

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

3 Telephone: (213) 576-6982  
4

**FILED**

APR 20 2021

DEPT. OF REAL ESTATE

By *Zui Jr*

8 **DEPARTMENT OF REAL ESTATE**

9 **STATE OF CALIFORNIA**

10 \*\*\*

11 In the Matter of the Accusation of  
12 ALAN CRAIG TOWNSEND,  
13 doing business as Rancho Mesa Properties,  
14 Respondent.

) DRE No. H-05150 SD

) **STIPULATION AND AGREEMENT**

15  
16  
17 Pursuant to a Settlement Conference held on December 3, 2020, it is hereby  
18 stipulated by and between Respondents ALAN CRAIG TOWNSEND (“Respondent”) and his  
19 attorney of record, Cindy A. Brand, and the Complainant, acting by and through Kevin H. Sun,  
20 Counsel for the Department of Real Estate, as follows for the purpose of settling and disposing of  
21 the Accusation filed on May 19, 2020, in this matter (Case No. H-05150 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”).

27 ///

1                   2. Respondent has received, read and understand 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 June 10, 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.

26 ///

27 ///

1 **DETERMINATION OF ISSUES**

2 By reason of the foregoing stipulations, admissions and waivers and solely for the  
3 purpose of settlement of the pending Accusation without a hearing, it is stipulated and agreed that  
4 the following determination of issues shall be made:

5 The conduct of Respondents, as described in the Accusation, are in violation of  
6 California Business and Professions Code ("Code") Sections 10145 and Title 10, Chapter 6,  
7 California Code of Regulations ("Regulations") Sections 2725, 2831, 2831.1, and 2832.1, and are  
8 grounds for the suspension or revocation of all of the real estate license and license rights of  
9 Respondents under the provision of Code Sections 10177(d), (g), and (h) of the Code.

10 **ORDER**

11 WHEREFORE, THE FOLLOWING ORDER is hereby made:

12 I.

13 (ALAN CRAIG TOWNSEND)

14 All licenses and license rights of Respondent ALAN CRAIG TOWNSEND  
15 under the Real Estate Law are suspended for a period of ninety (90) days from the effective date of  
16 this Decision;

17 A. Provided, however, that the initial thirty (30) days of said suspension shall be  
18 stayed for two (2) years upon the following terms and conditions:

19 1. Respondent ALAN CRAIG TOWNSEND shall pay a monetary penalty  
20 pursuant to Code section 10175.2 at the rate of \$50.00 per day for each of the thirty (30) days of  
21 suspension for a total monetary penalty of \$1,500.00.

22 2. Said payment shall be in the form of a cashier's check made payable to the  
23 Department of Real Estate. Said check must be delivered to the Department of Real Estate, Flag  
24 Section, P.O. Box 137013, Sacramento, CA 95813-7013, **prior to the effective date of this**

25 **Decision and Order.**

26 3. No further cause for disciplinary action against the real estate license of  
27 Respondent ALAN CRAIG TOWNSEND occurs within two (2) years from the effective date of

1 the Decision in this matter.

2 4. If Respondent ALAN CRAIG TOWNSEND fails to pay the monetary  
3 penalty in accordance with the terms and conditions of the Decision, the suspension shall go into  
4 effect automatically with regard to said Respondent. Respondent ALAN CRAIG TOWNSEND  
5 shall not be entitled to any repayment nor credit, prorated or otherwise, for money paid to the  
6 Department under the terms of this Decision and Order.

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

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

13 1. That Respondent ALAN CRAIG TOWNSEND shall obey all laws, rules  
14 and regulations governing the rights, duties and responsibilities of a real estate licensee in the State  
15 of California; and

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

21 C. Respondent ALAN CRAIG TOWNSEND shall, within thirty (30) days from the  
22 effective date of this Decision and Order, cure the shortage of \$8,118.93, unless Respondent  
23 provides the Department with proof, satisfactory to the Commissioner, that the \$8,118.93 was  
24 disbursed to, for the benefit of, or on behalf of the owners of the funds. If Respondent fails to  
25 satisfy this condition, Respondent's real estate license shall automatically be suspended until such  
26 amount is cured and/or proof is shown.

27 ///

1 D. Respondent ALAN CRAIG TOWNSEND shall, within six (6) months from the  
2 effective date of this Decision and Order, take and pass the Professional Responsibility  
3 Examination administered by the Department, including the payment of the appropriate  
4 examination fee. If Respondent ALAN CRAIG TOWNSEND fails to satisfy this condition,  
5 Respondent's real estate license shall automatically be suspended until Respondent passes the  
6 examination.

