

FILED

1 DEPARTMENT OF REAL ESTATE
2 P. O. Box 187007
3 Sacramento, CA 95818-7007
4 Telephone: (916) 227-0789

MAR -3 2009

DEPARTMENT OF REAL ESTATE
[Signature]

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11	In the Matter of the Accusation of)	
12)	NO. H-4978 SAC
13	LAND RESOURCE INVESTMENTS, INC.,)	<u>STIPULATION AND AGREEMENT</u>
14	a California Corporation,)	
15	Respondent.)	

16 It is hereby stipulated by and between Respondent LAND RESOURCE
17 INVESTMENTS, INC. (hereinafter referred to as "Respondent"), acting by and through
18 Phillip M. Adleson, attorney of record, and the Complainant, acting by and through Angela L.
19 Cash, Counsel for the Department of Real Estate, as follows for the purpose of settling and
20 disposing of the Accusation filed on June 19, 2008, in this matter (hereinafter "the
21 Accusation"):

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

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H-4978 SAC

LAND RESOURCE INVESTMENTS, INC.

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

4 3. July 3, 2008, Respondent filed a Notice of Defense pursuant to Section
 5 11505 of the Government Code for the purpose of requesting a hearing on the allegations in the
 6 Accusation. Respondent hereby freely and voluntarily withdraws said Notice of Defense.
 7 Respondent acknowledges that Respondent understands that by withdrawing said Notice of
 8 Defense, Respondent will thereby waive Respondent's right to require the Commissioner to
 9 prove the allegations in the Accusation at a contested hearing held in accordance with the
 10 provisions of the APA and that Respondent will waive other rights afforded to Respondent in
 11 connection with the hearing such as the right to present evidence in defense of the allegations
 12 in the Accusation and the right to cross-examine witnesses.

13 4. Respondent, pursuant to the limitations set forth below, hereby admits that
 14 the factual allegations in the Accusation pertaining to Respondent are true and correct and
 15 stipulates and agrees that the Real Estate Commissioner shall not be required to provide further
 16 evidence of such allegations.

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

24 6. This Stipulation and Agreement shall not constitute an estoppel, merger or
 25 bar to any further administrative or civil proceedings by the Department of Real Estate with
 26 respect to any matters which were not specifically alleged to be causes for accusation in this
 27 proceeding.

H-4978 SAC

LAND RESOURCE INVESTMENTS, INC.

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DETERMINATION OF ISSUES

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

I

The acts and omissions of Respondent LAND RESOURCE INVESTMENTS, INC. described in the Accusation are grounds for the suspension or revocation of the licenses and license rights of Respondent under the provisions of Sections 10177(c) and 11022 of the Business and Professions Code (hereinafter "the Code") in conjunction with Section 10177(d) of the Code.

ORDER

I

All licenses and licensing rights of Respondent LAND RESOURCE INVESTMENTS, INC. under the Real Estate Law are suspended for a period of sixty (60) days from the effective date of the Decision herein; provided, however:

A. Thirty (30) days of said suspension shall be stayed for two (2) years upon the following terms and conditions:

1. Respondent shall obey all laws, rules and regulations governing the rights, duties and responsibilities of a real estate licensee in the State of California; and
2. That no final subsequent determination be made, after hearing or upon stipulation, that cause for disciplinary action occurred within two (2) years from the effective date of this Decision. Should such a determination be made, the Commissioner may, in his discretion, vacate and set aside the stay order and reimpose all or a portion of the suspension stayed pursuant to this paragraph I(A). Should no such determination be made, the stay so imposed herein shall become permanent.

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H-4978 SAC

LAND RESOURCE INVESTMENTS, INC.

1 B. The remaining thirty (30) days of said 60-day suspension shall be stayed upon the
 2 condition that Respondent pays a monetary penalty pursuant to Section 10175.2 of the Business
 3 and Professions Code at a rate of \$100.00 for each day of the suspension for a total monetary
 4 penalty of \$3,000.00:

5 1. Said payment shall be in the form of a cashier's check or certified check
 6 made payable to the Recovery Account of the Real Estate Fund. Said check must be delivered
 7 to the Department prior to the effective date of the Decision in this matter.

