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Telephone: (213) 559-5990

AUG 1 1 2026

DEPT. OF REAL ESTATE

By

DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of

DRE No. H-05895 SD

KITTY HAWK REALTY INC. and TERRY LEE KAZMAIER, individually and as designated officer of Kitty Hawk Realty Inc.,

STIPULATION AND AGREEMENT
IN SETTLEMENT AND ORDER

Respondents.

It is hereby stipulated by and between Respondents KITTY HAWK REALTY INC. and TERRY LEE KAZMAIER (collectively “Respondents”), represented by Joshua A. Rosenthal of Hargrave Rosenthal, P.C., and the Complainant, acting by and through Kevin H. Sun, Counsel for the Department of Real Estate, as follows for the purpose of settling and disposing of the Accusation filed on October 6, 2025, in Case No. H-05895 SD:

1. All issues which were to be contested and all evidence which was to be presented by Complainant and Respondents at a formal hearing on the Accusation, which hearing was to be held in accordance with the provisions of the Administrative Procedure Act (“APA”), shall instead and in place thereof be submitted on the basis of the provisions of this Stipulation and Agreement 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 October 17, 2025, 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-05895 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 Respondent 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, and 10161.8 and Title 10,
13 Chapter 6, California Code of Regulations ("Regulations") Sections 2725, 2752, 2731, 2831,
14 2831.1, 2831.2, and 2832.1, and are grounds for the suspension or revocation of all of the real
15 estate license and license rights of Respondents under the provision of Code Section 10177(d),
16 10177(g), and 10177(h) (as to TERRY LEE KAZMAIER).

17 **ORDER**

18 WHEREFORE, THE FOLLOWING ORDER is hereby made:

19 I.

20 (KITTY HAWK REALTY INC.)

21 All licenses and licensing rights of Respondent KITTY HAWK REALTY INC.
22 ("KHRI") under the Real Estate Law are suspended for a period of 90 days from the effective date
23 of this Decision and Order.

24 A. Provided, however, that the initial thirty (30) days of said suspension shall be stayed for
25 two (2) years upon the following terms and conditions:

26 1. Respondent KHRI shall pay a monetary penalty pursuant to Code section
27 10175.2 at the rate of \$50.00 per day for each of the thirty (30) days of suspension for a total

monetary penalty of \$1,500.00.

2. Said payment shall be in the form of a cashier's check made payable to the Department of Real Estate. Said check must be delivered to the Department of Real Estate, Flag Section, 651 Bannon Street, Suite 504, Sacramento, CA 95811, prior to the effective date of this Decision and Order.

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

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

5. If Respondent KHRI pays the monetary penalty and if no further cause for disciplinary action against the real estate license of Respondent occurs within two (2) years from the effective date of the Decision, the stay hereby granted shall become permanent.

B. The remaining sixty (60) days of the ninety (90) day suspension shall be stayed for two (2) years upon the following terms and conditions:

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

2. That no final subsequent determination be made after hearing or upon stipulation, that cause for disciplinary action occurred within two (2) years from the effective date of this Decision. Should such a determination be made, the Commissioner may, in his discretion, vacate and set aside the stay order and re-impose all or a portion of the stayed suspension. Should no such determination be made under this section, the stay imposed herein shall become permanent.

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1 II.

2 (TERRY LEE KAZMAIER)

3 All licenses and licensing rights of TERRY LEE KAZMAIER ("KAZMAIER")
4 under the Real Estate Law are suspended for a period of 90 days from the effective date of this
5 Decision and Order.

6 A. Provided, however, that the initial thirty (30) days of said suspension shall be stayed for
7 two (2) years upon the following terms and conditions:

8 1. Respondent KAZMAIER shall pay a monetary penalty pursuant to Code section
9 10175.2 at the rate of \$50.00 per day for each of the thirty (30) days of suspension for a total
10 monetary penalty of \$1,500.00.

11 2. Said payment shall be in the form of a cashier's check made payable to the
12 Department of Real Estate. Said check must be delivered to the Department of Real Estate, Flag
13 Section, 651 Bannon Street, Suite 504, Sacramento, CA 95811, prior to the effective date of this
14 Decision and Order.

15 3. No further cause for disciplinary action against the real estate license of
16 Respondent KAZMAIER occurs within two (2) years from the effective date of the Decision in this
17 matter.

18 4. If Respondent KAZMAIER fails to pay the monetary penalty in accordance with
19 the terms and conditions of the Decision, the suspension shall go into effect automatically with
20 regard to said Respondent. Respondent KAZMAIER shall not be entitled to any repayment nor
21 credit, prorated or otherwise, for money paid to the Department under the terms of this Decision
22 and Order.

