

1 Department of Real Estate
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FILED

MAY 22 2025

DEPT. OF REAL ESTATE

By 

8 **DEPARTMENT OF REAL ESTATE**

9 **STATE OF CALIFORNIA**

10 ***

11 In the Matter of the Accusation of)

DRE No. H-05837 SD

12 LEADINGHAM REALTY & ASSOCIATES)
13 INC, and ANDREW D ATCHLEY, individually)
and as designated officer of Leadingham Realty)
14 & Associates Inc,)

STIPULATION AND AGREEMENT
IN SETTLEMENT AND ORDER

15 Respondents.)

16 It is hereby stipulated by and between Respondents LEADINGHAM REALTY &
17 ASSOCIATES INC and ANDREW D ATCHLEY (collectively "Respondents") and the
18 Complainant, acting by and through Kevin H. Sun, Counsel for the Department of Real Estate, as
19 follows for the purpose of settling and disposing of the Accusation filed on September 16, 2025, in
20 Case No. H-05837 SD:

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

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1 2. Respondents have received, read and understand the Statement to Respondents,
2 the Discovery Provisions of the APA and the Accusation filed by the Department of Real Estate in
3 this proceeding.

4 3. On or about December 5, 2024, Respondents filed Notices of Defense pursuant to
5 Section 11506 of the Government Code for the purpose of requesting a hearing on the allegations in
6 the Accusation in Case No. H-05837 SD. Respondents hereby freely and voluntarily withdraw said
7 Notices of Defense. Respondents acknowledge that they understand that by withdrawing said
8 Notices of Defense they will thereby waive their rights to require the Commissioner to prove the
9 allegations in the Accusation at a contested hearing held in accordance with the provisions of the
10 APA and that they will waive other rights afforded to them in connection with the hearing such as
11 the right to present evidence in defense of the allegations in the Accusation and the right to cross-
12 examine witnesses.

13 4. This Stipulation is based on the factual allegations contained in the Accusation.
14 In the interest of expedience and economy, Respondents choose not to contest these allegations, but
15 to remain silent, and understand that, as a result thereof, these factual allegations, without being
16 admitted or denied, will serve as a prima facie basis for the disciplinary action stipulated to herein.
17 The Real Estate Commissioner shall not be required to provide further evidence to prove said
18 factual allegations.

19 5. This Stipulation is made for the purpose of reaching an agreed disposition of this
20 proceeding and is expressly limited to this proceeding and any other proceeding or case in which
21 the Department or another licensing agency of this state, another state, or if the federal government
22 is involved, and otherwise shall not be admissible in any other criminal or civil proceeding.

23 6. It is understood by the parties that the Real Estate Commissioner may adopt the
24 Stipulation as her Decision in this matter, thereby imposing the penalty and sanctions on
25 Respondents' real estate licenses and license rights as set forth in the below "Order". In the event
26 that the Commissioner in her discretion does not adopt the Stipulation and Agreement, it shall be
27 void and of no effect, and Respondents shall retain the right to a hearing and proceeding on the

1 Accusation under all the provisions of the APA and shall not be bound by any admission or waiver
2 made herein.

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

7 **DETERMINATION OF ISSUES**

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

11 The conduct of Respondents, as described in the Accusation, are in violation of
12 California Business and Professions Code ("Code") 10145, 10159.2, 10176(i), and Title 10,
13 Chapter 6, California Code of Regulations ("Regulations") Sections 2725, 2831, 2831.1, 2831.2,
14 2832, and 2832.1, and are grounds for the suspension or revocation of all of the real estate license
15 and license rights of Respondents under the provision of Code Section 10177(d), 10177(g), and
16 10177(h) (as to ATCHLEY).

