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Bureau of Real Estate  
P.O. Box 137007  
Sacramento, CA 95815-7007  
Telephone: (916) 263-8672

SEP 11 2017  
BUREAU OF REAL ESTATE  
By B. Nicholas

BEFORE THE BUREAU OF REAL ESTATE  
STATE OF CALIFORNIA

\*\*\*

In the Matter of the Accusation of  
  
ROYAL HOMES, DAVID GEORGE DANIEL,  
and ALI HASNAIN ALI,  
  
Respondents.

No. H-11644 SF

In the Matter of the Accusation of  
  
REDWOOD REALTY, INC., DAVID GEORGE  
DANIEL, and ALI HASNAIN ALI,  
  
Respondents.

No. H-11823 SF

STIPULATION AND  
AGREEMENT

It is hereby stipulated by and between ROYAL HOMES, REDWOOD REALTY, INC., DAVID GEORGE DANIEL, and ALI HASNAIN ALI (Respondents) and their attorney, Eric A. Gravink, and the Complainant, acting by and through Truly Sughrue, Counsel for the Bureau of Real Estate (Bureau), as follows for the purpose of settling and disposing the First Amended Accusations (Accusations) H-11644 SF and H-11823 SF filed on December 6, 2016 and December 9, 2016, respectively, in these matters:

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),

1 shall instead and in place thereof be submitted solely on the basis of the provisions of this  
2 Stipulation and Agreement.

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

5           3. Respondents filed a Notice of Defense on Accusations H-11644 SF and  
6 H-11823 SF pursuant to Section 11505 of the Government Code for the purpose of requesting a  
7 hearing on the allegations in the Accusations. Respondents hereby freely and voluntarily  
8 withdraw said Notice of Defenses. Respondents acknowledge that they understand that by  
9 withdrawing said Notice of Defense they will thereby waive their rights to require the Real Estate  
10 Commissioner (Commissioner) to prove the allegations in the Accusations at a contested hearing  
11 held in accordance with the provisions of the APA, and that they will waive other rights afforded  
12 to them in connection with the hearing such as the right to present evidence in defense of the  
13 allegations in the Accusations and the right to cross-examine witnesses.

14           4. This Stipulation and Agreement is based on the factual allegations  
15 contained in the Accusations H-11644 SF and H-11823 SF. In the interest of expediency and  
16 economy, Respondents choose not to contest these factual allegations, but to remain silent and  
17 understands that, as a result thereof, these factual statements will serve as a prima facie basis for  
18 the "Determination of Issues" and "Order" set forth below. The Commissioner shall not be  
19 required to provide further evidence to prove such allegations.

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

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1           6.       Respondents ROYAL HOMES (ROYAL) DAVID GEORGE DANIEL  
2 (DANIEL), and ALI HASNAIN ALI (ALI) understand that by agreeing to this Stipulation and  
3 Agreement, Respondents ROYAL, DANIEL, and ALI agree to pay, pursuant to Section 10148  
4 of the California Business and Professions Code (Code), the cost audit OK110090, which  
5 resulted in the determination that Respondents ROYAL, DANIEL, and ALI committed the trust  
6 fund handling violation(s) found in the Determination of Issues. The amount of said costs is  
7 \$2,793.

8           7.       Respondents ROYAL, DANIEL, and ALI further understand that by  
9 agreeing to this Stipulation and Agreement, the findings set forth below in the Determination of  
10 Issues become final, and that the Commissioner may charge said Respondents ROYAL,  
11 DANIEL, and ALI for the costs of any audit conducted pursuant to Section 10148 of the Code to  
12 determine if the violations have been corrected. The maximum costs of said audit shall not  
13 exceed \$3,491.25.

14           8.       Respondents REDWOOD REALTY, INC. (REDWOOD), DANIEL, and  
15 ALI understand that by agreeing to this Stipulation and Agreement, Respondents REDWOOD,  
16 DANIEL, and ALI agree to pay, pursuant to Section 10148 of the Code, the cost audit  
17 OK110091, which resulted in the determination that Respondents REDWOOD, DANIEL, and  
18 ALI committed the trust fund handling violation(s) found in the Determination of Issues. The  
19 amount of said costs is \$4,945.49.

20           9.       Respondents REDWOOD, DANIEL, and ALI further understand that by  
21 agreeing to this Stipulation and Agreement, the findings set forth below in the Determination of  
22 Issues become final, and that the Commissioner may charge said Respondents REDWOOD,  
23 DANIEL, and ALI for the costs of any audit conducted pursuant to Section 10148 of the Code to  
24 determine if the violations have been corrected. The maximum costs of said audit shall not  
25 exceed \$6,181.86.

