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BUREAU OF REAL ESTATE

By At Selous

Bureau of Real Estate
320 West 4th Street, Suite 350
Los Angeles, California 90013

Telephone: (213) 576-6982

BEFORE THE BUREAU OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of	)	No. H-03091 FR
	)	
ATCO PROPERTY MANAGEMENT, INC.;	)	
and SAM D. CAUSEY, individually and as	)	STIPULATION AND
designated officer of ATCO Property	)	AGREEMENT
Management, Inc.,	)	
	)	
Respondents.	)	

It is hereby stipulated by and between Respondents ATCO PROPERTY MANAGEMENT, INC. ("APMI") and SAM D. CAUSEY ("CAUSEY"), individually and as designated officer of ATCO Property Management, Inc., (collectively "Respondents") both represented by Frank Buda, Esq., and the Complainant, acting by and through Diane Lee, Counsel for the Bureau of Real Estate, as follows for the purpose of settling and disposing of the Accusation ("Accusation") filed on February 23, 2017, in this matter:

1. All issues which were to be contested and all evidence which were to be presented by Complainant and Respondents APMI and CAUSEY at a formal hearing on the Accusation, which hearing was to be held in accordance with the provisions of the California Administrative Procedure Act ("APA"), shall instead and in place thereof be submitted solely on

1 the basis of the provisions of this Stipulation and Agreement ("Stipulation").

2 2. Respondents APMI and CAUSEY have received and read, and understand the
3 Statement to Respondent, the Discovery Provisions of the APA, and the Accusation filed by the
4 Bureau of Real Estate in this proceeding.

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

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

20 5. This Stipulation is made for the purpose of reaching an agreed disposition of
21 this proceeding and is expressly limited to this proceeding and any other proceeding or case in
22 which the Bureau of Real Estate, the state or federal government, or any agency of this state, or
23 another state or federal government is involved.

24 6. It is understood by the parties that the Real Estate Commissioner may adopt
25 this Stipulation as his Decision in this matter thereby imposing the penalties and sanctions on the
26 real estate licenses and license rights of Respondents APMI and CAUSEY as set forth in the
27 below "Order." In the event that the Commissioner in his discretion does not adopt this

1 Stipulation, it shall be void and of no effect, and Respondents APMI and CAUSEY shall retain
2 the right to a hearing and proceeding on the Accusation under the provisions of the APA and
3 shall not be bound by this Stipulation herein.

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

10 8. Respondents APMI and CAUSEY understand that by agreeing to this
11 Stipulation, Respondents APMI and CAUSEY agree to pay, pursuant to California Business and
12 Professions Code section 10106, the cost of the investigation and enforcement. The amount of
13 investigation and enforcement cost is \$4,484.25.

14 9. Respondents APMI and CAUSEY understand that by agreeing to this
15 Stipulation, Respondents APMI and CAUSEY agree to pay, pursuant to California Business and
16 Professions Code section 10148, the cost of the audit which led to this disciplinary action. The
17 amount of said cost for the original audit (FR15-0031) is \$14,137.50.

18 10. Respondents APMI and CAUSEY understand that by agreeing to this
19 Stipulation, the findings set forth below in the Determination of Issues become final, and the
20 Commissioner may charge Respondents APMI and CAUSEY for the cost of any subsequent
21 audit conducted pursuant to California Business and Professions Code section 10148 to
22 determine if the violations have been corrected. The maximum cost of the subsequent audit will
23 not exceed \$17,671.87.

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1 DETERMINATION OF ISSUES

2 By reason of the foregoing, it is stipulated and agreed that the following
3 determination of issues shall be made:

4 The conduct, acts, or omissions of Respondents ATCO PROPERTY
5 MANAGEMENT, INC. and SAM D. CAUSEY, as described in the Accusation and Paragraph 4,
6 above, are in violation of California Business and Professions Code sections 10145, 10148, and
7 10159.2 and Title 10, Chapter 6 of the California Code of Regulations, sections 2725, 2831.2,
8 and 2832.1, and are a basis for discipline of Respondents' license and license rights as violation
9 of the Real Estate Law pursuant to California Business and Professions Code sections 10177(d),
10 10177(f), 10177(g), and 10177(h).