17 **ORDER**

18 WHEREFORE, THE FOLLOWING ORDER is hereby made:

19 I.

20 (LEADINGHAM REALTY & ASSOCIATES INC)

21 All licenses and license rights of Respondent LEADINGHAM REALTY & ASSOCIATES
22 INC under the Real Estate Law are revoked; provided, however: a restricted real estate corporate
23 license shall be issued to Respondent LEADINGHAM REALTY & ASSOCIATES INC to be
24 issued pursuant to Code Section 10156.5 if Respondent makes application therefore and pays to the
25 Department the appropriate fee for its restricted real estate corporate license within ninety (90) days
26 from the effective date of this Decision and Order. The restricted license issued to Respondent
27 LEADINGHAM REALTY & ASSOCIATES INC shall be subject to all of the provisions of

1 Section 10156.7 of the Code and to the following limitations, conditions and restrictions imposed
2 under authority of Section 10156.6 of the Code:

3 1. The restricted license issued to Respondent LEADINGHAM REALTY &
4 ASSOCIATES INC may be suspended prior to hearing by Order of the Real Estate Commissioner
5 on evidence satisfactory to the Commissioner that Respondent has violated provisions of the
6 California Real Estate Law, the Subdivided Lands Law, Regulations of the Real Estate
7 Commissioner or conditions attaching to the restricted licenses.

8 2. Respondent LEADINGHAM REALTY & ASSOCIATES INC shall not be
9 eligible to apply for the issuance of unrestricted real estate licenses nor for removal of any of the
10 conditions, limitations or restrictions of a restricted license until **four (4) years** have elapsed from
11 the effective date of this Decision and Order.

12 II.

13 (ANDREW D ATCHLEY)

14 All licenses and licensing rights of Respondent ANDREW D ATCHLEY under the
15 Real Estate Law are revoked; provided, however: a restricted real estate broker license shall be
16 issued to Respondent to be issued pursuant to Code Section 10156.5 if Respondent makes
17 application therefore and pays to the Department the appropriate fee for his restricted real estate
18 broker license within ninety (90) days from the effective date of this Decision and Order. The
19 restricted license issued to Respondent shall be subject to all of the provisions of Section 10156.7
20 of the Code and to the following limitations, conditions and restrictions imposed under authority of
21 Section 10156.6 of the Code:

22 1. The restricted license issued to Respondent ANDREW D ATCHLEY may be
23 suspended prior to hearing by Order of the Commissioner in the event of Respondent's conviction
24 or plea of *nolo contendere* to a crime which is substantially related to Respondent's fitness or
25 capacity as a real estate licensee.

26 2. The restricted license issued to Respondent ANDREW D ATCHLEY may be
27 suspended prior to hearing by Order of the Real Estate Commissioner on evidence satisfactory to

1 the Commissioner that Respondent has violated provisions of the California Real Estate Law, the
2 Subdivided Lands Law, Regulations of the Real Estate Commissioner or conditions attaching to the
3 restricted licenses.

4 3. Respondent ANDREW D ATCHLEY shall not be eligible to apply for the
5 issuance of unrestricted real estate licenses nor for removal of any of the conditions, limitations or
6 restrictions of a restricted license until four (4) years have elapsed from the effective date of this
7 Decision and Order. Respondent shall not be eligible to apply for any unrestricted licenses until all
8 restrictions attaching to the license have been removed.

9 4. Respondent ANDREW D ATCHLEY shall, **within six (6) months from the**
10 **effective date of this Decision and Order**, take and pass the Professional Responsibility
11 Examination administered by the Department, including the payment of the appropriate
12 examination fee. If Respondent fails to satisfy this condition, Respondent's real estate license
13 shall automatically be suspended until Respondent passes the examination.

14 5. Respondent ANDREW D ATCHLEY shall, **within nine (9) months from the**
15 **effective date of this Decision and Order**, present evidence satisfactory to the Commissioner that
16 Respondent has, since the most recent issuance of an original or renewal real estate license, taken
17 and successfully completed the continuing education requirements of Article 2.5 of Chapter 3 of
18 the Real Estate Law for renewal of a real estate license. If Respondent fails to satisfy this
19 condition, Respondent's real estate license shall automatically be suspended until Respondent
20 presents evidence satisfactory to the Commissioner of having taken and successfully completed the
21 continuing education requirements. **Proof of completion of the continuing education courses**
22 **must be delivered to the Department of Real Estate, Flag Section at 651 Bannon Street, Suite**
23 **504, Sacramento, CA 95811.**

24 6. All licenses and licensing rights of Respondent ANDREW D ATCHLEY are
25 indefinitely suspended unless or until Respondent provides proof satisfactory to the
26 Commissioner, of having taken and successfully completed the continuing education course on
27 trust fund accounting and handling specified in paragraph (3) of subdivision (a) of Section

