

1 Department of Real Estate
2 P.O. Box 137007
3 Sacramento, CA 95813-7007

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FILED

SEP 02 2020

DEPARTMENT OF REAL ESTATE
By B. Nicholas

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7
8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)

12 RICHARD EDWIN HADSELL,)

13 Respondent.)

No. H-6896 SAC

STIPULATION AND
AGREEMENT

14 It is hereby stipulated by and between RICHARD EDWIN HADSELL
15 (Respondent), represented by Mark C. Leas, and the Complainant, acting by and through
16 Truly Sughrue, Counsel for the Department of Real Estate (Department), as follows for the
17 purpose of settling and disposing the Accusation filed on November 15, 2019, in this matter:

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

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

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1 3. Respondent filed a Notice of Defense pursuant to Section 11505 of the
2 Government Code for the purpose of requesting a hearing on the allegations in the Accusation.
3 Respondent hereby freely and voluntarily withdraws said Notice of Defense. Respondent
4 acknowledges that Respondent understands that by withdrawing said Notice of Defense
5 Respondent will thereby waive Respondent's rights to require the Real Estate Commissioner
6 (Commissioner) to prove the allegations in the Accusation at a contested hearing held in
7 accordance with the provisions of the APA, and that Respondent will waive other rights afforded
8 to Respondent in connection with the hearing such as the right to present evidence in defense of
9 the allegations in the Accusation and the right to cross-examine witnesses.

10 4. This Stipulation and Agreement is based on the factual allegations
11 contained in the Accusation. In the interest of expediency and economy, Respondent chooses not
12 to contest these factual allegations, but to remain silent and understand that, as a result thereof,
13 these factual statements will serve as a prima facie basis for the "Determination of Issues" and
14 "Order" set forth below. The Commissioner shall not be required to provide further evidence to
15 prove such allegations.

16 5. This Stipulation and Agreement and Respondent's decision not to contest
17 the Accusation are made for the purpose of reaching an agreed disposition of this proceeding and
18 are expressly limited to this proceeding and any other proceeding or case in which the
19 Department, the state or federal government, an agency of this state, or an agency of another state
20 is involved.

21 6. Respondent understands that by agreeing to this Stipulation and
22 Agreement, Respondent agrees to pay, pursuant to Section 10148 of the California Business and
23 Professions Code (Code), the cost of the audit, which resulted in the determination that
24 Respondent committed the trust fund handling violation(s) found in the Determination of Issues.
25 The amount of said costs is \$3,580.20.

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1 7. Respondent further understand that by agreeing to this Stipulation and
2 Agreement, the findings set forth below in the Determination of Issues become final, and that
3 the Commissioner may charge said Respondents for the costs of any audit conducted pursuant to
4 Section 10148 of the Code to determine if the violations have been corrected. The maximum
5 costs of said audit shall not exceed \$4,475.25.

6 8. It is understood by the parties that the Commissioner may adopt the
7 Stipulation and Agreement as his decision in this matter thereby imposing the penalty and
8 sanctions on the real estate licenses and license rights of Respondent as set forth in the below
9 "Order". In the event that the Commissioner in his discretion does not adopt the Stipulation and
10 Agreement, it shall be void and of no effect, and Respondent shall retain the right to a hearing
11 and proceeding on the Accusation under all the provisions of the APA and shall not be bound by
12 any admission or waiver made herein.

13 9. The Order or any subsequent Order of the Commissioner made pursuant to
14 this Stipulation and Agreement shall not constitute an estoppel, merger or bar to any further
15 administrative or civil proceedings by the Department with respect to any matters which were not
16 specifically alleged to be causes for action in Accusation H-6896 SAC.

