

1 BUREAU OF REAL ESTATE  
2 P. O. Box 137007  
3 Sacramento, CA 95813-7007

4 Telephone: (916) 263-8670

**FILED**

MAR 11 2016

BUREAU OF REAL ESTATE

By B. Nicholas

9 BEFORE THE BUREAU OF REAL ESTATE  
10 STATE OF CALIFORNIA

11 \* \* \*

12 In the Matter of the Accusation of )  
13 ) NO. H-6113 SAC  
14 )  
14 ARROWHEAD HOUSING, INC. ) STIPULATION AND AGREEMENT  
15 and JOSEPH MOHAMED, JR., )  
16 Respondents. )

17 It is hereby stipulated by and between Respondents ARROWHEAD  
18 HOUSING, INC. ("ARROWHEAD") and JOSEPH MOHAMED, JR. ("MOHAMED"),  
19 (collectively "Respondents"), acting by and through RICHARD F. ANTOINE, counsel for  
20 Respondents, and the Complainant, acting by and through John W. Barron, Counsel for the  
21 Bureau of Real Estate, as follows for the purpose of settling and disposing of the Accusation  
22 filed on April 16, 2014, in this matter:

23 1. All issues which were to be contested and all evidence which was to be  
24 presented by Complainant and Respondents at a formal hearing on the Accusation, which  
25 hearing was to be held in accordance with the provisions of the Administrative Procedure Act  
26 ("APA"), shall instead and in place thereof be submitted solely on the basis of the provisions  
27

1 of this Stipulation and Agreement.

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

5           3.       On April 29, 2014, Respondents filed Notices of Defense pursuant to  
6 Section 11505 of the Government Code for the purpose of requesting a hearing on the  
7 allegations in the Accusation. Respondents hereby freely and voluntarily withdraw said  
8 Notices of Defense. Respondents acknowledge that Respondents understand that by  
9 withdrawing said Notices of Defense, Respondents will thereby waive Respondents' right to  
10 require the Commissioner to prove the allegations in the Accusation at a contested hearing held  
11 in accordance with the provisions of the APA and that Respondents will waive other rights  
12 afforded to Respondents in connection with the hearing such as the right to present evidence in  
13 defense of the allegations in the Accusation and the right to cross-examine witnesses.

14           4.       This Stipulation is based on the factual allegations contained in the  
15 Accusation. In the interest of expedience and economy, Respondents choose not to contest  
16 these factual allegations, but to remain silent and understand that, as a result thereof, these  
17 factual statements will serve as a prima facie basis for the "Determination of Issues" and  
18 "Order" set forth below. The Real Estate Commissioner shall not be required to provide further  
19 evidence to prove such allegations.

20           5.       This Stipulation and Respondents' decision not to contest the Accusation  
21 are made for the purpose of reaching an agreed disposition of this proceeding and are expressly  
22 limited to this proceeding and any other proceeding or case in which the Bureau of Real Estate,  
23 the State or the federal government, an agency of this State, or an agency of another state is  
24 involved.

25           6.       It is understood by the parties that the Real Estate Commissioner may  
26 adopt the Stipulation and Agreement as his decision in this matter, thereby imposing the penalty  
27 and sanctions on Respondents' real estate licenses and license rights as set forth in the "Order"

1 below. In the event that the Commissioner in his discretion does not adopt the Stipulation and  
2 Agreement, it shall be void and of no effect, and Respondents shall retain the right to a hearing  
3 and proceeding on the Accusation under all the provisions of the APA and shall not be bound  
4 by any admission or waiver made herein.

5           7. This Stipulation and Agreement shall constitute an estoppel, merger and  
6 bar to any further administrative or civil proceedings by the Bureau of Real Estate with respect  
7 to any matters which were specifically alleged to be causes for accusation in this proceeding  
8 and any related actions.

9           8. Respondents understand that by agreeing to this Stipulation and  
10 Agreement, Respondents agree to pay, pursuant to Section 10148 of the California Business  
11 and Professions Code ("the Code"), the costs of the audit which resulted in the determination  
12 that Respondents committed the violation(s) found in the Determination of Issues. The amount  
13 of such costs is \$9,458.67.