23 5. If Respondent KAZMAIER pays the monetary penalty and if no further cause for
24 disciplinary action against the real estate license of Respondent occurs within two (2) years from
25 the effective date of the Decision, the stay hereby granted shall become permanent.

26 6. All licenses and licensing rights of Respondent KAZMAIER are indefinitely
27 suspended unless or until Respondent provides proof satisfactory to the Commissioner, of having

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

9 B. The remaining sixty (60) days of the ninety (90) day suspension shall be stayed for two
10 (2) years upon the following terms and conditions:

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

14 2. That no final subsequent determination be made after hearing or upon stipulation,
15 that cause for disciplinary action occurred within two (2) years from the effective date of this
16 Decision. Should such a determination be made, the Commissioner may, in his discretion, vacate
17 and set aside the stay order and re-impose all or a portion of the stayed suspension. Should no such
18 determination be made under this section, the stay imposed herein shall become permanent.

19 III.

20 (KITTY HAWK REALTY INC. and TERRY LEE KAZMAIER)

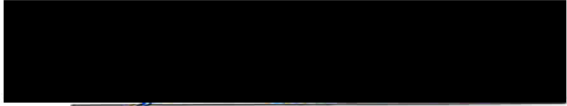
21 1. All licenses and licensing rights of Respondents are indefinitely suspended unless
22 or until Respondents pay the sum of **\$1,452.00** for the Commissioner's reasonable costs of the
23 enforcement which led to this disciplinary action. Said payment shall be in the form of a cashier's
24 check made payable to the Department of Real Estate. **The payment for the investigative and**
25 **enforcement costs must be delivered to the Department of Real Estate, Flag Section at 651**
26 **Bannan Street, Suite 504, Sacramento, CA 95811, prior to the effective date of this Decision**
27 **and Order.** If Respondent fail to satisfy this condition, the Commissioner shall order suspension of

1 Respondent's licenses and license rights until the sum is paid.

2 2. Pursuant to Code Sections 10148, Respondents shall pay the Commissioner's
3 reasonable costs for the audit which led to this disciplinary action in the amount of \$6,919.50, or
4 show proof of payment. Respondents shall pay such costs within sixty (60) days of receiving an
5 invoice therefore from the Commissioner. Payment of the audit costs should not be made until
6 Respondents receive the invoice. If Respondents fail to satisfy this condition in a timely manner as
7 provided for herein, Respondents' real estate licenses shall automatically be suspended until
8 payment is made in full, or until a decision providing otherwise is adopted following a hearing held
9 pursuant to this condition.

10 3. Pursuant to Code section 10148 of the Code, Respondents shall pay the
11 Commissioner's reasonable costs, not to exceed \$8,649.37, for a subsequent audit to determine if
12 Respondents have corrected the violations found in the Determination of Issues. In calculating the
13 amount of the Commissioner's reasonable costs, the Commissioner may use the estimated average
14 hourly salary for all persons performing audits of real estate brokers, and shall include an allocation
15 for travel time to and from the auditor's place of work. Respondents shall pay such costs within
16 sixty (60) days of receiving an invoice therefore from the Commissioner. Payment of the audit
17 costs should not be made until Respondents receive the invoice. If Respondents fail to satisfy this
18 condition in a timely manner as provided for herein, Respondents' real estate licenses shall
19 automatically be suspended until payment is made in full, or until a decision, providing otherwise,
20 is adopted following a hearing held pursuant to this condition.

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22 DATED: 7/3/2026


Kevin H. Sun, Counsel for
Department of Real Estate

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1 Respondents' signature below constitutes acceptance and approval of the terms and
2 conditions of this Stipulation. Respondents agree, acknowledge and understand that by signing this
3 Stipulation, Respondents are bound by its terms as of the date of such signatures and that this
4 agreement is not subject to rescission or amendment at a later date except by a separate Decision
5 and Order of the Real Estate Commissioner. [REDACTED]

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7 DATED: 31 JUNE 2026

[REDACTED]
KITTY HAWK REALTY INC.

8 By: TERRY KAZMAIER
Respondent

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10 DATED: 31 JUNE 2026

[REDACTED]
TERRY LEE KAZMAIER
Respondent

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12
13 DATED: 7/1/2026

[REDACTED]
Joshua A. Rosenthal, Esq.
Attorney for Respondents
Approved as to Form

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17 The foregoing Stipulation and Agreement is hereby adopted as my Decision as to
18 Respondents KITTY HAWK REALTY INC. and TERRY LEE KAZMAIER in this matter and
19 shall become effective at 12 o'clock noon on SEP 10 2026, 2026.

20 IT IS SO ORDERED August 6, 2026.

21 CHIKA SUNQUIST
22 REAL ESTATE COMMISSIONER
23 [REDACTED]
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