26 ///

27 ///



1 Accusations filed in this matter at a hearing held in accordance with the provisions of the APA,  
2 and that I also waive other rights afforded to me in connection with the hearing such as the right  
3 to discovery, the right to present evidence in defense of the allegations in the Accusations and the  
4 right to cross-examine witnesses.

5 3. I further agree that upon acceptance by the Commissioner, as evidenced  
6 by an appropriate order, all affidavits and all relevant evidence obtained by the Bureau in this  
7 matter prior to the Commissioner's acceptance, and all allegations contained in the Accusations  
8 filed in the Bureau Case Nos. H-11644 SF and H-11823 SFAC may be considered by the  
9 Bureau to be true and correct for the purpose of deciding whether to grant re-licensure or  
10 reinstatement pursuant to Government Code section 11522.

11 4. I freely and voluntarily surrender all my licenses and license rights under  
12 the Real Estate Law.

13 \* \* \*

14 DETERMINATION OF ISSUES

15 By reason of the foregoing stipulations and waivers and solely for the purpose of  
16 settlement of the pending Accusations H-11644 SF and H-11823 SF without a hearing, it is  
17 stipulated and agreed that the following determination of issues shall be made:

18 I

19 The acts and omissions of ROYAL, and ALI as described in the Accusation H-  
20 11644 SF are grounds for the suspension or revocation of ROYAL, and ALI license and license  
21 rights under the following sections of the Code and Regulations:

22 As to the First Cause of Action under Section 2831(a)(6) of the Regulations in  
23 conjunction with Section 10177(d) of the Code;

24 As to the Third Cause of Action under Section 10161.8 of the Code and Section  
25 2752 of the Regulations in conjunction with Section 10177(d) of the Code;

26 As to the Fourth Cause of Action under Section 2726 of the Regulations in  
27 conjunction with Section 10177(d) of the Code;

## II

1  
2 The acts and omissions of REDWOOD, and ALI as described in the First Cause  
3 of Action in Accusation H-11823 SF are grounds for the suspension or revocation of  
4 REDWOOD, and ALI's license and license rights under the following sections of the Code and  
5 Regulations:

6 As to Paragraph 10(a) under Section 10145 of the Code in conjunction with  
7 Section 10177(d) of the Code;

8 As to Paragraph 10(b) under Section 10146 of the Code in conjunction with  
9 Section 10177(d) of the Code;

10 As to Paragraph 10(c) under Section 10145 of the Code and Section 2832 of the  
11 Regulations in conjunction with Section 10177(d) of the Code;

12 As to Paragraph 10(d) under Section 10145 of the Code and Section 2831 of the  
13 Regulations in conjunction with Section 10177(d) of the Code;

14 As to Paragraph 10(e) under Section 10145 of the Code and Section 2831.1 of the  
15 Regulations in conjunction with Section 10177(d) of the Code;

16 As to Paragraph 10(f) under Section 10145 of the Code and Section 2831.2 of the  
17 Regulations in conjunction with Section 10177(d) of the Code;

18 (c) As to Paragraph 10(g) under Section 2972 of the Regulations in  
19 conjunction with Section 10177(d) of the Code;

20 (c) As to Paragraph 10(h) under Section 10145 of the Code and Section 2834  
21 of the Regulations in conjunction with Section 10177(d) of the Code; and

22 (c) As to Paragraph 10(i) under Section 10176(e) of the Code.

## III

23  
24 The acts and omissions of REDWOOD, and ALI as described in the Second  
25 Cause of Action in Accusation H-11823 SF are grounds for the suspension or revocation of  
26 REDWOOD, and ALI's license and license rights under Section 10085.6 of the Code in  
27 conjunction with Section 10177(d) of the Code.

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IV

The acts and omissions of REDWOOD as described in the Third Cause of Action in Accusation H-11823 SF are grounds for the suspension or revocation of REDWOOD's license and license rights under Section 10166.02(b) of the Code in conjunction with Section 10177(d) of the Code.

V

The acts and/or omissions of ALI as described in the Sixth Cause of Action in Accusation H-11644 and the Fifth Cause of Action in Accusation H-11823 SF is cause for the suspension or revocation of ALI's license and/or license rights under Section 10177(h) of the Code.

