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FILED
JAN 03 2024
DEPT. OF REAL ESTATE
By 

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of) No. H-05270 SD
)
FIDELITY GENERAL, INC. and)
)
KENNETH W. TERRILL, individually and as)
Designated officer of Fidelity General, Inc.,)
)
Respondents.)

ORDER SUSPENDING REAL ESTATE LICENSE

To: KENNETH W. TERRILL
P.O. Box 81344
San Diego, CA 92138-1344

This Order hereby suspends the real estate broker license of Respondent
KENNETH W. TERRILL ("Respondent").

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1 FACTUAL FINDINGS

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3 *Prior Decision*

4 On or about November 15, 2022, the Real Estate Commissioner, in case no. H-
5 05270 SD, issued a Decision, effective December 20, 2022, adopting the Stipulation and
6 Agreement and ordering:

7 All licenses and licensing rights of Respondent KENNETH W. TERRILL
8 under the Real Estate Law are suspended for a period of sixty (60) days from the
9 effective date of this Decision; provided, however that all sixty (60) days of said
10 suspension shall be stayed upon the following terms and conditions:

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

14 2. That no final subsequent determination be made, after hearing or upon
15 stipulation, that cause for disciplinary action occurred within two (2) years of the
16 effective date of this Decision.

17
18 *Real Estate Sales Transactions (Upas St. Property and Maple St. Property)*

19 Respondent has been the only sponsoring broker of salesperson Patti Thompson
20 (“Thompson”) (license number 01230643) from on or about January 3, 2006 through the
21 present. Thompson’s salesperson license was expired from on or about January 9, 2010 to June
22 13, 2010; June 14, 2018 to October 24, 2018; and October 25, 2022 to January 15, 2023.
23 However, in December 2022, Respondent continued to allow Thompson, who was not licensed
24 at that time, to act as a salesperson under his broker license in at least two (2) real estate
25 transactions.

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1 *Upas St. Property*

2 In December 2022, Respondent dba American Real Estate Professionals and
3 Thompson were dual agents in the sale of 1555 Upas St., Escondido, CA 92025 (“Upas St.
4 Property”). Respondent and Thompson represented both the seller, L. M., and buyers, C. T.
5 and B. T., of the Upas St. Property even though Thompson license was expired and Respondent
6 was not Thompson sponsoring broker at that time.

7 On or about December 12, 2022, Thompson presented the buyers’ offer in the
8 form of a Residential Purchase Agreement to the seller of the Upas St. Property.

9 On or about December 19, 2022, both Respondent and Thompson signed
10 Instructions to Pay Commission instructing the escrow company to pay commission to
11 Respondent TERRILL dba American Real Estate Professionals.

12 On or about December 30, 2022, escrow closed, and a \$14,400 commission
13 check was issued to Respondent.

14
15 *Maple St. Property*

16 In December 2022, Respondent and Thompson were dual agents in the
17 attempted sale of 1800 Maple St., #206, Escondido, CA 92025 (“Maple St. Property”).
18 Respondent and Thompson represented both the sellers, D. A. and S. K., and potential buyers,
19 C. T. and B. T., even though Thompson was not licensed and Respondent was not Thompson’s
20 sponsoring broker at that time.

21 On or about December 12, 2022, Thompson presented the buyers’ offer in the
22 form of a Residential Purchase Agreement to the sellers of the Maple St. Property.

23 Under Respondent’s supervision, Thompson continued negotiations between the
24 sellers and potential buyers until at least December 29, 2022.

25 On or about December 29, 2022, the potential buyers signed a cancellation of
26 contract.

27 On or about January 12, 2023, escrow was cancelled.

1 *Policies and Procedures*

2 As of at least May 2023, Respondent failed to have a policy and procedure
3 manual and/or an established system for monitoring compliance with policies, rules,
4 procedures, and systems pursuant to Title 10, Chapter 6, California Code of Regulations
5 (“Regulations”) section 2725 as cited in the Accusation, case number H-05270 SD.

6
7 *Retention of Records*

8 As of at least June 2023, Respondent failed to retain copies of all documents,
9 records, and agreements, including, but not limited to, listing agreements, that are in connection
10 with transactions for which a real estate license is required.

11
12 DETERMINATION OF ISSUES

13 The conduct, acts, and/or omissions of Respondent, as set forth above, are in
14 violation of California Business and Professions Code sections 10015.1, 10016, 10137, 10138,
15 10148, 10177(d), 10177(g), and 10177(h) and Regulations section 2725.

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HEARING RIGHTS: You have the right to a hearing to contest the Commissioner's determination that you are in violation of the Order issued in this matter. If you desire a hearing, you must submit a written request. The request may be in any form, as long as it is in writing and indicates that you want a hearing. Unless a written request for a hearing, signed by or on behalf of you, is delivered or mailed to the Department of Real Estate at 320 West 4th Street, Suite 350, Los Angeles, CA 90013-1105, within 20 days after the date that this Order was mailed to or served on you, the Department of Real Estate will not be obligated or required to provide you with a hearing.

This Order shall be effective immediately.

Dated: 12/27/23.

DOUGLAS R. McCAULEY
REAL ESTATE COMMISSIONER



for Doug McCauley