11
12 ORDER

13 WHEREFORE, THE FOLLOWING ORDER is hereby made:

14
15 (APMI: RESTRICTED BROKER LICENSE)

16 I.

17 All licenses and licensing rights of Respondent APMI, under the Real Estate Law
18 are revoked; provided, however, a restricted real estate broker license shall be issued to
19 Respondent APMI pursuant to California Business and Professions Code section 10156.5 if
20 Respondent APMI makes application therefor and pays to the Bureau of Real Estate the
21 appropriate fee for the restricted license within 90 days from the effective date of this Decision.

22 The restricted license issued to Respondent APMI shall be subject to all of the provisions of
23 California Business and Professions Code section 10156.7 and to the following limitations,
24 conditions, and restrictions imposed under authority of the California Business and Professions
25 Code:

26 1. The restricted license issued to Respondent APMI may be suspended prior to
27 hearing by Order of the Real Estate Commissioner in the event of Respondent's conviction or

1 plea of nolo contendere to a crime which is substantially related to Respondent's fitness or
2 capacity as a real estate licensee.

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

8 3. Respondent APMI shall not be eligible to apply for the issuance of an
9 unrestricted real estate license nor for the removal of any of the conditions, limitations, or
10 restrictions of a restricted license until three (3) years have elapsed from the date of issuance of
11 the restricted license to Respondent APMI.

12
13 (CAUSEY: RESTRICTED BROKER LICENSE)

14 II.

15 All licenses and licensing rights of Respondent CAUSEY, under the Real Estate
16 Law are revoked; provided, however, a restricted real estate broker license shall be issued to
17 Respondent CAUSEY pursuant to California Business and Professions Code section 10156.5 if
18 Respondent CAUSEY makes application therefor and pays to the Bureau of Real Estate the
19 appropriate fee for the restricted license within ninety (90) days from the effective date of this
20 Decision. The restricted license issued to Respondent CAUSEY shall be subject to all of the
21 provisions of California Business and Professions Code section 10156.7 and to the following
22 limitations, conditions, and restrictions imposed under authority of the California Business and
23 Professions Code:

24 1. The restricted license issued to Respondent CAUSEY may be suspended prior
25 to hearing by Order of the Real Estate Commissioner in the event of Respondent's conviction or
26 plea of nolo contendere to a crime which is substantially related to Respondent's fitness or
27 capacity as a real estate licensee.

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

6 3. Respondent CAUSEY shall not be eligible to apply for the issuance of an
7 unrestricted real estate license nor for the removal of any of the conditions, limitations, or
8 restrictions of a restricted license until three (3) years have elapsed from the date of issuance of
9 the restricted license to Respondent CAUSEY.

10 4. During the three (3) year period above, Respondent CAUSEY shall not serve
11 as the designated broker at any corporate real estate broker unless and until Respondent
12 CAUSEY provides evidence to the Commissioner that Respondent CAUSEY is the sole owner
13 of record of the controlling shares of the corporation.

14 5. Respondent CAUSEY shall notify the Commissioner in writing within 72
15 hours of any arrest by sending a certified letter to the Commissioner at the Bureau of Real
16 Estate, P.O. Box 137013, Sacramento, CA 95813-7013. The letter shall set forth the date of
17 Respondent CAUSEY's arrest, the crime for which Respondent CAUSEY was arrested, and the
18 name and address of the arresting law enforcement agency. Respondent CAUSEY's failure to
19 timely file written notice shall constitute an independent violation of the terms of the restricted
20 license and shall be grounds for the suspension or revocation of that license.

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1 (APMI AND CAUSEY: INVESTIGATION AND ENFORCEMENT COSTS)

2 III.

3 All license and license rights of Respondents APMI and CAUSEY are indefinitely
4 suspended unless or until Respondents APMI and CAUSEY, jointly and severally, pay the sum
5 of \$4,484.25 for the Commissioner's reasonable cost for investigation and enforcement which
6 led to this disciplinary action. Said payment shall be in the form of a cashier's check made
7 payable to the Bureau of Real Estate. The investigative and enforcement costs must be delivered
8 to the Bureau of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013,
9 prior to the effective date of this Decision and Order.