1 10170.5 of the Business and Professions Code. Proof of satisfaction of these requirements
2 includes evidence that Respondent has successfully completed the trust fund account and handling
3 continuing education courses, no earlier than 120 days prior to the effective date of the Decision
4 and Order in this matter. **Proof of completion of the trust fund accounting and handling**
5 **course must be delivered to the Department of Real Estate, Flag Section at 651 Bannon**
6 **Street, Suite 504, Sacramento, CA 95811, prior to the effective date of this Decision and**
7 **Order.**

8 III.

9 (LEADINGHAM REALTY & ASSOCIATES INC and ANDREW D ATCHLEY)

10 1. All licenses and licensing rights of Respondents are indefinitely suspended unless
11 or until Respondents pay the sum of **\$1,859.85** (\$830.25 investigation cost and \$1,029.60 for
12 enforcement cost) for the Commissioner's reasonable costs of the investigation and enforcement
13 which led to this disciplinary action. Said payment shall be in the form of a cashier's check made
14 payable to the Department of Real Estate. **The payment for the investigative and enforcement**
15 **costs must be delivered to the Department of Real Estate, Flag Section at 651 Bannon Street,**
16 **Suite 504, Sacramento, CA 95811, prior to the effective date of this Decision and Order.** If
17 Respondents fail to satisfy this condition, the Commissioner shall order suspension of
18 Respondents' licenses and license rights until the sum is paid.

19 2. Pursuant to Code Sections 10148, Respondents shall pay the Commissioner's
20 reasonable costs for the audit which led to this disciplinary action in the amount of **\$13,412.00**, or
21 show proof of payment. Respondents shall pay such costs within sixty (60) days of receiving an
22 invoice therefore from the Commissioner. Payment of the audit costs should not be made until
23 Respondents receive the invoice. If Respondents fails to satisfy this condition in a timely manner as
24 provided for herein, Respondents' real estate licenses shall automatically be suspended until
25 payment is made in full, or until a decision providing otherwise is adopted following a hearing held
26 pursuant to this condition.

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1 3. Pursuant to Code section 10148 of the Code, Respondents shall pay the
2 Commissioner's reasonable costs, not to exceed \$16,765.00, for a subsequent audit to determine if
3 Respondents 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. Respondents shall pay such costs within
7 sixty (60) days of receiving an invoice therefore from the Commissioner. Payment of the audit
8 costs should not be made until Respondents receive the invoice. If Respondents fail to satisfy this
9 condition in a timely manner as provided for herein, Respondents' 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 4. All licenses and licensing rights of Respondents are indefinitely suspended
13 unless or until Respondents provides proof satisfactory to the Commissioner, of having cured the
14 minimum combined shortage in the amount of \$607,731.85 as noted in the Audit Report (Audit
15 No. SD230008). Proof of satisfaction of this requirement includes: a certified copy of the
16 satisfaction of judgment; a letter from an attorney or certified public accountant testifying under
17 penalty of Perjury to the fact that said judgment has been paid by Respondent; a copy of a
18 cancelled check to the victim(s); and/or a letter from the victim(s) attesting that repayment of
19 funds has been received. **Proof of payment must be delivered to the Department of Real**
20 **Estate, Flag Section at 651 Bannon Street, Suite 504, Sacramento, CA 95811, within 6**
21 **months of the effective date of this Decision and Order.**

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24 DATED: 4/4/2025


Kevin H. Sun, Counsel for
Department of Real Estate

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1 DATED:

4/4/25

LEADINGHAM REALTY & ASSOCIATES INC

Respondent

By: Andrew D. Atchley

2 The foregoing Stipulation and Agreement is hereby adopted as my Decision as to
3 Respondents LEADINGHAM REALTY & ASSOCIATES INC and ANDREW D ATCHLEY in
4 this matter and shall become effective at 12 o'clock noon on

JUN 23 2025, 2025.

IT IS SO ORDERED 5/19/2025, 2025.

CHIKA SUNQUIST
REAL ESTATE COMMISSIONER

By: Marcus L. McCarther
Chief Deputy Real Estate Commissioner