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DEPARTMENT OF REAL ESTATE

By B. dew

DEPARTMENT OF REAL ESTATE
651 Bannon Street, Suite 507
Sacramento, CA 95811

Telephone: (916) 576-8700
Fax: (916) 263-3767

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of) No. H-7312 SAC
)
STARR PROPERTY MANAGEMENT, INC.) STIPULATION AND AGREEMENT
and DAVID MATTHEW VERTULLO,) IN SETTLEMENT AND ORDER
)
Respondents.)

It is hereby stipulated by and between STARR PROPERTY MANAGEMENT, INC. (SPM) and DAVID MATTHEW VERTULLO (VERTULLO), collectively Respondents, represented by Frank M. Buda, and the Complainant, acting by and through Megan Lee Olsen, Counsel for the Department of Real Estate (Department); as follows for the purpose of settling and disposing of the Accusation filed on March 26, 2024, in this matter:

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 solely 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
2 Respondent, the Discovery Provisions of the APA and the Accusation filed by the Department in
3 this proceeding.

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

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

19 5. It is understood by the parties that the Commissioner may adopt the
20 Stipulation as her Decision and Order in this matter, thereby imposing the penalty and sanctions
21 on Respondents' real estate licenses and license rights as set forth in the below "Order". In the
22 event that the Commissioner in her discretion does not adopt the Stipulation, it shall be void and
23 of no effect, and Respondents shall retain the rights to a hearing and proceeding on the
24 Accusation under all the provisions of the APA and shall not be bound by any admission or
25 waiver made herein.

26 6. This Decision and Order or any subsequent Order of the Commissioner
27 made pursuant to this Stipulation shall not constitute an estoppel, merger, or bar to any further

1 administrative or civil proceedings by the Department with respect to any matters which were not
2 specifically alleged to be causes for Accusation in this proceeding.

3 7. Respondents understand that by agreeing to this Stipulation, Respondents
4 agree to pay, pursuant to Section 10148 of the Business and Professions Code (Code), the cost of
5 the audit which resulted in the violations found in the Determination of Issues. The amount of
6 such costs is \$5,425.00.

7 8. Respondents further understand that by agreeing to this Stipulation, the
8 findings set forth below in the "Determination of Issues" become final, and that the
9 Commissioner may charge said Respondents for the costs of any audit conducted pursuant to
10 Section 10148 of the Code to determine if the violations have been corrected. The maximum cost
11 of said audit shall not exceed \$6,781.25.

12 **DETERMINATION OF ISSUES**

13 **STARR PROPERTY MANAGEMENT, INC. and DAVID MATTHEW VERTULLO**

14 By reason of the foregoing stipulations, admissions and waivers, and solely for
15 the purpose of settlement of the pending Accusation without a hearing, it is stipulated and agreed
16 that the acts and/or omissions of Respondents, as described in the Accusation, constitute grounds
17 for the suspension or revocation of the licenses and license rights of Respondents under the
18 provisions of Sections 10177(d) and 10177 (g) of the Code, in conjunction with Sections 10145
19 and 10162, of the Code, and Sections 2715, 2831.2, and 2832.1 of Title 10 of the California Code
20 of Regulations (Regulations).

21 **DAVID MATTHEW VERTULLO**

22 By reason of the foregoing stipulations, admissions and waivers, and solely for
23 the purpose of settlement of the pending Accusation without a hearing, it is stipulated and agreed
24 that the acts and/or omissions of VERTULLO, as described in the Accusation, constitute grounds
25 for the suspension or revocation of the licenses and license rights of Respondent under the
26 provisions of Sections 10177(d), 10177 (g) and 10177 (h) of the Code, in conjunction with
27 Section 10159.2 of the Code, and Section 2725 of the Regulations.

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1 (a) SPM shall obey all laws, rules and regulations governing the rights,
2 duties and responsibilities of a real estate licensee in the State of California; and,

3 (b) That no final subsequent determination be made, after hearing or upon
4 stipulation, that cause for disciplinary action occurred within two (2) years from the effective date
5 of this Order. Should such a determination be made, the Commissioner may, in her discretion,
6 vacate and set aside the stay order and reimpose all or a portion of the stayed suspension. Should
7 no such determination be made, the stay imposed herein shall become permanent.

8 DAVID MATTHEW VERTULLO

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

12 3. Fifteen (15) days of said suspension shall be stayed, upon the condition
13 that VERTULLO petition pursuant to Section 10175.2 of the Code and pays a monetary penalty
14 pursuant to Section 10175.2 of the Code at a rate of \$50 for each day of the suspension for a total
15 monetary penalty of \$750.

16 (a) Said payment shall be in the form of a cashier's check made payable
17 to the Department of Real Estate. Said check must be delivered to the Department of Real
18 Estate, Flag Section at 651 Bannon Street, Suite 504, Sacramento, CA 95811, prior to the
19 effective date of this Order.

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

22 (c) If VERTULLO fails to pay the monetary penalty as provided above
23 prior to the effective date of this Order, the stay of the suspension shall be vacated as to
24 VERTULLO and the order of suspension shall be immediately executed, under this Order, in
25 which event that VERTULLO shall not be entitled to any repayment nor credit, prorated or
26 otherwise, for the money paid to the Department under the terms of this Order.

