

1 DEPARTMENT OF REAL ESTATE
2 320 West 4th Street, Suite 350
3 Los Angeles, California 90013-1105
4 Telephone: (213) 620-2072

FILED

DEC 14 2023

DEPT. OF REAL ESTATE

By- [REDACTED]

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * * *

11 In the Matter of the Accusation against

12 ARTURO RUIZ,

13 Respondent.

DRE No. H-05749 SD

OAH No. 2023080867

STIPULATION AND
AGREEMENT IN SETTLEMENT
AND ORDER

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15 It is hereby stipulated by and between Respondent ARTURO RUIZ (collectively
16 “Respondent”), represented by Joshua A. Rosenthal, Esq., and the Complainant, acting by and
17 through Lissete Garcia, Counsel for the Department of Real Estate (“Department”), as follows
18 for the purpose of settling and disposing the Accusation filed on July 5, 2023, with Department
19 Case No. H-05749 SD (“Accusation”) in this matter:

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

Stipulation and Agreement
H-05749 SD

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

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

12 4. Respondent, pursuant to the limitations set forth below, hereby admit that the factual
13 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 licenses and license rights as set forth in the below
18 "Order." In the event that the Commissioner in his discretion does not adopt the Stipulation and
19 Agreement, it shall be void and of no effect, and Respondent shall retain the right to a hearing
20 and proceeding on the Accusation under all the provisions of the APA and shall not be bound by
21 any admission or waiver made herein.

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

5 7. Respondent understands that by agreeing to this Stipulation, Respondent agrees to pay
6 the Department's investigative and enforcement costs totaling \$4,340.20 which led to this
7 disciplinary action, pursuant to California Business and Professions Code ("Code") section
8 10106(a).

9 8. Respondent understands that by agreeing to this Stipulation, Respondent agrees to
10 pay, pursuant to Code section 10148, the cost of the audit which resulted in the determination
11 that Respondent committed the violations found in the "Determination of Issues" below. The
12 audit cost is \$9,751.00.

13 9. Respondent further understand that by agreeing to this Stipulation, the findings set
14 forth below in the Determination of Issues become final, and the Commissioner may charge
15 Respondent for the cost of any subsequent audit conducted pursuant to Code section 10148 to
16 determine if the violations have been corrected. The maximum cost of the follow-up audit will
17 not exceed one-hundred twenty-five percent (125%) of the cost of the original audit; in the
18 instant case, the cost of the original audit is \$9,751.00, and the maximum cost of the follow-up
19 audit will not exceed \$12,188.75. Therefore, Respondent may be charged a maximum of
20 \$12,188.75 in the event of a subsequent audit.

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1 DETERMINATION OF ISSUES

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

5 I.

6 The conduct, acts and/or omissions of Respondent ARTURO RUIZ, as set forth herein
7 above in Paragraph 4, constitute cause for the suspension or revocation of all real estate licenses
8 and license rights of Respondent ARTURO RUIZ pursuant to the provisions of Code sections
9 10176, subdivision (e), and 10177, subdivisions (d) and(g), for violation of Code section 10145,
10 10176(e), and Regulations of the Real Estate Commissioner, Title 10, Chapter 6, California Code
11 of Regulations (“Regulations”) 2832.1, 2831, 2831.1, 2831.2, 2832, and 2835(a).

12 ORDER

13 I.

14 All licenses and licensing rights of Respondent under the Real Estate Law are suspended
15 for a period of sixty (60) days from the effective date of this Decision and Order; provided,
16 however, that:

17 1. Thirty (30) days of said suspension shall be stayed upon the condition that
18 Respondent petition pursuant to Section 10175.2 of the Code and pays a monetary penalty
19 pursuant to Section 10175.2 of the Code at a rate of \$50.00 for each day for a total monetary
20 penalty of \$1,500.00.

21 a. **Said payment shall be in the form of a cashier’s check or certified**
22 **check made payable to the Department of Real Estate. Said check must be received by the**
23 **Department of Real Estate, Flag Section, at P.O. Box 137013, Sacramento, CA 95813-7013,**
24 prior to the effective date of this Decision and Order in this matter.

1 b. No further cause for disciplinary action against the real estate license of
2 Respondent occurs within two (2) years from the effective date of the Decision and Order in this
3 matter.

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

8 d. If Respondent pays the monetary penalty and any other moneys due under
9 this Stipulation and Agreement and if no further cause for disciplinary action against the real
10 estate license of Respondent occurs within two (2) years from the effective date of this Decision
11 and Order, the stay hereby granted shall become permanent.

