

FILED

MAR 30 2023

DEPARTMENT OF REAL ESTATE

By *By dew*

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

4 Telephone: (916) 576-8700

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6
7 BEFORE THE DEPARTMENT OF REAL ESTATE
8 STATE OF CALIFORNIA

9 * * *

10 In the Matter of the Accusation of:) Case No. H-3404 FR
11)
12 RUEBEN ZAMUDIO,) STIPULATION AND AGREEMENT
) IN SETTLEMENT AND ORDER
13)
14) Respondent.)
)

15 It is hereby stipulated by and between Respondent RUEBEN ZAMUDIO,
16 (“Respondent”), acting by and through counsel Joshua A. Rosenthal of Hargrave Rosenthal, a
17 Professional Corporation, and the Complainant, acting by and through Adriana Z. Badilas,
18 Counsel for the Department of Real Estate (“Department”), as follows for the purpose of
19 settling and disposing of the Accusation filed on April 18, 2022, in this matter:

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

25 2. Respondent has received, read and understands the Statement to
26 Respondent, the Discovery Provisions of the APA and the Accusation filed by the Department
27 of Real Estate in this proceeding.

1 3. On or about April 28, 2022, a Notice of Defense was received from
2 Respondent pursuant to Section 11505 of the Government Code for the purpose of requesting a
3 hearing on the allegations made in the Accusation. Respondent hereby freely and voluntarily
4 withdraws said Notice of Defense. Respondent acknowledges that he understands that by
5 withdrawing said Notice of Defense he will thereby waive his rights to require the
6 Commissioner to prove the allegations in the Accusation at a contested hearing held in
7 accordance with the provisions of the APA and that Respondent will waive other rights
8 afforded to him in connection with the hearing such as the right to present evidence in defense
9 of the allegations in the Accusation and the right to cross-examine witnesses.

10 4. Respondent, pursuant to the limitations set forth below, hereby admits that
11 the factual allegations or findings of fact as set forth in the Accusation filed in this proceeding
12 are true and correct and the Real Estate Commissioner shall not be required to provide further
13 evidence of such allegations.

14 5. This Stipulation and Agreement is made for the purpose of reaching an
15 agreed disposition of this proceeding and is expressly limited to this proceeding and any other
16 proceeding or case in which the Department, the state or federal government, any agency of
17 this state, or an agency of another state is involved.

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

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1 7. The Order or any subsequent Order of the Real Estate Commissioner made
2 pursuant to this Stipulation and Agreement shall not constitute an estoppel, merger or bar to
3 any further administrative or civil proceedings by the Department of Real Estate with respect
4 to any matters which were not specifically alleged to be causes for accusation in this
5 proceeding.

6 DETERMINATION OF ISSUES

7 By reason of the foregoing stipulations, admissions, and waivers, and solely for
8 the purpose of settlement of the pending Accusation without further proceedings, it is stipulated
9 and agreed that the following Determination of Issues shall be made:

10 1. The acts and/or omissions of Respondent, as described in the Accusation, are
11 grounds for the suspension or revocation of the licenses and license rights of Respondent under
12 the provisions of Sections 10145, 10159.5, 10177(d) and 10177(g) of the Code, and Sections
13 2731, 2830.1, 2831.1, 2831.2, and 2832 of Title 10, California Code of Regulations
14 (“Regulations”).

15 ORDER.

16 All licenses and licensing rights of Respondent under the Real Estate Law are
17 revoked; provided, however, a restricted real estate broker license shall be issued to Respondent
18 pursuant to Section 10156.5 of the Code if Respondent makes application therefore for the
19 restricted license within ninety (90) days from the effective date of this Decision and Order. The
20 restricted license issued to Respondent shall be subject to all of the provisions of Section 10156.7
21 of the Code and to the following limitations, conditions and restrictions imposed under authority
22 of Section 10156.6 of that Code:

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

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

5 3. Respondent shall not be eligible to petition for the issuance of any unrestricted
6 real estate license nor for removal of any of the conditions, limitations or restrictions of a
7 restricted license until three (3) years have elapsed from the effective date of this Decision and
8 Order. Respondent shall not be eligible to apply for any unrestricted license until all restrictions
9 attaching to the license have been removed.

10 4. All licenses and licensing rights of Respondent are indefinitely suspended
11 unless or until Respondent provides proof satisfactory to the Commissioner, of having taken and
12 successfully completed the continuing education course on trust fund accounting and handling
13 specified in paragraph (3) of subdivision (a) of Section 10170.5 of the Code. Proof of satisfaction
14 of these requirements includes evidence that Respondent has successfully completed the trust
15 fund accounting and handling continuing education course, no earlier than one hundred twenty
16 (120) days prior to the effective date of the Order in this matter. Proof of completion of the trust
17 fund accounting and handling course must be delivered to the Department of Real Estate, Flag
18 Section at P.O. Box 137013, Sacramento, CA 95813-7013 or by fax at 916-576-8652, prior to
19 the effective date of this Order.