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1 (d) If VERTULLO pays the monetary penalty and any other moneys
2 due under this Stipulation and if no further cause for disciplinary action against the real estate
3 license of said VERTULLO occurs within two (2) years from the effective date of this Order, the
4 entire stay hereby granted in this Order, as to VERTULLO only, shall become permanent.

5 4. Fifteen (15) days of said suspension shall be stayed for two (2) years
6 upon the following terms and conditions:

7 (a) VERTULLO shall obey all laws, rules and regulations governing the
8 rights, duties and responsibilities of a real estate licensee in the State of California; and,

9 (b) That no final subsequent determination be made, after hearing or
10 upon stipulation, that cause for disciplinary action occurred within two (2) years from the
11 effective date of this Order. Should such a determination be made, the Commissioner may, in
12 her discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed
13 suspension. Should no such determination be made, the stay imposed herein shall become
14 permanent.

15 5. All licenses and licensing rights of VERTULLO are indefinitely
16 suspended unless or until VERTULLO provides proof satisfactory to the Commissioner, of
17 having taken and successfully completed the continuing education course on trust fund
18 accounting and handling specified in paragraph (3) of subdivision (a) of Section 10170.5 of the
19 Code. Proof of satisfaction of these requirements includes evidence that VERTULLO has
20 successfully completed the trust fund account and handling continuing education course, no
21 earlier than 120 days prior to the effective date of the Decision and Order in this matter. Proof
22 of completion of the trust fund accounting and handling course must be delivered to the
23 Department of Real Estate, Flag Section at 651 Bannon Street, Suite 504, Sacramento, CA
24 95811 or by fax at 916-263-8758, prior to the effective date of this Decision and Order.

25 STARR PROPERTY MANAGEMENT, INC. and DAVID MATTHEW VERTULLO

26 6. Pursuant to Section 10148 of the Code, Respondents shall, jointly and
27 severally, pay the sum of \$5,425.00 for the Commissioner's cost of the audit which led to this

1 disciplinary action. Respondents shall pay such cost within sixty (60) days of receiving an
2 invoice therefore from the Commissioner. Payment of audit costs should not be made until
3 Respondents receive the invoice. If Respondents fail to satisfy this condition in a timely
4 manner as provided for herein, Respondents' real estate licenses shall automatically be
5 suspended until payment is made in full, or until a decision providing otherwise is adopted
6 following a hearing held pursuant to this condition.

7 7. Pursuant to Section 10148 of the Code, Respondents shall, jointly and
8 severally, shall pay the Commissioner's reasonable cost, not to exceed \$6,781.25 for an audit to
9 determine if Respondents have corrected the violations found in the "Determination of Issues".
10 In calculating the amount of the Commissioner's reasonable cost, the Commissioner may use
11 the estimated average hourly salary for all persons performing audits of real estate brokers, and
12 shall include an allocation for travel time to and from the auditor's place of work. Respondents
13 shall pay such cost within sixty (60) days of receiving an invoice therefore from the
14 Commissioner. Payment of the audit costs should not be made until Respondents receive the
15 invoice. If Respondents fails to satisfy this condition in a timely manner as provided for
16 herein, Respondents' real estate licenses shall automatically be suspended until payment is
17 made in full, or until a decision providing otherwise is adopted following a hearing held
18 pursuant to this condition.

19 8. All licenses and licensing rights of Respondents are indefinitely
20 suspended unless or until Respondents, jointly and severally, pay the sum of \$3,371.00 for the
21 Commissioner's reasonable cost of the investigation which led to this disciplinary action. Said
22 payment shall be in the form of a cashier's check made payable to the Department of Real
23 Estate, Flag Section at 651 Bannon Street, Suite 504, Sacramento, CA 95811, prior to the
24 effective date of this Stipulation.

25
26 10/18/24

27 DATED



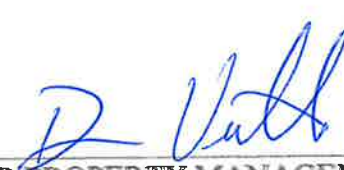
MEGAN LEE OLSEN, Counsel
DEPARTMENT OF REAL ESTATE

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

Respondents and Respondents' attorney further agree to send the original signed Stipulation by mail to the following address no later than one (1) week from the date the Stipulation is signed by Respondents and Respondents' attorney: *Department of Real Estate, Legal Section, 651 Bannon Street, Suite 507, Sacramento, California 95811*. Respondents and Respondents' 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.

10-14-24


DATED


STARR PROPERTY MANAGEMENT INC.
Respondent

By: DAVID MATTHEW VERTULLO
Designated Officer

10-14-24

DATED


DAVID MATTHEW VERTULLO
Respondent

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

10-17-24

DATED

Frank M. Buda

FRANK M. BUDA
Attorney for Respondents

The foregoing Stipulation and Agreement In Settlement and Order is hereby adopted by the Real Estate Commissioner as her Decision and Order and shall become effective at 12 o'clock noon on JAN 28 2025.

IT IS SO ORDERED 12/10/24.

CHIKA SUNQUIST
REAL ESTATE COMMISSIONER

Marcus L. McCarther

By: Marcus L. McCarther
Chief Deputy Real Estate Commissioner