


1 Department of Real Estate
320 W. 4th Street, Suite 350
2 Los Angeles, CA 90013-1105

3 Telephone: (213) 576-6982
4

FILED

MAY 20 2021

DEPT. OF REAL ESTATE

By 

8 **DEPARTMENT OF REAL ESTATE**
9 **STATE OF CALIFORNIA**

10 ***

11 In the Matter of the Accusation of
12 **STEPHEN WILLIAM SMITH JR,**
13
14 Respondent.

} DRE No. H-05075 SD

} **STIPULATION AND AGREEMENT IN
SETTLEMENT AND ORDER**

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16 It is hereby stipulated by and between Respondent STEPHEN WILLIAM SMITH
17 JR ("Respondent") and his attorney of record, White and Bright LLP, and the Complainant, acting
18 by and through Kevin H. Sun, Counsel for the Department of Real Estate, as follows for the
19 purpose of settling and disposing of the Accusation filed on July 11, 2019 and First Amended
20 Accusation filed on August 2, 2019 (collectively "Accusation"), in this matter (Case No. H-05075
21 SD):

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

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

4 3. On February 24, 2020, Respondent filed a Notice of Defense pursuant to Section
5 11506 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 he understands that by withdrawing said Notice of Defense he will
8 thereby waive his rights to require the Commissioner to prove the allegations in the Accusation at a
9 contested hearing held in accordance with the provisions of the APA and that he will waive other
10 rights afforded to him in connection with the hearing such as the right to present evidence in
11 defense of the allegations in the Accusation and the right to cross-examine witnesses.

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

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

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

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1 estate licenses nor for removal of any of the conditions, limitations or restrictions of a restricted
2 license until four (4) years have elapsed from the effective date of this Decision and Order.

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

12 2. Respondent shall file a petition for voluntary surrender of his Mortgage Loan
13 Originator ("MLO") license endorsement prior to the effective date of this Decision and Order. If
14 Respondent fails to satisfy this condition, Respondent's real estate license shall automatically be
15 suspended until Respondent presents evidence satisfactory to the Commissioner of having filed a
16 petition for voluntary surrender of his MLO license endorsement.

17 3. Respondent shall submit with any application for license under an employing
18 broker, or any application for transfer to a new employing broker, a statement signed by the
19 prospective employing real estate broker on a form approved by the Department of Real Estate
20 which shall certify:

21 a. That the employing broker has read the Decision of the Commissioner which
22 granted the right to a restricted license; and

23 b. That the employing broker will exercise close supervision over the performance
24 by the restricted licensee relating to activities for which a real estate license is required.


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1 4. All licenses and licensing rights of Respondent are indefinitely suspended unless
2 or until Respondent pays the sum of \$1,865.50 for the Commissioner's reasonable cost of the
3 investigation and enforcement which led to this disciplinary action. Said payment shall be in the
4 form of a cashier's check or certified check made payable to the Department of Real Estate. The
5 investigation and enforcement costs must be delivered to the Department of Real Estate, Flag
6 Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this
7 Decision and Order.

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9 DATED: 4/9/2021


Kevin H. Sun, Counsel for
Department of Real Estate

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13 **EXECUTION OF THE STIPULATION**

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

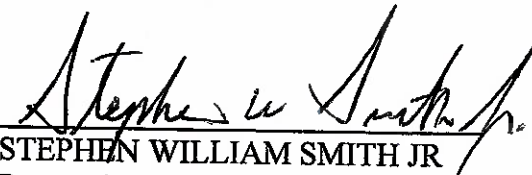
21 Respondent shall mail the original signed signature page of the stipulation herein to
22 Kevin H. Sun, Attention: Legal Section, Department of Real Estate, 320 W. Fourth St., Suite 350,
23 Los Angeles, California 90013-1105.

24 In the event of time constraints before an administrative hearing, Respondent can
25 signify acceptance and approval of the terms and conditions of this Stipulation and Agreement by
26 emailing a scanned copy of the signature page, as actually signed by Respondent, to the
27 Department counsel assigned to this case. Respondent agrees, acknowledges and understands that


1 by electronically sending the Department a scan of Respondent's actual signature as it appears on
2 the Stipulation and Agreement that receipt of the scan by the Department shall be binding on
3 Respondent as if the Department had received the original signed Stipulation. Respondent shall also
4 mail the original signed signature page of this Stipulation to the Department counsel.

5 Respondent's signatures below constitute acceptance and approval of the terms and
6 conditions of this Stipulation. Respondent agrees, acknowledges and understands that by signing
7 this Stipulation, Respondent is bound by its terms as of the date of such signatures and that this
8 agreement is not subject to rescission or amendment at a later date except by a separate Decision
9 and Order of the Real Estate Commissioner.

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11 DATED: 03/21/2021


STEPHEN WILLIAM SMITH JR
Respondent

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15 DATED: 03/28/2021


Melissa Engle of White and Bright, LLP
Counsel for Respondent
Approved as to Form

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19 The foregoing Stipulation and Agreement is hereby adopted as my Decision as to
20 Respondent STEPHEN WILLIAM SMITH JR in this matter and shall become effective at 12
21 o'clock noon on JUN 21 2021, 2021.

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23 IT IS SO ORDERED 5.13.21, 2021.

24 DOUGLAS R. McCAULEY
25 REAL ESTATE COMMISSIONER

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