7 E. Respondent ALAN CRAIG TOWNSEND shall, within six (6) months from the  
8 effective date of this Decision and Order, take and complete trust fund management course and  
9 filed proof of completion of such course with the Department. If Respondent ALAN CRAIG  
10 TOWNSEND fails to satisfy this condition, Respondent's real estate license shall automatically be  
11 suspended until Respondent provides such proof of completion.

12 F. All licenses and licensing rights of Respondent are indefinitely suspended unless  
13 or until Respondent pays the sum of \$3,169.95 for the Commissioner's reasonable costs of the  
14 investigation and enforcement, which led to this disciplinary action. Said payment shall be in the  
15 form of a cashier's check made payable to the Department of Real Estate. **The payment for the**  
16 **investigative and enforcement costs must be delivered to the Department of Real Estate, Flag**  
17 **Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this**  
18 **Decision and Order.** If Respondent fails to satisfy this condition, the Commissioner shall order  
19 suspension of Respondent's license and license rights until the sum is paid.

20 G. Pursuant to Code Sections 10148, Respondents shall pay the Commissioner's  
21 reasonable costs for the audit which led to this disciplinary action in the amount of \$10,070.65  
22 and/or show proof of payment. If the audit cost has not been paid, Respondent shall pay such costs  
23 within ninety (90) days of receiving an invoice therefore from the Commissioner. Payment of the  
24 audit costs should not be made until Respondent receives the invoice. If Respondent fails to satisfy  
25 this condition in a timely manner as provided for herein, Respondent's real estate licenses shall  
26 automatically be suspended until payment is made in full, or until a decision providing otherwise is  
27 adopted following a hearing held pursuant to this condition.

1 H. Pursuant to Code section 10148 of the Code, Respondent shall pay the  
2 Commissioner's reasonable costs, not to exceed \$15,360.00, for a subsequent audit to determine if  
3 Respondent has corrected the violations found in the Determination of Issues. In calculating the  
4 amount of the Commissioner's reasonable costs, the Commissioner may use the estimated average  
5 hourly salary for all persons performing audits of real estate brokers, and shall include an allocation  
6 for travel time to and from the auditor's place of work. Respondent shall pay such costs within  
7 sixty (60) days of receiving an invoice therefor from the Commissioner. Payment of the audit costs  
8 should not be made until Respondent receives the invoice. If Respondent fails to satisfy this  
9 condition in a timely manner as provided for herein, Respondent's real estate licenses shall  
10 automatically be suspended until payment is made in full, or until a decision, providing otherwise,  
11 is adopted following a hearing held pursuant to this condition.

12  
13 DATED: 2/2/2021

  
14 Kevin H. Sun, Counsel for  
15 Department of Real Estate

16 \* \* \*

17 **EXECUTION OF THE STIPULATION**

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

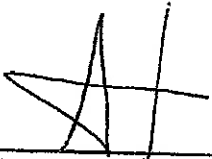
25 Respondent shall mail the original signed signature page of the stipulation herein to  
26 Kevin H. Sun, Attention: Legal Section, Department of Real Estate, 320 W. Fourth St., Suite 350,  
27 Los Angeles, California 90013-1105.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

In the event of time constraints before an administrative hearing, Respondent can signify acceptance and approval of the terms and conditions of this Stipulation and Agreement by emailing a scanned copy of the signature page, as actually signed by Respondent, to the Department counsel assigned to this case. Respondent agrees, acknowledges and understands that by electronically sending the Department a scan of Respondent's actual signature as it appears on the Stipulation and Agreement that receipt of the scan by the Department shall be binding on Respondent as if the Department had received the original signed Stipulation. Respondent shall also mail the original signed signature page of this Stipulation to the Department counsel.

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

DATED: Jan 14, 2021



ALAN CRAIG TOWNSEND  
Respondent

DATED: 1-6-2021



Cindy A. Brand, Esq.  
Counsel for Respondent  
Approved as to Form

\*\*\*

///  
///  
///

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

The foregoing Stipulation and Agreement is hereby adopted as my Decision as to Respondent ALAN CRAIG TOWNSEND in this matter and shall become effective at 12 o'clock noon on MAY 20 2021, 2021.

IT IS SO ORDERED 4.12.21, 2021.

DOUGLAS R. McCAULEY  
REAL ESTATE COMMISSIONER

Douglas R. McCauley