8 2. No further cause for disciplinary action against the Real Estate license of
 9 Respondent occurs within two (2) years from the effective date of the decision in this matter.

10 3. If Respondent fails to pay the monetary penalty in accordance with the
 11 terms and conditions of the Decision, the Commissioner may, without a hearing, vacate and set
 12 aside the stay order, and order the immediate execution of all or any part of the stayed
 13 suspension.

14 4. No final subsequent determination be made, after hearing or upon
 15 stipulation, that cause for disciplinary action against Respondent occurred within two (2) years
 16 of the effective date of the Decision herein. Should such a determination be made, the
 17 Commissioner may, in his discretion, vacate and set aside the stay order, and order the execution
 18 of all or any part of the stayed suspension, in which event the Respondent shall not be entitled to
 19 any repayment nor credit, prorated or otherwise, for money paid to the Department under the
 20 terms of this Decision.

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H-4978 SAC

LAND RESOURCE INVESTMENTS, INC.

1 5. If Respondent pays the monetary penalty and if no further cause for
 2 disciplinary action against the real estate license of Respondent occurs within two (2) years from
 3 the effective date of the Decision herein, then the stay hereby granted shall become permanent.

4
 5
 6 2/10/09
 7 DATED



 ANGELA L. CASH, Counsel
 Department of Real Estate

8 * * *

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

16
 17
 18 FEB 4TH 2009
 19 DATED



 LAND RESOURCE INVESTMENTS, INC.
 Respondent

20 Approved as to form and content by counsel for Respondent.

21
 22
 23 2-5-09
 24 DATED



 PHILLIP M. ADLESON
 Attorney for Respondent

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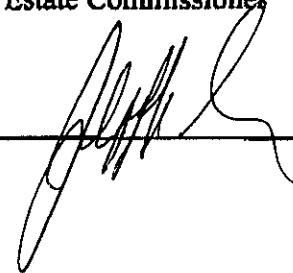
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The foregoing Stipulation and Agreement is hereby adopted by me as my
Decision in this matter as to Respondent LAND RESOURCE INVESTMENTS, INC. and shall
become effective at 12 o'clock noon on MAR 24 2009.

IT IS SO ORDERED 2-26-09.

JEFF DAVI
Real Estate Commissioner

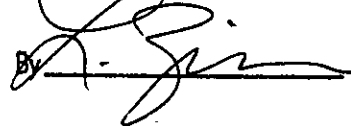


1 ANGELA L. CASH, Counsel
2 State Bar No. 230882
3 Department of Real Estate
4 P.O. Box 187007
5 Sacramento, CA 95818-7007
6
7 Telephone: (916) 227-0785

FILED

JUN 19 2008

DEPARTMENT OF REAL ESTATE

By 

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)	No. H-4978 SAC
12)	
13 LAND RESOURCE INVESTMENT, INC.,)	<u>FIRST-AMENDED</u>
14 a California Corporation,)	<u>ACCUSATION</u>
15 Respondent.)	

16 The Complainant, Charles W. Koenig, a Deputy Real
17 Estate Commissioner of the State of California, for cause of
18 Accusation against LAND RESOURCE INVESTMENT, INC., a California
19 Corporation (hereinafter "Respondent"), is informed and alleges
20 as follows:

21 I

22 The Complainant, Charles W. Koenig, a Deputy Real
23 Estate Commissioner of the State of California, makes this
24 Accusation in his official capacity.

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1 V

2 At all times herein mentioned, Respondent LCI acted in
3 the capacity of, advertised, or assumed to act as a real estate
4 broker within the State of California within the meaning of
5 Sections 10131(a) of the Code, including the operation and
6 conduct of a real estate brokerage business with the public
7 wherein, on behalf of others, for compensation or in expectation
8 of compensation, Respondent sold and offered to sell, solicited
9 prospective sellers and purchasers of, and negotiated the
10 purchase and sale of real property.

