

Bureau of Real Estate
320 West 4th Street, Suite 350
Los Angeles, CA 90013-1105

Telephone: (213) 576-6982

FILED

JAN 19 2017

BUREAU OF REAL ESTATE

By 

BEFORE THE BUREAU OF REAL ESTATE

STATE OF CALIFORNIA

In the Matter of the Accusation of

No. H-04766 SD

KRONE & BUSHARD INC.; and
ALAN WILLIAM KRONE,
individually, and as designated officer
officer for Krone & Bushard Inc.,

Respondents.

STIPULATION & AGREEMENT

It is hereby stipulated by and between Respondents KRONE & BUSHARD INC. ("KRONE & BUSHARD"), ALAN WILLIAM KRONE ("ALAN KRONE"), as designated officer for KRONE & BUSHARD, (sometimes referred to as Respondents), and Respondents' attorney David S. Bright, and the Complainant, acting by and through Cheryl Keily, Counsel for the Bureau of Real Estate, as follows for the purpose of settling and disposing of the Accusation filed on January 1, 2016, in this matter.

1. All issues which were to be contested and all evidence which was to be presented by Complainant and Respondents at a formal hearing on the Accusation, which hearing was to be held in accordance with the provisions of the Administrative Procedure Act

1 (APA), shall instead and in place thereof be submitted solely on the basis of the provisions of
2 this Stipulation and Agreement.

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4 2. Respondents have received, read and understand the Statement to Respondent,
5 the Discovery Provisions of the APA and the Accusation filed by the Bureau of Real Estate
6 ("Bureau") in this proceeding.

7 3. On February 3, 2016, Respondents filed a Notice of Defense, pursuant to
8 Section 11506 of the Government Code for the purpose of requesting a hearing on the
9 allegations in the Accusation. Respondents hereby freely and voluntarily withdraw said Notice
10 of Defense. Respondents acknowledge that they understand that by withdrawing said Notice of
11 Defense they will thereby waive their right to require the Commissioner of Real Estate
12 ("Commissioner") to prove the allegations in the Accusation at a contested hearing held in
13 accordance with the provisions of the APA and that they will waive other rights afforded to
14 them in connection with the hearing, such as the right to present evidence in defense of the
15 allegations in the Accusation and the right to cross-examine witnesses.

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

22 5. This Stipulation is made for the purpose of reaching an agreed disposition of
23 this proceeding and is expressly limited to this proceeding and any other proceeding or case in
24 which the Bureau, the state or federal government, or any agency of this state, another state or
25 federal government is involved, and otherwise shall not be admissible in any other criminal or
26 civil proceedings.
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2 6. It is understood by the parties that the Commissioner may adopt the
3 Stipulation and Agreement as his decision in this matter, thereby imposing the penalty and
4 sanctions on Respondents' real estate licenses and license rights as set forth in the below
5 "Order". In the event that the Commissioner in his discretion does not adopt the Stipulation
6 and Agreement, it shall be void and of no effect, and Respondents shall retain the right to a
7 hearing and proceeding on the Accusation under all the provisions of the APA and shall not be
8 bound by any admission or waiver made herein.

9 7. The Order or any subsequent Order of the Commissioner made pursuant to
10 this Stipulation and Agreement shall not constitute an estoppel, merger or bar to any
11 further administrative or civil proceedings by the Bureau with respect to any matters which
12 were not specifically alleged to be causes for accusation in this proceeding.

13 8. Respondents understand that by agreeing to this Stipulation, Respondents
14 agree to pay, pursuant to Business and Professions Code ("Code") Section 10148, the cost of
15 the original and follow-up audit which led to this disciplinary action. The cost of the original
16 audit which led to this disciplinary action is \$8,777.12.

17 9. Respondents have received, read, and understand the "Notice Concerning
18 Costs of Subsequent Audit." Respondents further 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 for the cost of any subsequent audit conducted pursuant
21 to Code Section 10148 to determine if the violations have been corrected. The maximum cost of
22 the subsequent audit shall not exceed \$10,971.40.

23 10. Respondents understand that by agreeing to this Stipulation, Respondents
24 agree to pay, pursuant to Code Section 10106, the cost of the investigation and enforcement of
25 this matter. The total amount of the investigation costs and the amount of the enforcement costs
26 is \$998.90.
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DETERMINATION OF ISSUES

1. The conduct, acts or omissions of Respondents KRONE & BUSHARD and ALAN KRONE, as set forth in the Accusation, is in violation of Code Section 10145 and Sections 2831, 2831.1, 2831.2 and 2832.1, of Title 10, Chapter 6, Code of Regulations ("Regulations") and constitutes cause to suspend or revoke the real estate licenses and license rights of Respondents KRONE & BUSHARD and ALAN KRONE under the provisions of Code Sections 10177(d).

2. The conduct, acts or omissions of Respondent ALAN KRONE, as set forth in the Accusation, constitutes cause to suspend or revoke the real estate licenses and license rights of Respondent under the provisions of Code Section 10177(d) for violation of Code Section 10159.2.

ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

I. ALL licenses and licensing rights of Respondents KRONE & BUSHARD and ALAN KRONE under the Real Estate Law are suspended for a period of ninety (90) days from the effective date of this Decision;

A. Provided, however, that if Respondent requests, the initial thirty (30) days of the period of said suspension (or a portion thereof) shall be stayed for two (2) years upon condition that:

1. Each respondent pays a monetary penalty pursuant to Section 10175.2 of the Business and Professions Code at the rate of \$100.00 per day for each day of the suspension for a total monetary penalty of \$3,000.00 payable by each respondent.

