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FILED
FEB 24 2022
DEPARTMENT OF REAL ESTATE
By J. Taggart

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

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11 In the Matter of the Accusation of)
12) NO. H-12583-SF
13 HASTINGS REALTY GROUP, INC.,)
14 and SAMMY LEE HASTINGS,)
15 Respondents.) ACCUSATION

16 The Complainant, STEPHANIE YEE, a Supervising Special Investigator of the
17 State of California, for cause of Accusation against HASTINGS REALTY GROUP, INC.
18 (HRG) and SAMMY LEE HASTING (HASTINGS), collectively referred to as
19 RESPONDENTS, is informed and alleges as follows:

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21 The Complainant makes this Accusation in her official capacity.

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23 At all times herein mentioned, HRG was and is presently licensed and/or has
24 license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and
25 Professions Code (the Code) by the Department of Real Estate (the Department) as a corporate
26 real estate broker.

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All times herein mentioned, HASTINGS was and is presently licensed and/or has license rights as a real estate broker.

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At all times herein mentioned, HASTINGS was licensed by the Department as the designated officer of HRG. As the designated officer, HASTINGS was responsible, pursuant to Section 10159.2 of the Code, for the supervision of the activities of the officers, agents, real estate licensees, and employees of HRG for which a real estate license is required.

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Whenever reference is made in an allegation in this Accusation to an act or omission or HRG, such allegation shall be deemed to also mean that HASTINGS committed such act or omission while engaged in furtherance of the business or operation of HRG, and while acting within the course and scope of his employment.

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At all times mentioned, RESPONDENTS engaged in the business of, acted in the capacity of, advertised or assumed to act as a real estate broker in the State of California, within the meaning of Section 10131(a) of the Code, including the operation and conduct of a residential resale brokerage wherein RESPONDENTS bought, sold, or offered to buy or sell, solicited or obtained listings of, and negotiated the purchase, sale or exchange of real property or business opportunities, all for or in expectation of compensation.

FIRST CAUSE OF ACTION

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Complainant refers to Paragraphs 1 through 6 above, and incorporates them herein, by reference.

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2 In or around February of 2019, HASTINGS, acting on his own behalf and for
3 HRG, agreed to be the listing agent for Seller of that certain real property commonly known as
4 2936 Griffith Street, San Francisco, California 94124. (Griffith Property)

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6 On or about February 2, 2019, Thomas Bouldin (Buyer) made an offer with
7 contingencies, which Seller accepted.

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9 Buyer drafted a list of repairs to be done on the Griffith Property and signed the
10 list on or about February 8, 2019, and Seller signed on or about February 20, 2019.

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12 Seller hired Todd Z. to do the repairs, who on or about February 25, 2019,
13 prepared a work proposal for those items on the list as well as foundational work. The estimate
14 for the work was \$18,538.00, to which Seller and Buyer agreed.

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16 On or about February 25, 2019, Buyer and Seller signed an Addendum with
17 instructions regarding the release of payments to Todd Z. for the work on the Griffith Property.
18 The instructions were that \$12,500 was to be released as a first payment, and up to \$12,500 was
19 to be held and released on completion of the job, with any remaining money to be released to
20 Seller.

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22 Escrow closed on or about March 1, 2019, and RESPONDENTS failed to ensure
23 that the Addendum instructs were carried out, and allowed the entire \$25,000 to be released to
24 Todd Z., despite the fact that the work on the Griffith Property was not complete.

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26 The repairs were not completed until sometime in August of 2019, and not to the
27 satisfaction of Buyer.

The acts or omissions of RESPONDENTS as alleged above are grounds for the suspension or revocation of the licenses and license rights of RESPONDENTS under Sections 10177(d) (violate real estate law) and 10177(g) (negligence/incompetence real estate licensee) of the Code.

SECOND CAUSE OF ACTION

Complainant refers to Paragraphs 1 through 15, above, and incorporates them herein, by reference.

At all times herein above mentioned, HASTINGS, was responsible as the supervising broker for HRG, for the supervision and control of the activities conducted on behalf of HRG's business by its employees. HASTINGS failed to exercise reasonable supervision and control over the property management activities of HRG. In particular, HRG permitted, ratified and/or caused the conduct described above, to occur, and failed to take reasonable steps, including but not limited to handling of trust funds, supervision of employees, and the implementation of policies, rules, and systems to ensure the compliance of the business with the Real Estate Law and the Regulations.

The above acts and/or omissions of HASTINGS violate Section 10159.2 (broker supervision) of the Code and Section 2725 (broker supervision) of the Regulations and constituted grounds for disciplinary action under the provisions of Sections 10177(d), 10177(g) and 10177(h) of the Code.

Section 10106 of the Code provides, in pertinent part, that in any order issued in resolution of a disciplinary proceeding before the Department, the Commissioner may request

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1 the Administrative Law Judge to direct a licensee found to have committed a violation of this
2 part to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the
3 case.

4 WHEREFORE, Complainant prays that a hearing be conducted on the allegations
5 of this Accusation and that, upon proof thereof, a decision be rendered imposing disciplinary
6 action against all licenses and license rights of Respondent under the Code, for the reasonable
7 costs of investigation and prosecution of this case, including agency attorney's fees, and for such
8 other and further relief as may be proper under other provisions of law.

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12 STEPHANIE YEE
Supervising Special Investigator

13 Dated at Oakland, California,
14 this 24th day of February, 2022.

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16 **DISCOVERY DEMAND**

17 The Department of Real Estate hereby requests discovery pursuant to Section
18 11507.6 of the California Government Code. Failure to provide discovery to the Department
19 may result in the exclusion of witnesses and/or documents at the hearing, and other sanctions
20 as the Administrative Law Judge deems appropriate.