

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

4 Telephone: (916) 576-8700

FILED

OCT 18 2022

DEPARTMENT OF REAL ESTATE
By B. H. [Signature]

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

10 * * *

11 In the Matter of the Accusation of)

12 EUGENE SHINSHUNG CHANG,)

13 Respondent.)

No. H-7127 SAC

STIPULATION AND
AGREEMENT

14 It is hereby stipulated by and between EUGENE SHINSHUNG CHANG
15 (Respondent), and the Complainant, acting by and through Truly Sughrue, Counsel for the
16 Department of Real Estate (Department), as follows for the purpose of settling and disposing
17 the First Amended Accusation (Accusation) filed on September 8, 2022, 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
20 state 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 Code, the cost of the
23 audit, which resulted in the determination that Respondent committed the trust fund handling
24 violation(s) found in the Determination of Issues. The amount of said costs is \$4,202.25.

25 7. Respondent further understands that by agreeing to this Stipulation and
26 Agreement, the findings set forth below in the Determination of Issues become final, and that
27 the Commissioner may charge Respondent for the costs of any audit conducted pursuant to

1 Section 10148 of the Code to determine if the violations have been corrected. The maximum
2 costs of said audit shall not exceed \$5,253.

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

10 9. The Order or any subsequent Order of the Commissioner made pursuant to
11 this Stipulation and Agreement shall not constitute an estoppel, merger or bar to any further
12 administrative or civil proceedings by the Department with respect to any matters which were
13 not specifically alleged to be causes for action in Accusation H-7127 SAC.

14 * * *

15 DETERMINATION OF ISSUES

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

19 I

20 The acts and omissions of Respondent as described in the Accusation are
21 grounds for the suspension or revocation of Respondent's licenses and license rights under the
22 following Section 10177(g) of the Code.

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ORDER

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

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

2. The restricted license issued to Respondent may be suspended prior to hearing by Order of the Commissioner on evidence satisfactory to the Commissioner that Respondent has violated provisions of the California Real Estate Law, the Subdivided Lands Law, Regulations of the Commissioner, or conditions attaching to the restricted license.

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

4. Respondent shall, within nine (9) months from the effective date of this Decision and Order, present evidence satisfactory to the Commissioner that Respondent has, since the most recent issuance of an original or renewal real estate license, taken and successfully completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a real estate license. If Respondent fails to satisfy this condition,

1 Respondent's real estate license shall automatically be suspended until Respondent presents
2 evidence satisfactory to the Commissioner of having taken and successfully completed the
3 continuing education requirements. Proof of completion of the continuing education courses
4 must be delivered to the Department of Real Estate, Flag Section at P.O. Box 137013,
5 Sacramento, CA 95813-7013.

6 5. All licenses and licensing rights of Respondent are indefinitely suspended
7 unless or until Respondent provides proof satisfactory to the Commissioner, of having taken and
8 successfully completed the continuing education course on trust fund accounting and handling
9 specified in paragraph (3) of subdivision (a) of Section 10170.5 of the Code. Proof of
10 satisfaction of these requirements includes evidence that Respondent has successfully completed
11 the trust fund account and handling continuing education courses, no earlier than 120 days prior
12 to the effective date of the Decision and Order in this matter. Proof of completion of the trust
13 fund accounting and handling course must be delivered to the Department of Real Estate, Flag
14 Section at P.O. Box 137013, Sacramento, CA 95813-7013 or by fax at 916-263-8758, prior to
15 the effective date of this Decision and Order.

16 6. Respondent shall, within six (6) months from the effective date of this
17 Decision and Order, take and pass the Professional Responsibility Examination administered by
18 the Department including the payment of the appropriate examination fee. If Respondent fails to
19 satisfy this condition, Respondent's real estate license shall automatically be suspended until
20 Respondent passes the examination.

21 7. Pursuant to Section 10148 of the Code, Respondent shall pay the sum of
22 \$4,202.25 for the Commissioner's cost of the audit which led to this disciplinary action.
23 Respondent shall pay such cost within 120 days of receiving an invoice therefore from the
24 Commissioner. Payment of audit costs should not be made until Respondent receives the
25 invoice. If Respondent fails to satisfy this condition in a timely manner as provided for herein,
26 Respondent's real estate license shall automatically be suspended until payment is made in full,
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1 or until a decision providing otherwise is adopted following a hearing held pursuant to this
2 condition.

3 8. Pursuant to Section 10148 of the Code, Respondent shall pay the
4 Commissioner's reasonable cost, not to exceed \$5,253, for an audit to determine if Respondent
5 has corrected the violation(s) found in the Determination of Issues. In calculating the amount of
6 the Commissioner's reasonable cost, the Commissioner may use the estimated average hourly
7 salary for all persons performing audits of real estate brokers, and shall include an allocation for
8 travel time to and from the auditor's place of work. Respondent shall pay such costs within 120
9 days of receiving an invoice therefore from the Commissioner. Payment of the audit costs
10 should not be made until Respondent receives the invoice. If Respondent fails to satisfy this
11 condition in a timely manner as provided for herein, Respondent's real estate license shall
12 automatically be suspended until payment is made in full, or until a decision providing otherwise
13 is adopted following a hearing held pursuant to this condition.

14
15 19 September 2022

16 DATED


17 TRULY SUGHRUE
18 Counsel for Complainant

19 * * *

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

27 Respondent and Respondent's attorney further agree to send the original signed
Stipulation and Agreement by mail to the following address no later than one (1) week from the

1 date the Stipulation and Agreement is signed by Respondent and Respondent's attorney:
2 *Department of Real Estate, Legal Section, P.O. Box 137007, Sacramento, California 95813-*
3 *7007. Respondent and Respondent's attorney understand and agree that if they fail to return the*
4 *original signed Stipulation and Agreement by the due date, Complainant retains the right to set*
5 *this matter for hearing.*

6 9/16/22
7 DATED

Eugene Chang
EUGENE SHINSHUNG CHANG
Respondent

9 ***

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

12
13 9/16/22
14 DATED

[Signature]
LOUIS GONZALEZ
Attorney for Respondent

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16 The foregoing Stipulation and Agreement is hereby adopted as my Decision and
17 Order and shall become effective at 12 o'clock noon on NOV 08 2022

18 IT IS SO ORDERED 10.14.22

19
20 DOUGLAS R. McCAULEY
21 REAL ESTATE COMMISSIONER

22 Douglas R. McCauley
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