit "A" is a true and correct copy of the Accusation filed on March 26, 2018, which is incorporated herein as part of this Decision.

DETERMINATION OF ISSUES

1.

Respondent, as the supervising broker of JENNIFER ELAINE YAGER ("YAGER"), was required to exercise reasonable supervision and control over the real estate activities of YAGER.

2.

Respondent failed to exercise reasonable supervision over the acts and/or omissions of YAGER in such a manner as to allow the acts and/or omissions, as described in COUNT ONE, COUNT TWO and COUNT THREE of the Accusation to occur.

3.

On or about October 16, 2015, Respondent paid YAGER \$7,500 for commissions YAGER earned for performing services requiring a real estate salesperson license while YAGER's license was expired.

4.

On or about November 4, 2015, Respondent paid YAGER \$4,500 for commissions YAGER earned for performing services requiring a real estate salesperson license while YAGER's license was expired. At the time that YAGER received the compensation, as alleged above, both Respondent and YAGER knew, or should have known, that YAGER's salesperson license was expired.

6.

The standard of proof applied was clear and convincing evidence to a reasonable certainty.

<u>ORDER</u>

All licenses and licensing rights of Respondent FRED W. DE LEON under the provisions of Part I of Division 4 of the Business and Professions Code are revoked.

This Decision shall become effective at 12 o'clock noon on AUG 2 2 2018

DATED: <u>August</u> 1,2018.

DANIEL J. SANDRI ACTING REAL ESTATE COMMISSIONER

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