\*\*\*

ORDER

I

DANIEL's petition for voluntary surrender of his real estate broker license is accepted as of the effective date of this Order as set forth below, based upon the understanding and agreement expressed in DANIEL's Declaration incorporated herein as part of this Stipulation. DANIEL's license certificates, pocket cards and any branch office license certificates shall be sent to the below listed address so that they reach the Bureau on or before the effective date of this Order:

BUREAU OF REAL ESTATE  
Attn: Licensing Flag Section  
P. O. Box 137013  
Sacramento, CA 95813-7013

II

All licenses and licensing rights of ALI under the Real Estate Law are suspended for a period of one hundred and twenty (120) days from the effective date of this Order; provided, however, that:

1 1) Thirty (30) days of said suspension shall be stayed, upon the condition that ALI petition  
2 pursuant to Section 10175.2 of the Code and pays a monetary penalty pursuant to Section  
3 10175.2 of the Code at a rate of \$50 for each day of the suspension for a total monetary penalty  
4 of \$1,500.

5 a) Said payment shall be in the form of a cashier's check made payable to the  
6 Bureau of Real Estate. Said check must be delivered to the Bureau of Real Estate, Flag Section  
7 at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this Order.

8 b) No further cause for disciplinary action against the Real Estate licenses of ALI  
9 occurs within two (2) years from the effective date of the decision in this matter.

10 c) If ALI fails to pay the monetary penalty as provided above prior to the effective  
11 date of this Order, the stay of the suspension shall be vacated as to ALI and the order of  
12 suspension shall be immediately executed, under this Order, in which event ALI shall not be  
13 entitled to any repayment nor credit, prorated or otherwise, for the money paid to the Bureau  
14 under the terms of this Order.

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

19 2) Ninety (90) days of said suspension shall be stayed for two (2) years upon the following  
20 terms and conditions:

21 a) ALI shall obey all laws, rules and regulations governing the rights, duties and  
22 responsibilities of a real estate licensee in the State of California; and,

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



- 1 3) All licenses and licensing rights of ALI are indefinitely suspended unless or until ALI  
2 provides proof satisfactory to the Commissioner, of having taken and successfully completed the  
3 continuing education course on trust fund accounting and handling specified in paragraph (3) of  
4 subdivision (a) of Section 10170.5 of the Code. Proof of satisfaction of these requirements  
5 includes evidence that ALI has successfully completed the trust fund account and handling  
6 continuing education courses, no earlier than 120 days prior to the effective date of the Decision  
7 and Order in this matter. Proof of completion of the trust fund accounting and handling course  
8 must be delivered to the Bureau of Real Estate, Flag Section at P.O. Box 137013, Sacramento,  
9 CA 95813-7013 or by fax at 916-263-8758, prior to the effective date of this Decision and Order.
- 10 4) ALI shall, within six (6) months from the effective date of this Decision and Order, take  
11 and pass the Professional Responsibility Examination administered by the Bureau including the  
12 payment of the appropriate examination fee. If ALI fails to satisfy this condition, ALI's real  
13 estate license shall automatically be suspended until ALI passes the examination.

## 14 III

15 All licenses and licensing rights of REDWOOD under the Real Estate Law are  
16 suspended for a period of one hundred and twenty (120) days from the effective date of this  
17 Order; provided, however, that:

- 18 1) Thirty (30) days of said suspension shall be stayed, upon the condition that REDWOOD  
19 petition pursuant to Section 10175.2 of the Code and pays a monetary penalty pursuant to Section  
20 10175.2 of the Code at a rate of \$50 for each day of the suspension for a total monetary penalty  
21 of \$1,500.
- 22 a) Said payment shall be in the form of a cashier's check made payable to the  
23 Bureau of Real Estate. Said check must be delivered to the Bureau of Real Estate, Flag Section  
24 at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this Order.
- 25 b) No further cause for disciplinary action against the Real Estate licenses of  
26 REDWOOD occurs within two (2) years from the effective date of the decision in this matter.

27

1 c) If REDWOOD fails to pay the monetary penalty as provided above prior to the  
2 effective date of this Order, the stay of the suspension shall be vacated as to REDWOOD and the  
3 order of suspension shall be immediately executed, under this Order, in which event REDWOOD  
4 shall not be entitled to any repayment nor credit, prorated or otherwise, for the money paid to the  
5 Bureau under the terms of this Order.