20 5. Respondent shall, within six (6) months from the effective date of this Order,
21 take and pass the Professional Responsibility Examination administered by the Department,
22 including the payment of the appropriate examination fee. If Respondent fails to satisfy this
23 condition, Respondent's real estate license shall automatically be suspended until Respondent
24 passes the examination.

25 6. Respondent shall notify the Commissioner in writing within 72 hours of any
26 arrest by sending a certified letter to the Commissioner at the Department of Real Estate, Post
27 Office Box 137000, Sacramento, CA 95813-7000. The letter shall set forth the date of

1 Respondent's arrest, the crime for which Respondent was arrested and the name and address of
2 the arresting law enforcement agency. Respondent's failure to timely file written notice shall
3 constitute an independent violation of the terms of the restricted license and shall be grounds for
4 the suspension or revocation of that license.

5 7. All licenses and licensing rights of Respondent are indefinitely suspended
6 unless or until Respondent pays the sum of \$2,542.32 for the Commissioner's reasonable costs of
7 the investigation and enforcement which led to this disciplinary action. Said payment shall be in
8 the form of a cashier's check or certified check made payable to the Department. The
9 investigative and enforcement costs must be delivered to the Department of Real Estate, Flag
10 Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this
11 Order.

12 8. Respondent shall pay the sum of \$4,996.75 for the Commissioner's cost
13 of the audit which led to this disciplinary action. Respondent shall pay such cost within sixty
14 (60) days of receiving an invoice therefore from the Commissioner. The Commissioner shall
15 indefinitely suspend all licenses and licensing rights of Respondent pending a hearing held in
16 accordance with Section 11500, et seq., of the Government Code, if payment is not timely
17 made as provided for herein, or as provided for in a subsequent agreement between Respondent
18 and the Commissioner. The suspension shall remain in effect until payment is made in full or
19 until Respondent enter into an agreement satisfactory to the Commissioner to provide for
20 payment, or until a decision providing otherwise is adopted following a hearing held pursuant
21 to this condition.

22 9. Respondent shall pay the Commissioner's costs, not to exceed
23 \$6,245.94, of any audit conducted pursuant to Section 10148 of the Code to determine if
24 Respondent has corrected the violations described in the Determination of Issues, above, and
25 any other violations found in the audit which led to this disciplinary action. In calculating the
26 amount of the Commissioner's reasonable cost, the Commissioner may use the estimated
27 average hourly salary for all persons performing audits of real estate brokers, and shall include

1 an allocation for travel time to and from the auditor's place of work. Respondent shall pay such
2 cost within sixty (60) days of receiving an invoice therefore from the Commissioner detailing
3 the activities performed during the audit and the amount of time spent performing those
4 activities. If Respondent fails to pay such cost within the sixty (60) days, the Commissioner
5 shall indefinitely suspend all licenses and licensing rights of Respondent under the Real Estate
6 Law until payment is made in full or until Respondent enters into an agreement satisfactory to
7 the Commissioner to provide for payment. Upon full payment, the indefinite suspension
8 provided for in this paragraph shall be stayed.

9
10 12/2/22

11 DATED



12 ADRIANA Z. BADILAS, Counsel
13 Department of Real Estate

14 * * *

15 I have read the Stipulation and Agreement and its terms are understood by me and
16 are agreeable and acceptable to me. I understand that I am waiving rights given to me by the
17 California Administrative Procedure Act (including but not limited to Sections 11506, 11508,
18 11509 and 11513 of the Government Code), and I willingly, intelligently, and voluntarily waive
19 those rights, including the right of requiring the Commissioner to prove the allegations in the
20 Accusation at a hearing at which I would have the right to cross-examine witnesses against me
21 and to present evidence in defense and mitigation of the charges.

22 Respondent and Respondent's attorney further agree to send the original signed
23 Stipulation and Agreement by mail to the following address no later than one (1) week from the
24 date the Stipulation and Agreement is signed by Respondent and Respondent's attorney:
25 *Department of Real Estate, Legal Section, P.O. Box 137007, Sacramento, California 95813-*


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Respondent and Respondent's attorney understand and agree that if they fail to return the original signed Stipulation and Agreement by the due date, Complainant retains the right to set this matter for hearing.

10/20/2022
DATED


RUBEN ZAMUDIO
Respondent

I have reviewed the Stipulation and Agreement as to form and content and have advised my client accordingly.

10/20/22
DATED


JOSHUA A. ROSENTHAL
Attorney for Respondent

The foregoing Stipulation and Agreement is hereby adopted as my Decision in this matter and shall become effective at 12 o'clock noon on APR 19 2023.

IT IS SO ORDERED 1.19.23, 2022.

REAL ESTATE COMMISSIONER



DOUGLAS R. McCAULEY