10
11 (APMI AND CAUSEY: AUDIT COSTS)

12 IV.

13 Pursuant to California Business and Professions Code section 10148, Respondents
14 APMI and CAUSEY, jointly and severally, shall pay the sum of \$14,137.50 for the
15 Commissioner's cost of the audit which led to this disciplinary action. Respondents APMI and
16 CAUSEY shall pay such cost within sixty (60) days of receiving an invoice therefore from the
17 Commissioner. Payment of audit costs should not be made until Respondents APMI and
18 CAUSEY receives the invoice. If Respondents APMI and CAUSEY fail to satisfy this condition
19 in a timely manner as provided for herein, Respondents APMI's and CAUSEY's real estate
20 licenses shall automatically be suspended until payment is made in full, or until a decision
21 providing otherwise is adopted following a hearing held pursuant to this condition.

22 Pursuant to California Business and Professions Code section 10148, Respondents
23 APMI and CAUSEY shall pay the Commissioner's reasonable cost, not to exceed \$17,671.87,
24 for an audit to determine if Respondents APMI and CAUSEY have corrected the violations
25 found in the Determination of Issues. In calculating the amount of the Commissioner's
26 reasonable costs, the Commissioner may use the estimated average hourly salary for all persons
27 performing audits of real estate brokers, and shall include an allocation for travel time to and

1 from the auditor's place of work. Respondents APMI and CAUSEY shall pay such cost within
2 sixty (60) days of receiving an invoice therefore from the Commissioner. Payment of the audit
3 costs should not be made until Respondent(s) receive the invoice. If Respondents APMI and
4 CAUSEY fail to satisfy this condition in a timely manner as provided for herein, Respondents
5 APMI's and CAUSEY's real estate licenses shall automatically be suspended until payment is
6 made in full, or until a decision providing otherwise is adopted following a hearing held pursuant
7 to this condition.

8
9 (CAUSEY: CONTINUING EDUCATION)

10 V.

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

21
22 (CAUSEY: TRUST FUND COURSE)

23 VI.

24 All licenses and licensing rights of Respondent CAUSEY are indefinitely
25 suspended unless or until Respondent CAUSEY provides proof satisfactory to the
26 Commissioner, of having taken and successfully completed the continuing education course on
27 trust fund accounting and handling specified in California Business and Professions Code section

1 10170.5(a)(3). Proof of satisfaction of these requirements includes evidence that Respondent
2 CAUSEY has successfully completed the trust fund account and handling continuing education
3 courses, no earlier than 120 days prior to the effective date of the Decision and Order in this
4 matter. Proof of completion of the trust fund accounting and handling course must be delivered
5 to the Bureau of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013 or
6 by fax at 916-263-8758, prior to the effective date of this Decision and Order.

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8 (CAUSEY: PROFESSIONAL RESPONSIBILITY EXAM)

9 VII.

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

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16 DATED: 10/04/2017



DIANE LEE, Counsel for
Bureau of Real Estate

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2 EXECUTION OF THE STIPULATION

3 I, SAM D. CAUSEY, individually and as designated officer of ATCO
4 PROPERTY MANAGEMENT, INC., have read the Stipulation and discussed it with my
5 attorney, Frank Buda, Esq. Its terms are understood by me, and are agreeable and acceptable to
6 me and ATCO PROPERTY MANAGEMENT, INC. I understand that I am waiving rights given
7 to me and ATCO PROPERTY MANAGEMENT, INC. by the California APA (including, but
8 not limited to, California Government Code sections 11506, 11508, 11509, and 11513), and I,
9 individually and as designated officer of ATCO Property Management, Inc., willingly,
10 intelligently, and voluntarily waive those rights, including, but not limited to, the right of
11 requiring the Commissioner to prove the allegations in the Accusation at a hearing at which I,
12 individually and as designated officer of ATCO Property Management, Inc., would have the right
13 to cross-examine witnesses against me and ATCO PROPERTY MANAGEMENT, INC. and to
14 present evidence in defense and mitigation of the charges.

