

1 3. Respondent filed a Notice of Defense pursuant to Section 11506 of the Government
2 Code for the purpose of requesting a hearing on the allegations in the Accusation. Respondent
3 hereby freely and voluntarily withdraws said Notice of Defense. Respondent acknowledges that
4 Respondent understands that by withdrawing said Notice of Defense Respondent thereby waives
5 Respondent's right to require the Commissioner to prove the allegations in the Accusation at a
6 contested hearing held in accordance with the provisions of the APA and that Respondent will
7 waive other rights afforded to Respondent in connection with the hearing such as the right to
8 present evidence in his defense, and the right to cross-examine witnesses.

9 4. This Stipulation is based on the factual allegations contained in the Accusation filed in
10 this proceeding. In the interest of expedience and economy, Respondent chooses not to contest
11 these factual allegations, but to remain silent and understands that, as a result thereof, these
12 factual statements, will serve as a prima facie basis for the disciplinary action stipulated to
13 herein. The Real Estate Commissioner shall not be required to provide further evidence to prove
14 such allegations.

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

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

26 ///

27 ///

1
2
3
4
5
6
7
8
9
0
1
2
3
4
5
6
7
8
9
0
1
2
3
4
5
6
7

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

1 curriculum. None of these twenty (20) hours of PE may be state-specific
2 curriculum;

3 b) Eight (8) hours of continuing education ("CE"), which shall consist of four (4)
4 hours of federal law curriculum, two (2) hours of ethics curriculum, and two (2)
5 hours of non-traditional mortgage lending curriculum. None of these eight (8)
6 hours of CE may be state-specific curriculum.

7 2. Respondent may not take any of the PE or CE provided for in Paragraph 1 of this
8 Section in an online self-study format ("OSS").

9 3. For a period of three (3) years from the Effective Date of this Order, Respondent shall
10 be required to complete any additional required PE and/or CE in a format other than OSS. If
11 Respondent fails to comply with this condition, the renewal application or new application of
12 Respondent will be deemed incomplete by the Department.

13 4. If Respondent fails to timely satisfy the education provided for in Paragraph 1 of this
14 section, Respondent's petition for reinstatement of Respondent's MLO license endorsement shall
15 be deemed denied or incomplete and Respondent waives any hearing rights Respondent may
16 have to contest such denial under the Real Estate Law, Title 10, Chapter 6 of the California Code
17 of Regulations, APA, or any other provision of law in connection with this matter.

18 5. Respondent agrees that the PE and CE provided for in Paragraph 1 of this section is in
19 addition to any NMLS education required for licensure under the SAFE Act. The CE provided
20 for in Paragraph 1 will not count toward satisfying 2024 standard SAFE Act CE requirements.

21 6. Respondent further agrees that the Department may exercise its examination or
22 investigative authority pursuant to the normal process for such authorized under the Real Estate
23 Law and Commissioner's Regulations in the instance a determination is made wherein
24 Respondent is found to be in violation of the education requirements under this section.

25 **III. ADMINISTRATIVE PENALTY**

26 All licenses and licensing rights of Respondent are indefinitely suspended unless or until
27 Respondent pays an administrative penalty of \$1,500.00. Said payment shall be in the form of a

1 cashier's check made payable to the Department of Real Estate. The payment must be delivered
2 to the Department of Real Estate, Flag Section, at P.O. Box 137013, Sacramento, CA 95813-
3 7013, prior to the Effective Date of this Decision and Order.


4 IV. SUSPENSION OF REAL ESTATE LICENSE

5 All licenses and licensing rights of Respondent under the Real Estate Law are suspended
6 for a period of ninety (90) days from the Effective Date of this Decision.

7 V. INVESTIGATION AND ENFORCEMENT COSTS

8 All licenses and licensing rights of Respondent are indefinitely suspended unless or until
9 Respondent pays the sum of \$423.75 for the Commissioner's reasonable costs of the
10 investigation (\$298.95) and enforcement (\$124.80), which led to this disciplinary action. Said
11 payment shall be in the form of a cashier's check made payable to the Department of Real Estate.
12 The payment of the investigative and enforcement costs must be delivered to the Department of
13 Real Estate, Flag Section, at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the
14 Effective Date of this Decision and Order.

15
16 DATED: 12-28-2022

17 
18 Judith B. Yasan, Counsel for
Department of Real Estate

19 EXECUTION OF THE STIPULATION

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


27 Respondent shall mail the original signed signature page of the stipulation herein to

1 Judith B. Vasan, Attention: Legal Section, Department of Real Estate, 320 W. Fourth St., Suite
2 350, Los Angeles, California 90013-1105.

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

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

16
17 DATED: 12/27/2022

18 
STEPHEN WILLIAM SMITH, JR
Respondent

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

22 AUG 28 2023

23 IT IS SO ORDERED

7.27.23

24 DOUGLAS R. McCAULEY
25 REAL ESTATE COMMISSIONER

26
27 
STIPULATION AND AGREEMENT IN SETTLEMENT AND ORDER