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

10 2) Ninety (90) days of said suspension shall be stayed for two (2) years upon the following  
11 terms and conditions:

12 a) REDWOOD shall obey all laws, rules and regulations governing the rights, duties  
13 and responsibilities of a real estate licensee in the State of California; and,

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

19 IV

20 All licenses and licensing rights of ROYAL under the Real Estate Law are  
21 publicly reproved.

22 V

23 1) Pursuant to Section 10148 of the Code, ROYAL, DANIEL, and ALI shall jointly and  
24 severally pay the sum of \$2,793 for the Commissioner's cost of audit OK110090. ROYAL,  
25 DANIEL, and ALI shall pay such cost within sixty (60) days of receiving an invoice therefore  
26 from the Commissioner. Payment of audit costs should not be made until ROYAL, DANIEL,  
27 and ALI receive the invoice. If ROYAL, and ALI fail to satisfy this condition in a timely manner

1 as provided for herein, ROYAL, and ALI's real estate license shall automatically be suspended  
2 until payment is made in full, or until a decision providing otherwise is adopted following a  
3 hearing held pursuant to this condition. Any petition for reinstatement made pursuant to  
4 Government Code Section 11522 shall be denied if DANIEL fails to satisfy this condition.

5 2) Pursuant to Section 10148 of the Code, ROYAL, DANIEL, and ALI shall pay the  
6 Commissioner's reasonable cost, not to exceed \$3,491.25, for an audit to determine if ROYAL  
7 has corrected the violation(s) found in the Determination of Issues. In calculating the amount of  
8 the Commissioner's reasonable cost, the Commissioner may use the estimated average hourly  
9 salary for all persons performing audits of real estate brokers, and shall include an allocation for  
10 travel time to and from the auditor's place of work. ROYAL, DANIEL, and ALI shall pay such  
11 cost within sixty (60) days of receiving an invoice therefore from the Commissioner. Payment of  
12 the audit costs should not be made until ROYAL, DANIEL, and ALI receive the invoice. If  
13 ROYAL, and ALI fail to satisfy this condition in a timely manner as provided for herein,  
14 ROYAL, and ALI's real estate license shall automatically be suspended until payment is made in  
15 full, or until a decision providing otherwise is adopted following a hearing held pursuant to this  
16 condition. Any petition for reinstatement made pursuant to Government Code Section 11522  
17 shall be denied if DANIEL fails to satisfy this condition.

18 3) Pursuant to Section 10148 of the Code, REDWOOD, DANIEL, and ALI shall jointly and  
19 severally pay the sum of \$4,945.49 for the Commissioner's cost of audit OK110091.  
20 REDWOOD, DANIEL, and ALI shall pay such cost within sixty (60) days of receiving an  
21 invoice therefore from the Commissioner. Payment of audit costs should not be made until  
22 ROYAL, DANIEL, and ALI receive the invoice. If REDWOOD, and ALI fail to satisfy this  
23 condition in a timely manner as provided for herein, REDWOOD, and ALI's real estate license  
24 shall automatically be suspended until payment is made in full, or until a decision providing  
25 otherwise is adopted following a hearing held pursuant to this condition. Any petition for  
26 reinstatement made pursuant to Government Code Section 11522 shall be denied if DANIEL  
27 fails to satisfy this condition.

1 4) Pursuant to Section 10148 of the Code, REDWOOD, DANIEL, and ALI shall pay the  
 2 Commissioner's reasonable cost, not to exceed \$6,181.86, for an audit to determine if  
 3 REDWOOD has corrected the violation(s) found in the Determination of Issues. In calculating  
 4 the amount of the Commissioner's reasonable cost, the Commissioner may use the estimated  
 5 average hourly salary for all persons performing audits of real estate brokers, and shall include an  
 6 allocation for travel time to and from the auditor's place of work. REDWOOD, DANIEL, and  
 7 ALI shall pay such cost within sixty (60) days of receiving an invoice therefore from the  
 8 Commissioner. Payment of the audit costs should not be made until REDWOOD, DANIEL, and  
 9 ALI receive the invoice. If REDWOOD, and ALI fail to satisfy this condition in a timely manner  
 10 as provided for herein, REDWOOD, and ALI's real estate license shall automatically be  
 11 suspended until payment is made in full, or until a decision providing otherwise is adopted  
 12 following a hearing held pursuant to this condition. Any petition for reinstatement made  
 13 pursuant to Government Code Section 11522 shall be denied if DANIEL fails to satisfy this  
 14 condition.