2. Said payments shall be in the form of a cashier's check or certified check made payable to the Recovery Account of the Real Estate Fund. Said check must be received by the Bureau prior to the effective date of the Decision in this matter.

1 3. No further cause for disciplinary action against the real estate license of
2 Respondent occurs within two (2) years from the effective date of the Decision in this matter.

3 4. If Respondents fail to pay the monetary penalty in accordance with the terms
4 of the Decision, the Commissioner may, without a hearing, order the immediate execution of
5 all or any part of the stayed suspension, in which event the Respondent shall not be entitled to
6 any repayment nor credit, prorated or otherwise, for money paid to the Bureau under the terms
7 of this Decision.

8 5. If Respondents pay the monetary penalty, and if no further cause for
9 disciplinary action against the real estate license of Respondents occurs within two (2) years
10 from the effective date of the Decision, the stay hereby granted shall become permanent.

11 B. The remaining sixty (60) days of the ninety (90) day suspension shall be
12 stayed for two (2) years upon the following terms and conditions:

13 1. Respondents shall obey all laws, rules and regulations governing the rights,
14 duties and responsibilities of a real estate licensee in the State of California; and

15 2. That no final subsequent determination be made, after hearing or upon
16 stipulation, that cause for disciplinary action occurred within two (2) years of the effective date
17 of this Decision. Should such a determination be made, the Commissioner may, in his
18 discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed
19 suspension. Should no such determination be made, the stay imposed herein shall become
20 permanent.

21 II. Pursuant to Section 10148 of the Business and Professions Code,
22 Respondents shall pay the sum of \$8,777.12 for the Commissioner's cost of the audit which led
23 to this disciplinary action. Respondents shall pay such cost within sixty (60) days of receiving
24 an invoice therefor from the Commissioner. Payment of audit costs should not be made until
25 Respondents receive the invoice. If Respondents fail to satisfy this condition in a timely
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1 manner as provided for herein, Respondents' real estate licenses shall automatically be
2 suspended until payment is made in full, or until a decision providing otherwise is adopted
3 following a hearing held pursuant to this condition.
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5 Pursuant to Section 10148 of the Code, Respondents shall pay the
6 Commissioner's reasonable cost, not to exceed \$10,971.40 for an audit to determine if
7 Respondents have corrected the violation(s) found in the Determination of Issues. In
8 calculating the amount of the Commissioner's reasonable cost, the Commissioner may use the
9 estimated average hourly salary for all persons performing audits of real estate brokers, and
10 shall include an allocation for travel time to and from the auditor's place of work. Respondents
11 shall pay such cost within sixty (60) days of receiving an invoice therefor from the
12 Commissioner. Payment of the audit costs shall not be made until Respondents receive the
13 invoice. If Respondents fail to satisfy this condition in a timely manner as provided for herein,
14 Respondents' real estate licenses shall automatically be suspended until payment is made in
15 full, or until a decision providing otherwise is adopted following a hearing held pursuant to this
16 condition.

17 III. All licenses and licensing rights of Respondents are indefinitely suspended
18 unless or until Respondents pay the sum of \$998.90 for the Commissioner's reasonable cost of
19 the investigation and enforcement which led to this disciplinary action. Respondents shall be
20 jointly and severally liable for the costs for investigation and enforcement. Said payment shall
21 be in the form of a cashier's check made payable to the Bureau of Real Estate. The
22 investigative and enforcements costs must be delivered to the Bureau of Real Estate, Flag
23 Section at P.O. Box 137013, Sacramento, California 95813-7013, prior to the effective date of
24 this Decision and Order.

25 IV. All licenses and licensing rights of Respondents are indefinitely suspended
26 unless or until Respondents provide proof of the restoration of the shortages in T/A #1 of
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1 \$23,484.93 and in T/A #2 of \$50,451.77 (negative beneficiary balances) prior to the effective
2 date of the Decision and Order.

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4 DATED: Sept 28, 2016


Cheryl D. Keily, Counsel
BUREAU OF REAL ESTATE

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7 * * *

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

15 Respondents can signify acceptance and approval of the terms and conditions of
16 this Stipulation and Agreement by faxing a copy of its signature page, as actually signed by
17 Respondents, to the Bureau at the following telephone/fax number (213) 576-6917.
18 Respondents agree, acknowledge, and understand that by electronically sending to the Bureau a
19 fax copy of their actual signatures as it appears on the Stipulation and Agreement, that receipt
20 of the faxed copy by the Bureau shall be as binding on Respondents as if the Bureau had
21 received the original signed Stipulation and Agreement.

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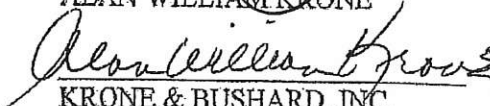
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2 I have reviewed the Stipulation and Agreement as to form and content and have
3 advised my clients accordingly.

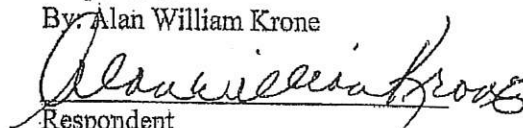
4 DATED: 9/27/16


David Bright, Esq.
Attorney for Respondents
KRONE & BUSHARD INC.
ALAN WILLIAM KRONE

7 DATED: 9/27/16


KRONE & BUSHARD, INC.
Respondent
By: Alan William Krone

10 DATED: 9/27/16



Respondent
ALAN WILLIAM KRONE

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14 The foregoing Stipulation and Agreement is hereby adopted as my Decision in
15 this matter and shall become effective at 12 o'clock noon on FEB 09 2017.

16 IT IS SO ORDERED 1/16/2017  2016 

18 REAL ESTATE COMMISSIONER

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21 WAYNE S. BELL
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