

1 DEPARTMENT OF REAL ESTATE  
2 320 West 4th Street, Suite 350  
3 Los Angeles, California 90013-1105  
4 Telephone: (213) 576-6982

**FILED**

NOV 06 2018

DEPT. OF REAL ESTATE  
By *[Signature]*

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \* \*

11 In the Matter of the Accusation against ) DRE No. H-04988 SD  
12 ) OAH No. 2018051022  
13 MASA SERVICES, INC., )  
14 ALLIE M. HARAGELY, individually and as ) STIPULATION AND  
15 designated officer of Masa Services, Inc., ) AGREEMENT IN SETTLEMENT  
16 KRAIG KNAPHUS, and ) AND ORDER  
17 BRIAN MICHAEL REIFEISS, )  
18 Respondents. ) AS TO RESPONDENTS ALLIE M.  
19 ) HARAGELY, AND BRIAN  
20 ) MICHAEL REIFEISS ONLY  
21 )  
22 )  
23 )  
24 )

17 It is hereby stipulated by and between Respondents ALLIE M. HARAGELY,  
18 individually, and as designated officer of Masa Services, Inc., and BRIAN MICHAEL  
19 REIFEISS (collectively referred to as "Respondents"), Respondents' attorney, Mary E. Work,  
20 and Complainant, acting by and through Lissete Garcia, Counsel for the Department of Real  
21 Estate ("Department"), as follows for the purpose of settling and disposing the Accusation filed  
22 on April 11, 2018, with Department Case No. H-04988 SD ("Accusation") in this matter:

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Stipulation and Agreement  
H-04988 SD

1           1. All issues which were to be contested and all evidence which was to be presented by  
2 Complainant and Respondents at a formal hearing on the Accusation, which hearing was to be  
3 held in accordance with the provisions of the Administrative Procedure Act ("APA"), shall  
4 instead and in place thereof be submitted on the basis of the provisions of this Stipulation and  
5 Agreement in Settlement and Order ("Stipulation").

6           2. Respondents have received, read, and understand the Statement to Respondent, the  
7 Discovery Provisions of the APA, and Accusation filed by the Department in this proceeding.

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

17           4. This Stipulation is based on the factual allegations contained in the Accusation filed in  
18 this proceeding. In the interest of expedience and economy, Respondents choose not to contest  
19 these factual allegations, but to remain silent and understand that, as a result thereof, these  
20 factual statements, will serve as a prima facie basis for the disciplinary action stipulated to  
21 herein. The Real Estate Commissioner shall not be required to provide further evidence to prove  
22 such allegations.

23           5. This Stipulation and Respondents' decision not to contest the Accusation are made for  
24 the purpose of reaching an agreed disposition of this proceeding and are expressly limited to this

1 proceeding and any other proceeding or case in which the Department of Real Estate, or another  
2 licensing agency of this state, another state or if the federal government is involved and  
3 otherwise shall not be admissible in any other criminal or civil proceedings.

4 6. It is understood by the parties that the Real Estate Commissioner may adopt the  
5 Stipulation as his decision in this matter thereby imposing the penalty and sanctions on  
6 Respondents' real estate licenses and license rights as set forth in the below "Order." In the  
7 event that the Commissioner in his discretion does not adopt the Stipulation, the Stipulation shall  
8 be void and of no effect, and Respondents shall retain the right to a hearing on the Accusation  
9 under all the provisions of the APA and shall not be bound by any stipulation or waiver made  
10 herein.

11 7. The Order or any subsequent Order of the Real Estate Commissioner made pursuant to  
12 this Stipulation shall not constitute an estoppel, merger or bar to any further administrative or  
13 civil proceedings by the Bureau of Real Estate with respect to any conduct which was not  
14 specifically alleged to be causes for accusation in this proceeding.

#### 15 DETERMINATION OF ISSUES

16 By reason of the foregoing stipulation and agreement and solely for the purpose of  
17 settlement of the pending Accusation without a hearing, it is stipulated and agreed that the  
18 following determination of issues shall be made:

#### 19 I.

20 The conduct, acts and/or omissions of Respondent ALLIE M. HARAGELY as set forth  
21 in Paragraphs 17(b) and 17(g) of the Accusation, constitute cause for the suspension or  
22 revocation of all real estate licenses and license rights of Respondent ALLIE M. HARAGELY  
23 under the provisions of Code sections 10177(d) and 10177(h) for violation of Code section  
24 10145 and Regulation 2832, as set forth in Paragraph 22 of the Accusation.

