

FILED

OCT 5 2011

DEPARTMENT OF REAL ESTATE

By R. Jones

1 TRULY SUGHRUE, Counsel
2 State Bar No. 223266
3 Department of Real Estate
4 P.O. Box 187007
5 Sacramento, CA 95818-7007
6 Telephone: (916) 227-0781

7 BEFORE THE DEPARTMENT OF REAL ESTATE
8 STATE OF CALIFORNIA

9 * * *

10 In the Matter of the Application of
11 RNB PROPERTY MANAGEMENT INC.,
12 Respondent.

No. H-5674 SAC
STIPULATION AND WAIVER

14 It is hereby stipulated by and between RNB PROPERTY MANAGEMENT INC.
15 (Respondent), and Respondent's attorney Richard Watts, and the Complainant, acting by and
16 through Truly Sughrue, Counsel for the Department of Real Estate, as follows for the purpose of
17 settling and disposing of the Statement of Issues filed on August 22, 2011 in this matter: David
18 Fredrick Landon (Landon) is an officer and director of Respondent, and is acting on behalf of
19 Respondent.

20 Landon on behalf of Respondent acknowledges that Respondent has received and
21 read the Statement of Issues and the Statement to Respondent filed by the Department of Real
22 Estate in connection with Respondent's application for a corporate real estate broker license.
23 Landon on behalf of Respondent understands that the Real Estate Commissioner may hold a
24 hearing on this Statement of Issues for the purpose of requiring further proof of Respondent's
25 honesty and truthfulness and to prove other allegations therein, or that he may in his discretion
26 waive the hearing and grant Respondent a restricted corporate real estate broker license based
27 upon this Stipulation and Waiver. Landon on behalf of Respondent also understands that by
filing the Statement of Issues in this matter the Real Estate Commissioner is shifting the burden

1 to Respondent to make a satisfactory showing that Respondent meets all the requirements for
 2 issuance of a corporate real estate broker license. Landon on behalf of Respondent further
 3 understands that by entering into this stipulation and waiver Respondent will be stipulating that
 4 the Real Estate Commissioner has found that Respondent has failed to make such a showing,
 5 thereby justifying the denial of the issuance to Respondent of an unrestricted corporate real estate
 6 broker license.

7 Landon on behalf of Respondent hereby admits that the allegations of the
 8 Statement of Issues filed against Respondent are true and correct and requests that the Real
 9 Estate Commissioner in his discretion issue a restricted corporate real estate broker license to
 10 Respondent under the authority of Section 10156.5 of the Business and Professions Code.
 11 Landon on behalf of Respondent understands that any such restricted license will be issued
 12 subject to and be limited by Section 10153.4 of the Business and Professions Code.

13 Landon on behalf of Respondent is aware that by signing this Stipulation and
 14 Waiver, Respondent is waiving Respondent's right to a hearing and the opportunity to present
 15 evidence at the hearing to establish Respondent's rehabilitation in order to obtain an unrestricted
 16 real estate broker license if this Stipulation and Waiver is accepted by the Real Estate
 17 Commissioner. However, Respondent is not waiving Respondent's right to a hearing and to
 18 further proceedings to obtain a restricted or unrestricted license if this Stipulation and Waiver is
 19 not accepted by the Commissioner.

20 Landon on behalf of Respondent further understands that the following
 21 conditions, limitations, and restrictions will attach to a restricted license issued by the
 22 Department of Real Estate pursuant hereto:

23 1. The license shall not confer any property right in the privileges to be exercised
 24 including the right of renewal, and the Real Estate Commissioner may by appropriate order
 25 suspend the right to exercise any privileges under this restricted license in the event of:

26 a. The conviction of an officer, director, or shareholder owning 10 percent or
 27 more of the shares of Respondent (including a plea of nolo contendere) to a crime
which bears a substantial relationship to Respondent's fitness or capacity as a real
estate licensee; or

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b. The receipt of evidence that Respondent has violated provisions of the California Real Estate Law, the Subdivided Lands Law, Regulations of the Real Estate Commissioner or conditions attaching to this restricted license.

2. Respondent shall not be eligible to apply for the issuance of an unrestricted real estate license nor the removal of any of the conditions, limitations or restrictions attaching to the restricted license, until two (2) years have elapsed from the date of issuance of the restricted license to Respondent.

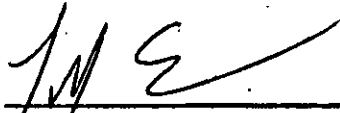
3. Respondent shall jointly and severally with Landon (see case H-5672 SAC) pay the sum of \$5,010.60 for the Commissioner's cost of audit SC10-0091/SC10-0131. Respondent shall pay such cost within sixty (60) days of receiving an invoice from the Commissioner. The Commissioner may suspend the Respondent's license pending a hearing held in accordance with Section 11500, et seq., of the Government Code, if payment is not timely made as provided for herein, or as provided for in a subsequent agreement between the Respondent and the Commissioner. The suspension shall remain in effect until payment is made in full or until Respondent enters into an agreement satisfactory to the Commissioner to provide for payment, or until a decision providing otherwise is adopted following a hearing held pursuant to this condition.