17 * * *

18 DETERMINATION OF ISSUES

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

22 I

23 The acts and omissions of Respondent as described in the Accusation are
24 grounds for the suspension or revocation of Respondent's licenses and license rights under the
25 following sections of the Code and Title 10 of the California Code of Regulations (Regulations)

26 As to Paragraph 9(a), under Section 10177(g) of the Code in conjunction with
27 Section 10145 of the Code and Section 2832.1 of the Regulations;

1 As to Paragraph 9(b), under Section 10177(g) of the Code in conjunction with
2 Section 2834 of the Regulations and Section 10145 of the Code;

3 As to Paragraph 9(c), under Section 10177(g) of the Code in conjunction with
4 Section 2832 of the Regulations and Section 10145 of the Code;

5 As to Paragraph 9(d), under Section 10176(e) of the Code;

6 As to Paragraph 9(e), under Section 10177(g) of the Code in conjunction with
7 Section 2831 of the Regulations and Section 10145 of the Code;

8 As to Paragraph 9(f), under Section 10177(g) of the Code in conjunction with
9 Section 2831.1 of the Regulations and Section 10145 of the Code; and

10 As to Paragraph 9(g), under Section 10177(g) of the Code in conjunction with
11 Section 2831.2 of the Regulations and Section 10145 of the Code.

12 * * *

13 ORDER

14 I

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

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

26 2. The restricted license issued to Respondent may be suspended prior to
27 hearing by Order of the Commissioner on evidence satisfactory to the Commissioner that

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

3 3. Respondent shall not be eligible to apply for the issuance of an
4 unrestricted real estate license nor for removal of any of the conditions, limitations, or
5 restrictions of a restricted license until two (2) years have elapsed from the effective date of this
6 Decision and Order. Respondent shall not be eligible to apply for any unrestricted licenses until
7 all restrictions attaching to the license have been removed.

8 4. Respondent shall, within nine (9) months from the effective date of this
9 Decision and Order, present evidence satisfactory to the Commissioner that Respondent has,
10 since the most recent issuance of an original or renewal real estate license, taken and successfully
11 completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate
12 Law for renewal of a real estate license. If Respondent fails to satisfy this condition,
13 Respondent's real estate license shall automatically be suspended until Respondent presents
14 evidence satisfactory to the Commissioner of having taken and successfully completed the
15 continuing education requirements. Proof of completion of the continuing education courses
16 must be delivered to the Department of Real Estate, Flag Section at P.O. Box 137013,
17 Sacramento, CA 95813-7013.

18 5. Pursuant to Section 10148 of the Code, Respondent shall pay the sum of
19 \$3,580.20 for the Commissioner's cost of the audit which led to this disciplinary action.
20 Respondent shall pay such cost within sixty (60) days of receiving an invoice therefore from the
21 Commissioner. Payment of audit costs should not be made until Respondent receives the
22 invoice. If Respondent fails to satisfy this condition in a timely manner as provided for herein,
23 Respondent's real estate license shall automatically be suspended until payment is made in full,
24 or until a decision providing otherwise is adopted following a hearing held pursuant to this
25 condition.

26 6. Pursuant to Section 10148 of the Code, Respondent shall pay the
27 Commissioner's reasonable cost, not to exceed \$4,475.25, for an audit to determine if

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

10
11 16-July-2020
12 DATED

11
12 TRULY SUGHRUE
13 Counsel for Complainant

14 * * *

15 I have read the Stipulation and Agreement, discussed it with my counsel, and its
16 terms are understood by me and are agreeable and acceptable to me. I understand that I am
17 waiving rights given to me by the California Administrative Procedure Act, and I willingly,
18 intelligently and voluntarily waive those rights, including the right of requiring the
19 Commissioner to prove the allegations in the Accusation at a hearing at which I would have the
20 right to cross-examine witnesses against me and to present evidence in defense and mitigation of
21 the charges.

22 Respondent and Respondent's attorney further agree to send the original signed
23 Stipulation by mail to the following address no later than one (1) week from the date the
24 Stipulation is signed by Respondent and Respondent's attorney: *Department of Real Estate,*
25 *Legal Section, P.O. Box 137007, Sacramento, California 95813-7007.* Respondent and
26
27

Respondent's attorney understand and agree that if they fail to return the original signed Stipulation by the due date, Complainant retains the right to set this matter for hearing.

DATED

07/14/2020

RICHARD EDWIN HADSELL
Respondent

I have reviewed the Stipulation and Agreement as to form and content and have advised my clients accordingly.

DATED

7/15/20

MARK C. LEAS
Attorney for Respondent

The foregoing Stipulation and Agreement is hereby adopted as my Decision and Order and shall become effective at 12 o'clock noon on SEP 23 2020.

IT IS SO ORDERED

8-27-20

DOUGLAS R. McCAULEY
REAL ESTATE COMMISSIONER

Douglas R. McCauley