1 II.

2 The conduct, acts and/or omissions of Respondent BRIAN MICHAEL REIFEISS as set  
3 forth in Paragraphs 17(a), 17(d), and 17(e) of the Accusation, constitute cause for the suspension  
4 or revocation of all real estate licenses and license rights of Respondent BRIAN MICHAEL  
5 REIFEISS under the provisions of Code sections 10177(d) and 10177(g), for violation of Code  
6 sections 10145(c), as set forth in Paragraph 20 of the Accusation.

7 ORDER

8 I.

9 All licenses and licensing rights of Respondent ALLIE M. HARAGELY under the Real  
10 Estate Law are suspended for a period of sixty (60) days from the effective date of this Decision  
11 and Order; provided, however, that:

12 1. The initial 30 days of said suspension shall be stayed, upon the condition that  
13 Respondent HARAGELY petition pursuant to Section 10175.2 of the Code and pays a monetary  
14 penalty pursuant to Section 10175.2 of the Code at a rate of \$100 for each day of the suspension  
15 for a total monetary penalty of \$3,000.

16 a) Said payment shall be in the form of a cashier's check made  
17 payable to the Department of Real Estate. Said check must be delivered to the  
18 Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013,  
19 prior to the effective date of this Decision and Order.

20 b) No further cause for disciplinary action against the Real Estate licenses  
21 of Respondent HARAGELY occurs within two (2) years from the effective date of the Decision  
22 and Order in this matter.

23 c) If Respondent HARAGELY fails to pay the monetary penalty in  
24 accordance with the terms and conditions of this Decision and Order, the suspension shall go

1 into effect automatically. Respondent shall not be entitled to any repayment nor credit, prorated  
2 or otherwise, for money paid to the Bureau under the terms of this Decision and Order

3 d) If Respondent HARAGELY pays the monetary penalty and any other  
4 moneys due under this Stipulation and Agreement and if no further cause for disciplinary action  
5 against the real estate license of said Respondent occurs within two (2) years from the effective  
6 date of this Decision and Order, the entire stay hereby granted pursuant to this Decision and  
7 Order, as to said Respondent only, shall become permanent.

8 2. The remaining 30 days of said suspension shall be stayed for two (2) years  
9 upon the following terms and conditions:

10 a) Respondent HARAGELY shall obey all laws, rules and regulations  
11 governing the rights, duties and responsibilities of a real estate licensee in the State of California;  
12 and,

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

19 3. All licenses and licensing rights of Respondent HARAGELY are indefinitely  
20 suspended unless or until Respondent HARAGELY pays, severally or jointly with Respondent  
21 MASA SERVICES, INC., the sum of \$4,016.85 for the Commissioner's reasonable cost of the  
22 investigation and enforcement which led to this disciplinary action. Said payment shall be in the  
23 form of a cashier's check made payable to the Department of Real Estate. **The investigative and**  
24 **enforcement costs must be delivered to the Department of Real Estate, Flag Section at P.O.**



Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this Decision and Order. Payment of investigation and enforcement costs should not be made until the Stipulation has been approved by the Commissioner.

4. Pursuant to Section 10148 of the Code, Respondent HARAGELY shall pay, severally or jointly with Respondent MASA SERVICES, INC. the sum of \$5,029.72 for the Commissioner's cost of the audit which led to this disciplinary action. Respondents HARAGELY and/or MASA SERVICES, INC. shall pay such cost within sixty (60) days of receiving an invoice therefore from the Commissioner. Payment of audit costs should not be made until Respondents receive the invoice. If Respondents fail to satisfy this condition in a timely manner as provided for herein, Respondent HARAGELY's real estate licenses shall automatically be suspended until payment is made in full, or until a decision providing otherwise is adopted following a hearing held pursuant to this condition.

5. Pursuant to Section 10148 of the Code, Respondent HARAGELY shall pay the Commissioner's reasonable cost, not to exceed \$6,287.15, for any subsequent audit to determine if Respondent HARAGELY, as an independent, broker-in-charge, has corrected the violations found in the Determination of Issues. In calculating the amount of the Commissioner's reasonable cost, the Commissioner may use the estimated average hourly salary for all persons performing audits of real estate brokers, and shall include an allocation for travel time to and from the auditor's place of work. Respondent HARAGELY shall pay such cost within sixty (60) days of receiving an invoice therefore from the Commissioner. Payment of the audit costs should not be made until Respondent HARAGELY receives the invoice. If Respondent HARAGELY fails to satisfy this condition in a timely manner as provided for herein, Respondent HARAGELY's real estate licenses shall automatically be suspended until

1 payment is made in full, or until a decision providing otherwise is adopted following a hearing  
2 held pursuant to this condition.