11 VI

12 At all times mentioned herein Respondent was the owner
13 or subdivider, or agent of the owners or subdividers of
14 subdivided lands as defined in Sections 11000 and 11000.1 of the
15 Code located in or near the City of Lancaster, State of
16 California (hereinafter "Subdivision") on Avenue "I" and 65th
17 Street East.

18 VII

19 On or about April 11, 2006, the Department of Real
20 Estate (hereinafter "the Department") issued a final public
21 report authorizing Respondent to offer for sale or lease,
22 negotiate the sale or lease, or sell or lease any lots, units or
23 parcels in the Subdivision. The final report provided that said
24 Subdivision may be offered only as undeveloped land and that no
25 representations may be made by Respondent or its agents that
26 said Subdivision has investment merit or future appreciation
27 potential.

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VIII

From approximately April 11, 2006 through August 31, 2007, Respondent participated in the publication, distribution of advertisements concerning said Subdivision. Said advertisements represented that the Department gave approval to Respondent to sell said Subdivision interests to "multiple investors" and said Subdivision was a "proven plan of real estate investment" and had "high future profit potential."

IX

Said advertisements were false and misleading. In truth and in fact, the Department did not authorize Respondent to sell said Subdivision interests to multiple investors or represent that said Subdivision was a "proven plan of real estate investment" and had "high future profit potential."

X

The acts and omissions of Respondent described above constituted the substantial misrepresentation of a material fact.

XI

The acts and omissions of Respondent described above constitutes cause for the suspension or revocation of the licenses and license rights of Respondent under Section 10176(a), 10177(c) and 10177(d) of the Code in conjunction with Section 11022 of the Code.

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WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof a decision be rendered imposing disciplinary action against all licenses and license rights of Respondent under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) and for such other and further relief as may be proper under other provisions of law.



CHARLES W. KOENIG
Deputy Real Estate Commissioner

Dated at Sacramento, California,
this 4th day of June, 2008.

FILED

APR 29 2008

DEPARTMENT OF REAL ESTATE

By [Signature]

1 ANGELA L. CASH, Counsel
2 State Bar No. 230882
3 Department of Real Estate
4 P.O. Box 187007
5 Sacramento, CA 95818-7007
6
7 Telephone: (916) 227-0785

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11	In the Matter of the Accusation of)	No. H-4978 SAC
12)	
13	GEORGE ROBERT KUCERA and)	<u>ACCUSATION</u>
14	LAND RESOURCE INVESTMENT, INC.,)	
15	a California Corporation,)	
	Respondents.)	

16 The Complainant, Charles W. Koenig, a Deputy Real
17 Estate Commissioner of the State of California, for cause of
18 Accusation against LAND RESOURCE INVESTMENT, INC., a California
19 Corporation (hereinafter "Respondent LRI") and GEORGE ROBERT
20 KUCERA (hereinafter "Respondent KUCERA"), is informed and alleges
21 as follows:

22 I

23 The Complainant, Charles W. Koenig, a Deputy Real
24 Estate Commissioner of the State of California, makes this
25 Accusation in his official capacity.

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II

At all times herein mentioned, Respondents LCI and KUCERA were and now are licensed and/or have license rights under the Real Estate Law (Part 1 of Division 4 of the California Business and Professions Code) (hereinafter "Code").

III

At all times herein mentioned, Respondent LCI was and now is licensed by the Department of Real Estate of the State of California (herein "the Department") as a corporate real estate broker by and through Respondent KUCERA as designated officer-broker of Respondent LCI to qualify said corporation and to act for said corporation as a real estate broker.

IV

At all times herein mentioned, Respondent KUCERA was and now is licensed by the Department as a real estate broker, individually and, as the designated broker-officer for Respondent LCI. As said designated officer-broker, Respondent KUCERA was at all times mentioned herein responsible pursuant to Section 10159.2 of the Code for the supervision of the activities of the officers, agents, real estate licensees and employees of Respondent LCI for which a license is required.

