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DEPARTMENT OF REAL ESTATE

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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

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In the Matter of the Accusation of	)	No. H-7341 SAC
	)	
FRANK COOK REALTY INC.	)	<u>STIPULATION AND AGREEMENT</u>
and FREDERICK JAMES BONETTI III,	)	<u>IN SETTLEMENT AND ORDER</u>
	)	
Respondents.	)	
_____	)	

It is hereby stipulated by and between FRANK COOK REALTY INC. (FCRI) and FREDERICK JAMES BONETTI III (BONETTI), collectively Respondents, represented by Roberto M. Hernandez, 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 First Amended Accusation (Accusation) filed on May 9, 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 waive  
8 their right to require the Real Estate Commissioner (Commissioner) to prove the allegations in  
9 the Accusation at a contested hearing held in accordance with the provisions of the APA and that  
10 they will waive other rights afforded to them in connection with the hearing such as the right to  
11 present evidence in defense of the allegations in the Accusation and the right to cross-examine  
12 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  
2 not specifically alleged to be causes for Accusation in this proceeding.

3           7. Respondents further understand that by agreeing to this Stipulation, the  
4 findings set forth below in the "Determination of Issues" become final, and that the  
5 Commissioner may charge said Respondents for the costs of any audit conducted pursuant to  
6 Section 10148 of the Code to determine if the violations have been corrected. The maximum  
7 cost of said audit shall not exceed \$3,927.48.

8                                   **DETERMINATION OF ISSUES**

9                   **FRANK COOK REALTY INC. and FREDERICK JAMES BONETTI III**

10           By reason of the foregoing stipulations, admissions and waivers, and solely for  
11 the purpose of settlement of the pending Accusation without a hearing, it is stipulated and agreed  
12 that the acts and/or omissions of Respondents, as described in the Accusation, constitute grounds  
13 for the suspension or revocation of the licenses and license rights of Respondents under the  
14 provisions of Sections 10177 (d) and 10177 (g) of the Code, in conjunction with Sections 10145  
15 and 10163 of the Code, and Sections 2715 and 2832.1 of Title 10 of the California Code of  
16 Regulations (Regulations).

17                                   **FREDERICK JAMES BONETTI III**

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

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1 (a) FCRI shall obey all laws, rules and regulations governing the  
2 rights, 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  
5 date of this Order. Should such a determination be made, the Commissioner may, in her  
6 discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed  
7 suspension. Should no such determination be made, the stay imposed herein shall become  
8 permanent.

9 FREDERICK JAMES BONETTI III

10 All licenses and licensing rights of FREDERICK JAMES BONETTI III, under  
11 the Real Estate Law are suspended for a period of thirty (30) days from the effective date of this  
12 Order; provided, however, that:

13 3. Fifteen (15) days of said suspension shall be stayed, upon the condition  
14 that BONETTI petition pursuant to Section 10175.2 of the Code and pays a monetary penalty  
15 pursuant to Section 10175.2 of the Code at a rate of \$50 for each day of the suspension for a total  
16 monetary penalty of \$750.00.

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

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

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

1 (d) If BONETTI pays the monetary penalty and any other  
2 moneys due under this Stipulation and if no further cause for disciplinary action against the real  
3 estate license of said BONETTI occurs within two (2) years from the effective date of this Order,  
4 the entire stay hereby granted in this Order, as to BONETTI 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) BONETTI shall obey all laws, rules and regulations  
8 governing the rights, duties and responsibilities of a real estate licensee in the State of  
9 California; and,

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

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

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1 FRANK COOK REALTY INC. and FREDERICK JAMES BONETTI III

2 6. Pursuant to Section 10148 of the Code, Respondents shall, jointly and  
3 severally, pay the Commissioner's reasonable cost, not to exceed \$3,927.48 for a subsequent  
4 audit to determine if Respondents have corrected the violations found in the "Determination of  
5 Issues". In calculating the amount of the Commissioner's reasonable cost, the Commissioner  
6 may use the estimated average hourly salary for all persons performing audits of real estate  
7 brokers, and shall include an allocation for travel time to and from the auditor's place of work.  
8 Respondents shall pay such cost within sixty (60) days of receiving an invoice therefore from the  
9 Commissioner. Payment of the audit costs should not be made until Respondents receive the  
10 invoice. If Respondents fail to satisfy this condition in a timely manner as provided for herein,  
11 Respondents' real estate licenses shall automatically be suspended until payment is made in full,  
12 or until a decision providing otherwise is adopted following a hearing held pursuant to this  
13 condition.

14 7. All licenses and licensing rights of Respondents are indefinitely suspended  
15 unless or until Respondents, jointly and severally, pay the sum of \$2,643.00 for the  
16 Commissioner's reasonable cost of the investigation and enforcement which led to this  
17 disciplinary action. Said payment shall be in the form of a cashier's check made payable to the  
18 Department of Real Estate, Flag Section at 651 Bannon Street, Suite 504, Sacramento, CA  
19 95811, prior to the effective date of this Stipulation.

20  
21 8/28/25

22 DATED

23   
24 MEGAN LEE OLSEN, Counsel  
25 DEPARTMENT OF REAL ESTATE  
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1 \* \* \*

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

10 Respondents and Respondents' attorney further agree to send the original signed  
11 Stipulation by mail to the following address no later than one (1) week from the date the  
12 Stipulation is signed by Respondents and Respondents' attorney: *Department of Real Estate,*  
13 *Legal Section, 651 Bannon Street, Suite 507, Sacramento, California 95811.* Respondents and  
14 Respondents' attorney understand and agree that if they fail to return the original signed  
15 Stipulation by the due date, Complainant retains the right to set this matter for hearing.

16  
17 08/25/2025

18 \_\_\_\_\_  
19 DATED

*Frederick James Bonetti III*

Frederick James Bonetti III (Aug 25, 2025 16:09:35 PDT)

FRANK COOK REALTY INC.

Respondent

By: FREDERICK JAMES BONETTI III  
Designated Officer

21  
22 08/25/2025

23 \_\_\_\_\_  
24 DATED

*Frederick James Bonetti III*

Frederick James Bonetti III (Aug 25, 2025 16:09:35 PDT)

FREDERICK JAMES BONETTI III

Respondent

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

08/25/2025

*Roberto M. Hernandez*

DATED

ROBERTO M. HERNANDEZ  
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 **DEC 03 2025**.

IT IS SO ORDERED: 11/4/2025.

CHIKA SUNQUIST  
REAL ESTATE COMMISSIONER

  
By: Marcus L. McCarther  
Chief Deputy Real Estate Commissioner