3 II.

4 All licenses and licensing rights of Respondent BRIAN MICHAEL REIFEISS under the  
5 Real Estate Law are suspended for a period of sixty (60) days from the effective date of this  
6 Decision and Order; provided, however, that:

7 1. The initial 30 days of said suspension shall be stayed, upon the condition that  
8 Respondent REIFEISS petition pursuant to Section 10175.2 of the Code and  
9 pays a monetary penalty pursuant to Section 10175.2 of the Code at a rate of  
10 \$100 for each day of the suspension for a total monetary penalty of \$3,000.

11 a) Said payment shall be in the form of a cashier's check made payable to  
12 the Department of Real Estate. Said check must be delivered to the Department of Real  
13 Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the  
14 effective date of this Decision and Order.

15 b) No further cause for disciplinary action against the Real Estate licenses of  
16 Respondent REIFEISS occurs within two (2) years from the effective date of the Decision and  
17 Order in this matter.

18 c) If Respondent REIFEISS fails to pay the monetary penalty in accordance  
19 with the terms and conditions of this Decision and Order, the suspension shall go into effect  
20 automatically. Respondent shall not be entitled to any repayment nor credit, prorated or  
21 otherwise, for money paid to the Bureau under the terms of this Decision and Order

22 d) If Respondent REIFEISS pays the monetary penalty and any other moneys  
23 due under this Stipulation and Agreement and if no further cause for disciplinary action against  
24 the real estate license of said Respondent occurs within two (2) years from the effective date of


1 this Decision and Order, the entire stay hereby granted pursuant to this Decision and Order, as to  
2 said Respondent only, shall become permanent.

3 2. The remaining 30 days of said suspension shall be stayed for two (2) years  
4 upon the following terms and conditions:

5 a) Respondent REIFEISS shall obey all laws, rules and regulations governing  
6 the rights, duties and responsibilities of a real estate licensee in the State of California; and,

7 b) That no final subsequent determination be made, after hearing or upon  
8 stipulation, that cause for disciplinary action occurred within two (2) years from the effective  
9 date of this Decision and Order. Should such a determination be made, the Commissioner may,  
10 in his discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed  
11 suspension. Should no such determination be made, the stay imposed herein shall become  
12 permanent.

13 DATED: 10/9/2018

  
Lissete Garcia, Counsel  
Department of Real Estate

15 \* \* \*

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

23 Respondents can signify acceptance and approval of the terms and conditions of this  
24 Stipulation and Agreement by electronically e-mailing a copy of the signature page, as actually



1 signed by Respondents, to the Department. Respondents agree, acknowledge, and understand  
2 that by electronically sending to the Department an electronic copy of Respondents' actual  
3 signatures, as they appear on the Stipulation, that receipt of the emailed copy by the Department  
4 shall be as binding on Respondents as if the Department had received the original signed  
5 Stipulation. By signing this Stipulation, Respondents understand and agree that Respondents  
6 may not withdraw Respondents' agreement or seek to rescind the Stipulation prior to the time the  
7 Commissioner considers and acts upon it or prior to the effective date of the Stipulation and  
8 Order.

9 DATED: 10-5-18

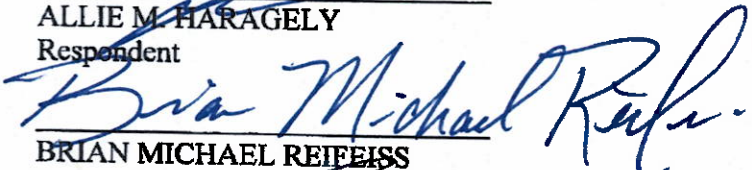
10   
MASA SERVICES, INC.  
Respondent

11 By: President  
ALLIE HARAGELY

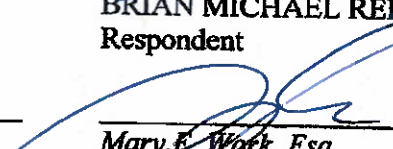
12 DATED: 10-5-18

13   
ALLIE M. HARAGELY  
Respondent

14 DATED: 10-05-18

15   
BRIAN MICHAEL REIFEISS  
Respondent

16 DATED: 10/10/18

17   
Mary E. Work, Esq.  
Counsel for Respondents  
18 Approved as to Form

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The foregoing Stipulation and Agreement in Settlement and Order is hereby  
adopted by me as my Decision in this matter and shall become effective at 12 o'clock noon on  
NOV 26 2018, 2018.

IT IS SO ORDERED October 26, 2018.

DANIEL J. SANDRI  
ACTING REAL ESTATE COMMISSIONER

*Daniel J. Sandri*