V

Whenever reference is made in an allegation in this Accusation to an act or omission of Respondent LCI, such allegation shall be deemed to mean that the officers, directors, employees, agents and/or real estate licensees employed by or associated with Respondent LCI committed such act or omission

1 while engaged in the furtherance of the business or operations
2 of such corporate Respondent and while acting within the course
3 and scope of their authority and employment.

4 VI

5 At all times herein mentioned, Respondent LCI acted in
6 the capacity of, advertised, or assumed to act as real estate
7 brokers within the State of California within the meaning of
8 Sections 10131(a) of the Code, including the operation and
9 conduct of a real estate brokerage business with the public
10 wherein, on behalf of others, for compensation or in expectation
11 of compensation, Respondent sold and offered to sell, solicited
12 prospective sellers and purchasers of, and negotiated the
13 purchase and sale of real property.

14 VII

15 At all times mentioned herein Respondents were the
16 owners or subdividers, or agents of the owners or subdividers of
17 subdivided lands as defined in Sections 11000 and 11000.1 of the
18 Code located in or near the City of Lancaster, State of
19 California (hereinafter "Subdivision") on Avenue "I" and 65th
20 Street East.

21 VIII

22 On or about April 11, 2006, the Department of Real
23 Estate (hereinafter "the Department") issued a final public
24 report authorizing Respondents to offer for sale or lease,
25 negotiate the sale or lease, or sell or lease any lots, units or
26 parcels in the Subdivision. The final report provided that said
27 Subdivision may be offered only as undeveloped land and that no

1 representations may be made by Respondents or agents that said
2 Subdivision has investment merit or future appreciation
3 potential.

4 IX

5 Between on or about April 11, 2006 and on or about
6 August 31, 2007, Respondents participated in the publication,
7 distribution or circularization of advertisements concerning
8 said Subdivision. Said advertisements represented that the
9 Department gave approval to Respondents to sell said Subdivision
10 to "multiple investors" and said Subdivision was a "proven plan
11 of real estate investment" and had "high future profit
12 potential."

13 X

14 Said advertisements were false and misleading. In
15 truth and in fact, the Department did not authorize Respondents
16 to sell said Subdivision to multiple investors or represent that
17 said Subdivision was a "proven plan of real estate investment"
18 and had "high future profit potential."

19 XI

20 Respondent KUCERA failed to exercise reasonable
21 supervision over the acts of Respondent LCI in such a manner as
22 to allow the acts and omissions on the part of Respondent LCI
23 described above, to occur.

24 XII

25 The acts and omissions of Respondents described in
26 Paragraph VII through IX constituted the substantial
27 misrepresentation of a material fact.

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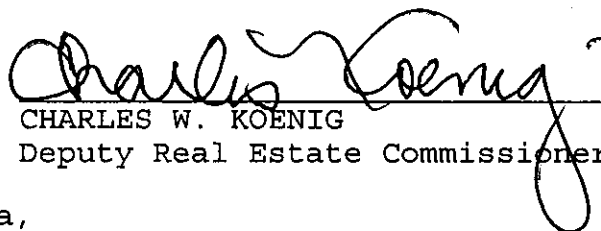
XIII

The acts and omissions of Respondents described in Paragraphs VII through IX, above, constitutes cause for the suspension or revocation of the licenses and license rights of Respondents under Section 10176(a), 10177(c) and 10177(d) of the Code in conjunction with Section 11022 of the Code.

XIV

The acts and omissions of Respondents described in Paragraph VII through XI, above, constitutes cause for the suspension or revocation of the licenses and license rights of Respondent KUCERA under Section 10177(g) and/or 10177(h) of the Code and Section 10159.2 of the Code in conjunction with Section 11077(d) of the Code.

WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof a decision be rendered imposing disciplinary action against all licenses and license rights of Respondents under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) and for such other and further relief as may be proper under other provisions of law.


CHARLES W. KOENIG
Deputy Real Estate Commissioner

Dated at Sacramento, California,
this 8th day of April, 2008