14           9. Respondents further understand that by agreeing to this Stipulation and  
15 Agreement, the findings set forth below in the Determination of Issues become final, and the  
16 Commissioner may charge said Respondents for the costs of any audit conducted pursuant to  
17 Section 10148 of the Code to determine if the violations have been corrected. The maximum  
18 costs of said audit shall not exceed \$9,458.67.

19           10. Respondents further understand that by agreeing to this Stipulation and  
20 Agreement, the findings set forth below in the Determination of Issues become final, and that  
21 the Commissioner may charge Respondents for the costs of the investigation herein. The  
22 amount of such costs is \$1,637.10.

23   DETERMINATION OF ISSUES

24           By reason of the foregoing stipulations, admissions and waivers and solely for  
25 the purpose of settlement of the pending Accusation without hearing, it is stipulated and agreed  
26 that the acts and omissions of Respondents described in the Accusation are grounds for the  
27 discipline of the licenses and license rights of ARROWHEAD and MOHAMED under the

1 provisions of Section 10159.5 (fictitious business name) of the Code, and Section 2731 (use of  
2 fictitious business name) of Title 10 of the California Code of Regulations (“Regulations”);  
3 and for the discipline of the licenses and license rights of MOHAMED under the provisions of  
4 Section 10177(h) (broker supervision) of the Code, and Section 2725 (broker supervision) of  
5 the Regulations.

6 ORDER

7 1

8 All licenses and licensing rights of ARROWHEAD under the Real Estate Law  
9 are suspended for a period of thirty (30) days from the effective date of this Order; provided,  
10 however, that:

11 1. Thirty (30) days of said suspension shall be stayed, upon the condition  
12 that ARROWHEAD petitions pursuant to Section 10175.2 of the Code and pays a monetary  
13 penalty pursuant to Section 10175.2 of the Business and Professions Code at a rate of \$50.00  
14 for each day of the suspension for a total monetary penalty of \$1,500.00.

15 a. Said payment shall be in the form of a cashier's check made payable to  
16 the Bureau of Real Estate. Said check must be delivered to the Bureau of Real Estate, Legal  
17 Section at P.O. Box 137007, Sacramento, CA 95813-7007, prior to the effective date of this  
18 Order.

19 b. No further cause for disciplinary action against the real estate license of  
20 ARROWHEAD occurs within two (2) years from the effective date of the decision in this matter.

21 c. If ARROWHEAD fails to pay the monetary penalty in accordance with  
22 the terms and conditions of the Decision, the Commissioner may, without a hearing, order the  
23 immediate execution of all or any part of the stayed suspension, in which event,  
24 ARROWHEAD shall not be entitled to any repayment nor credit, prorated or otherwise, for  
25 money paid to the Bureau under the terms of this decision.

26 d. If ARROWHEAD pays the monetary penalty, and if no further cause for  
27 disciplinary action against the real estate license of ARROWHEAD occurs within two (2) years

1 from the effective date of the Decision herein, then the stay hereby granted shall become  
2 permanent.

3 2

4 All licenses and licensing rights of MOHAMED under the Real Estate Law are  
5 suspended for a period of thirty (30) days from the effective date of this Order; provided,  
6 however, that:

7 1. Thirty (30) days of said suspension shall be stayed, upon the condition  
8 that MOHAMED petitions pursuant to Section 10175.2 of the Code and pays a monetary  
9 penalty pursuant to Section 10175.2 of the Business and Professions Code at a rate of \$50.00  
10 for each day of the suspension for a total monetary penalty of \$1,500.00.

11 a. Said payment shall be in the form of a cashier's check made payable to  
12 the Bureau of Real Estate. Said check must be delivered to the Bureau of Real Estate, Legal  
13 Section at P.O. Box 137007, Sacramento, CA 95813-7007, prior to the effective date of this  
14 Order.

15 b. No further cause for disciplinary action against the real estate license of  
16 MOHAMED occurs within two (2) years from the effective date of the decision in this matter.

17 c. If MOHAMED fails to pay the monetary penalty in accordance with the  
18 terms and conditions of the Decision, the Commissioner may, without a hearing, order the  
19 immediate execution of all or any part of the stayed suspension, in which event, MOHAMED  
20 shall not be entitled to any repayment nor credit, prorated or otherwise, for money paid to the  
21 Bureau under the terms of this decision.