4. Respondent shall jointly and severally with Landon (see case H-5672 SAC) pay the Commissioner's reasonable cost, not to exceed \$5,010.60, for an audit to determine if Respondent and Landon have corrected the violations found in audit SC10-0091/SC10-0131. 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 shall pay such cost within sixty (60) days of receiving an invoice from the Commissioner detailing the activities performed during the audit and the amount of time spent performing those activities. The Commissioner may suspend Respondent's license pending a hearing held in accordance with Section 11500, et seq., of the Government Code, if payment is not timely made as provided for herein, or as provided for in a subsequent agreement between Respondent and the Commissioner. The suspension shall remain in effect until payment is made in full or until Respondent enters into an agreement satisfactory to the Commissioner to provide for payment, or until a decision

1 providing otherwise is adopted following a hearing held pursuant to this condition.

2
3 31-Aug-11

4 DATED



5 TRULY SUGHRUE,
6 Counsel, Department of Real Estate

7 * * *

8 I have read the Stipulation and Waiver, have discussed it with my counsel, and its
9 terms are understood by me and are agreeable and acceptable to me. I understand that I am
10 waiving rights given to me by the California Administrative Procedure Act (including but not
11 limited to Section 11506, 11508, 11509, and 11513 of the Government Code), and I willingly,
12 intelligently, and voluntarily waive those rights, including the right of a hearing on the Statement
13 of Issues at which I would have the right to cross-examine witnesses against me and to present
14 evidence in defense and mitigation of the charges.

15 8-30-2011

16 DATED

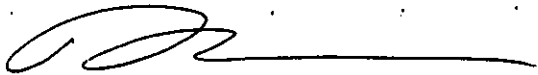


17 David Fredrick Landon, on behalf of
18 RNB PROPERTY MANAGEMENT INC.
19 Respondent

20 I have reviewed the Stipulation and Waiver as to form and content and have
21 advised my client accordingly.

22 8-30-2011

23 DATED



24 RICHARD WATTS
25 Attorney for Respondent

26 * * *

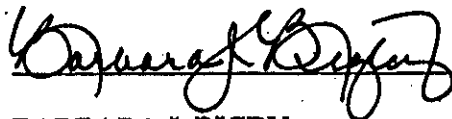
27 I have read the Statement of Issues filed herein and the foregoing Stipulation and
Waiver signed by the Respondent. I am satisfied that the hearing for the purpose of requiring

1 further proof as to the honesty and truthfulness of Respondent need not be called and that it will
2 not be inimical to the public interest to issue a restricted real estate broker license to Respondent.

3 Therefore, IT IS HEREBY ORDERED that a restricted real estate broker license be
4 issued to Respondent, if Respondent has otherwise fulfilled all of the statutory requirement for
5 licensure. The restricted license shall be limited, conditioned, and restricted as specified in the
6 foregoing Stipulation and Waiver.

7 This Order is effective immediately.

8 IT IS SO ORDERED 9/16/11
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11 BARBARA J. BIGBY
12 Acting Real Estate Commissioner
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August 22, 2011

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3 Department of Real Estate
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By *R. Jones*

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Application of

No. H-5674 SAC

12 RNB PROPERTY MANAGEMENT INC.,

STATEMENT OF ISSUES

13 Respondent.

14 The Complainant, Tricia Sommers, a Deputy Real Estate Commissioner of the
15 State of California, for Statement of Issues against RNB PROPERTY MANAGEMENT INC.
16 (hereinafter "Respondent") alleges as follows:

17 1

18 Complainant, Tricia Sommers, a Deputy Real Estate Commissioner of the State
19 of California, makes this Statement of Issues in her official capacity.

20 2

21 Respondent made application to the State of California Department of Real
22 Estate (hereinafter "Department") for a corporate real estate broker license on or about April 19,
23 2011.

24 3

25 Beginning about June 2010, without being licensed as a corporate real estate
26 broker, Respondent engaged in the business of, acted in the capacity of, advertised or assumed to
27 act as a real estate salesperson or broker in the State of California, within the meaning of Section
10131(b) of the Code, including solicitation of prospective tenants for, negotiation of rental

1 agreements for, and/or collection of rents from real properties owned by another or others,
2 including but not limited to the property located at 3900 Avante Way, Sacramento, California.
3 These were activities for which a real estate license is required and for which Respondent
4 performed for or in expectation of compensation.

4

5 On or about March 23, 2011, without being licensed as a corporate real estate
6 broker, agents on behalf of Respondent solicited Deputy Commissioner Shannon Mitra and
7 Debra Burnett for property management services including collecting of rents and negotiating
8 contracts for rents/leases.

5

9 The acts of Respondent as described above are grounds for the denial of
10 Respondent's application for a real estate license under Sections 10177(f) and 10177(d) of the
11 Code in conjunction with Sections 10130 and 10131(d) of the Code.

12 WHEREFORE, the Complainant prays that the above-entitled matter be set for
13 hearing and, upon proof of the charges contained herein, that the Commissioner refuse to
14 authorize the issuance of, and deny the issuance of, a real estate salesperson license to
15 Respondent, and for such other and further relief as may be proper under other provisions of
16 law.

17 
18 TRICIA SOMMERS
19 Deputy Real Estate Commissioner

20 Dated at Sacramento, California,
21 this 22nd day of July, 2011.

22 DISCOVERY DEMAND

23 Pursuant to Sections 11507.6, *et seq.* of the *Administrative Procedure Act*, the Department of
24 Real Estate hereby makes demand for discovery pursuant to the guidelines set forth in the
25 *Administrative Procedure Act*. Failure to provide Discovery to the Department of Real Estate
26 may result in the exclusion of witnesses and documents at the hearing or other sanctions that the
27 Office of Administrative Hearings deems appropriate.