15
16 MAILING AND FACSIMILE

17 Respondents APMI and CAUSEY (1) shall mail the original signed signature
18 page of this Stipulation herein to Bureau of Real Estate, Attention: Legal Section – Diane Lee,
19 320 West Fourth Street, Suite 350, Los Angeles, California 90013-1105. Respondents APMI
20 and CAUSEY shall also (2) facsimile a copy of signed signature page, to the Bureau of Real
21 Estate at the following telephone/fax number: (213) 576-6917, Attention: Diane Lee.

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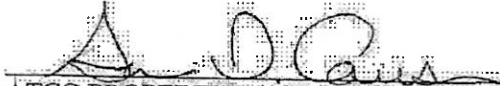
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1 A facsimile constitutes acceptance and approval of the terms and conditions of
2 this Stipulation. Respondents APMI and CAUSEY agree, acknowledge, and understand that by
3 electronically sending to the Bureau of Real Estate a facsimile copy of the actual signatures of
4 Respondents APMI and CAUSEY as it appear on the Stipulation that receipt of the facsimile
5 copy by the Bureau of Real Estate shall be as binding on Respondents APMI and CAUSEY as if
6 the Bureau of Real Estate had received the original signed Stipulation.

7
8 DATED: 10-4-17


ATCO PROPERTY MANAGEMENT, INC. By Sam D.
Causey, designated officer of ATCO Property
Management, Inc.

9
10
11 DATED: 10-4-17


SAM D. CAUSEY, individually and as designated officer
of ATCO PROPERTY MANAGEMENT, INC.

12
13
14 DATED: 10-4-17


FRANK BUDA, ESQ.
Attorney for Respondents ATCO PROPERTY
MANAGEMENT, INC. and SAM D. CAUSEY

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17 ***

18 The foregoing Stipulation and Agreement is hereby adopted as my Decision as to
19 Respondents ATCO PROPERTY MANAGEMENT, INC. and SAM D. CAUSEY, and shall
20 become effective at 12 o'clock noon on _____, 2017.

21
22 IT IS SO ORDERED _____, 2017.

23
24 REAL ESTATE COMMISSIONER
25
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27

1 A facsimile constitutes acceptance and approval of the terms and conditions of
2 this Stipulation. Respondents APMI and CAUSEY agree, acknowledge, and understand that by
3 electronically sending to the Bureau of Real Estate a facsimile copy of the actual signatures of
4 Respondents APMI and CAUSEY as it appear on the Stipulation that receipt of the facsimile
5 copy by the Bureau of Real Estate shall be as binding on Respondents APMI and CAUSEY as if
6 the Bureau of Real Estate had received the original signed Stipulation.

7
8 DATED: _____

ATCO PROPERTY MANAGEMENT, INC. by Sam D.
Causey, designated officer of ATCO Property Management,
Inc.

11 DATED: _____

SAM D. CAUSEY, individually and as designated officer
of ATCO PROPERTY MANAGEMENT, INC.

14 DATED: _____

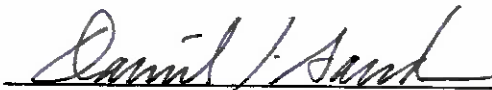
FRANK BUDA, ESQ.
Attorney for Respondents ATCO PROPERTY
MANAGEMENT, INC. and SAM D. CAUSEY

17 * * *

18 The foregoing Stipulation and Agreement is hereby adopted as my Decision as to
19 Respondents ATCO PROPERTY MANAGEMENT, INC. and SAM D. CAUSEY, and shall
20 become effective at 12 o'clock noon on 11/21/17, 2017.

22 IT IS SO ORDERED October 24, 2017.

23 **WAYNE S. BELL**
24 REAL ESTATE COMMISSIONER

26 

27 By: DANIEL J. SANDRI
Chief Deputy Commissioner