12 2. The additional thirty (30) days of said suspension shall be stayed for two (2)
13 years upon the following terms and conditions:

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

16 b. 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
18 date of this Decision and Order. Should such a determination be made, the Commissioner may,
19 in his discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed
20 suspension. Should no such determination be made, the stay imposed herein shall become
21 permanent.

22 3. All licenses and licensing rights of Respondent ARTURO RUIZ are indefinitely
23 suspended unless or until Respondent provides proof satisfactory to the Commissioner, of having
24 taken and successfully completed the continuing education course on trust fund accounting and

1 handling specified in paragraph (3) of subdivision (a) of Section 10170.5 of the Business and
2 Professions Code. Proof of satisfaction of this requirement includes evidence that Respondent
3 has successfully completed the trust fund account and handling continuing education course, no
4 earlier than 120 days prior to the effective date of the Decision and Order in this matter. **Proof**
5 **of completion of the trust fund accounting and handling course must be delivered to the**
6 **Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013**
7 **or by fax at 916-263-8758, prior to the effective date of this Decision and Order.**

8 4. All licenses and licensing rights of Respondent are indefinitely suspended unless
9 or until Respondent pays the sum of \$4,340.20 for the Commissioner's reasonable cost of the
10 investigation and enforcement which led to this disciplinary action. Said payment shall be in the
11 form of a cashier's check made payable to the Department of Real Estate. **The investigative and**
12 **enforcement costs must be delivered to the Department of Real Estate, Flag Section at P.O.**
13 **Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this Decision and**
14 **Order. Payment of investigation and enforcement costs should not be made until the**
15 **Stipulation has been approved by the Commissioner.** If Respondent fail to satisfy this
16 condition in a timely manner as provided for herein, Respondent's real estate license shall
17 automatically be suspended until payment is made in full, or until a decision providing otherwise
18 is adopted following a hearing held pursuant to this condition.

19 5. Pursuant to Section 10148 of the Code, Respondent shall pay the sum of
20 \$9,751.00 for the Commissioner's cost of the audit which led to this disciplinary action.
21 **Respondent shall pay such cost within sixty (60) days of receiving an invoice therefore from**
22 **the Commissioner. Payment of audit costs should not be made until Respondent receives**
23 **the invoice.** If Respondent fails to satisfy this condition in a timely manner as provided for
24 herein, Respondent's real estate license shall automatically be suspended until payment is made

1 in full, or until a decision providing otherwise is adopted following a hearing held pursuant to
2 this condition.

3 6. Pursuant to Section 10148 of the Code, Respondent shall pay the Commissioner's
4 reasonable cost, said cost may not exceed a maximum of \$12,188.75, for a subsequent audit to
5 determine if Respondent has corrected the violations found in the Determination of Issues. In
6 calculating the amount of the Commissioner's reasonable cost, the Commissioner may use the
7 estimated average hourly salary for all persons performing audits of real estate brokers and shall
8 include an allocation for travel time to and from the auditor's place of work. **Respondent shall**
9 **pay such cost within sixty (60) days of receiving an invoice therefore from the**
10 **Commissioner. Payment of the audit costs should not be made until Respondent receives**
11 **the invoice.** If Respondent fails to satisfy this condition in a timely manner as provided for
12 herein, Respondent's real estate license shall automatically be suspended until payment is made
13 in full, or until a decision providing otherwise is adopted following a hearing held pursuant to
14 this condition.

15 DATED: 11/15/2023



Lisete Garcia, Counsel
Department of Real Estate

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

1 Respondent can signify acceptance and approval of the terms and conditions of this
2 Stipulation and Agreement by electronically e-mailing a copy of the signature page, as actually
3 signed by Respondent, to the Department. Respondent agrees, acknowledges, and understands
4 that by electronically sending to the Department an electronic copy of Respondent's actual
5 signature, as it appears on the Stipulation, that receipt of the emailed copy by the Department
6 shall be as binding on Respondent as if the Department had received the original signed
7 Stipulation. By signing this Stipulation, Respondent understands and agrees that Respondent
8 may not withdraw Respondent's agreement or seek to rescind the Stipulation prior to the time the
9 Commissioner considers and acts upon it or prior to the effective date of the Stipulation and
10 Order.

11 DATED: 11-14-2023


Respondent ARTURO RUIZ

13 DATED: 11/14/23


Joshua A. Rosenthal, Esq., Counsel for Respondent
Approved as to Form


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16 The foregoing Stipulation and Agreement in Settlement and Order is hereby adopted by
17 me as my Decision in this matter and shall become effective at 12 o'clock noon,

18 on 11/15/2024

19 IT IS SO ORDERED 12/4/23

21 REAL ESTATE COMMISSIONER

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24 DOUGLAS R. McCAULEY
REAL ESTATE COMMISSIONER