15 5) All licenses and licensing rights of REDWOOD, ROYAL, and ALI are indefinitely  
 16 suspended unless or until REDWOOD, ROYAL, and ALI pays the sum of \$1,340.85 for the  
 17 Commissioner's reasonable cost of the investigation and enforcement which led to this  
 18 disciplinary action. Said payment shall be in the form of a cashier's check made payable to the  
 19 Bureau of Real Estate. The investigative and enforcement costs must be delivered to the Bureau  
 20 of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the  
 21 effective date of this Decision and Order. Any petition for reinstatement made pursuant to  
 22 Government Code Section 11522 shall be denied if DANIEL fails to satisfy this condition.

VI

24 REDWOOD, DANIEL, and ALI shall, within one (1) year from the effective date  
 25 of this Order, present evidence satisfactory to the Commissioner that Respondent has, refunded  
 26 any advance fees collected from borrowers identified in Audit OK110091 that did not receive a  
 27 loan modification. Proof of satisfaction shall be a copy of a canceled check to borrower, or a

1 letter from borrower acknowledging receipt of the funds. If REDWOOD, DANIEL, and ALI are  
 2 unable to locate a borrower to make the refund, Respondents shall make payment to the  
 3 California State Controller's Office, pursuant to the Unclaimed Property Law (Code of Civil  
 4 Procedure Sections 1500 et seq.). If REDWOOD, and ALI fail to satisfy this condition,  
 5 REDWOOD, and ALI's real estate licenses shall automatically be suspended until REDWOOD,  
 6 and ALI presents evidence satisfactory to the Commissioner of having paid the refunds to  
 7 borrowers. Any petition for reinstatement made pursuant to Government Code Section 11522  
 8 shall be denied if DANIEL fails to satisfy this condition.

9  
 10 17-July-17  
 DATED

  
 TRULY SUGHRUE  
 Counsel for Complainant

11  
 12 \* \* \*


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

20 Respondents and Respondents' attorney further agree to send the original signed  
 21 Stipulation and Agreement by mail to the following address no later than one (1) week from the  
 22 date the Stipulation and Agreement is signed by Respondents and Respondents' attorney:  
 23 *Bureau of Real Estate, Legal Section, P.O. Box 137007, Sacramento, California 95813-7007.*  
 24 Respondents and Respondents' attorney understand and agree that if they fail to return the  
 25 original signed Stipulation and Agreement by the due date, Complainant retains the right to set  
 26 this matter for hearing.

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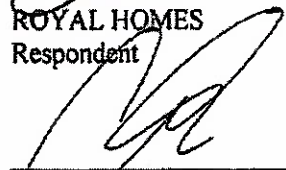
7.5.17

DATED

  
Ali Hasnain Ali, for  
ROYAL HOMES  
Respondent

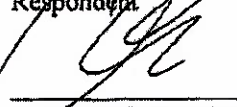
7.5.17

DATED

  
Ali Hasnain Ali, for  
REDWOOD REALTY, INC.  
Respondent

7.5.17

DATED

  
ALHASNAIN ALI  
Respondent


DATED

DAVID GEORGE DANIEL  
Respondent

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

7-14-17

DATED

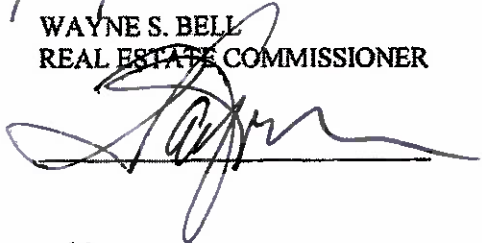
  
ERIC A. GRAVINK  
Attorney for Respondents

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The foregoing Stipulation and Agreement is hereby adopted as my Decision and Order and shall become effective at 12 o'clock noon on **OCT 02 2017**

IT IS SO ORDERED 9/3/2017.

WAYNE S. BELL  
REAL ESTATE COMMISSIONER



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DATED \_\_\_\_\_

Ali Hasnain Ali, for  
ROYAL HOMES  
Respondent

DATED \_\_\_\_\_

Ali Hasnain Ali, for  
REDWOOD REALTY, INC.  
Respondent

DATED \_\_\_\_\_

ALI HASNAIN ALI  
Respondent

7/13/17



DATED \_\_\_\_\_

DAVID GEORGE DANIEL  
Respondent

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

DATED \_\_\_\_\_

ERIC A. GRAVINK  
Attorney for Respondents

\*\*\*

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

IT IS SO ORDERED \_\_\_\_\_.

WAYNE S. BELL  
REAL ESTATE COMMISSIONER

\_\_\_\_\_