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

26 2. MOHAMED shall, within six (6) months from the effective date of this  
27 Order, take and pass the Professional Responsibility Examination administered by the Bureau,

1 including the payment of the appropriate examination fee. If MOHAMED fails to satisfy this  
2 condition, MOHAMED's real estate license shall automatically be suspended until  
3 MOHAMED passes the examination.

4 3. Notwithstanding any other provision of this Order, all licenses and  
5 licensing rights of MOHAMED are indefinitely suspended unless and until he provides proof  
6 satisfactory to the Commissioner that he has taken and successfully completed the continuing  
7 education course on Trust Fund Accounting and Handling specified in Section 10170.5(a)(3) of  
8 the Code. The course must have been completed no earlier than October 31, 2015, and proof  
9 must be submitted prior to February 28, 2016, to prevent suspension of MOHAMED's license  
10 pursuant to this condition.

11 3

12 1. Respondents, jointly and severally, shall pay the sum of \$9,458.67 for the  
13 Commissioner's cost of the audit which led to this disciplinary action. **Respondents shall pay**  
14 **such cost within sixty (60) days of receiving an invoice therefore from the Commissioner.**  
15 **Payment of audit costs should not be made until Respondents receive the invoice.** If  
16 Respondents fail to satisfy this condition in a timely manner as provided for herein,  
17 Respondents' real estate licenses shall automatically be suspended until payment is made in  
18 full, or until a decision providing otherwise is adopted following a hearing held pursuant to this  
19 condition.

20 2. Respondents, jointly and severally, shall pay the Commissioner's costs,  
21 not to exceed \$9,458.67, of any audit conducted pursuant to Section 10148 of the Code to  
22 determine if Respondents have corrected the violations described in the Determination of  
23 Issues, above, and any other violations found in the audit which led to this disciplinary action.  
24 In calculating the amount of the Commissioner's reasonable cost, the Commissioner may use  
25 the estimated average hourly salary for all persons performing audits of real estate brokers, and  
26 shall include an allocation for travel time to and from the auditor's place of work.  
27 Respondents shall pay such cost within sixty (60) days of receiving an invoice therefore from  
the Commissioner. If Respondents fail to satisfy this condition in a timely manner as provided

1 for herein, or as provided for in a subsequent agreement between Respondents and the  
2 Commissioner, Respondents' real estate licenses shall automatically be suspended until  
3 payment is made in full or until Respondents enter into an agreement satisfactory to the  
4 Commissioner to provide for payment. Upon full payment, the indefinite suspension provided  
5 for in this paragraph shall be stayed.

6 3. All licenses and licensing rights of Respondents are indefinitely suspended  
7 unless or until Respondents, jointly and severally, pay the sum of \$1,637.10 for the  
8 Commissioner's reasonable cost of the investigation and enforcement which led to this  
9 disciplinary action. Said payment shall be in the form of a cashier's check or certified check  
10 made payable to the Real Estate Fund and mailed to: Bureau of Real Estate, P. O. Box 137007,  
11 Sacramento, CA 95813-7007 or delivered to the Bureau of Real Estate at 1651 Exposition  
12 Boulevard, Sacramento, CA 95815. Said check must be received by the Bureau prior to the  
13 effective date of the Order in this matter.

14  
15 12/11/15  
16 DATED

15 John W. Barron  
16 JOHN W. BARRON, Counsel  
17 Bureau of Real Estate

17 \* \* \*

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

25  
26 10-21-2015  
27 DATED

25 Joseph Mohamed, Jr.  
26 JOSEPH MOHAMED, JR.,  
27 Respondent and as the Designated  
Officer/Broker for Respondent  
ARROWHEAD HOUSING, INC.  
ARROWHEAD HOUSING, INC. and JOSEPH MOHAMED, JR.

1  
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

\*\*\*

*I have reviewed this Stipulation and Agreement as to form and content and have advised my client accordingly.*

10-26-2015

DATED



RICHARD F. ANTOINE, Esq.  
Attorney for Respondents

\*\*\*

The foregoing Stipulation and Agreement is hereby adopted by me as my Decision in this matter as to Respondents ARROWHEAD HOUSING, INC. and JOSEPH MOHAMED, JR., and shall become effective at 12 o'clock noon on APR 01 2016

IT IS SO ORDERED MARCH 1, 2016

REAL ESTATE COMMISSIONER



By: JEFFREY MASON  
Chief Deputy Commissioner