

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

4 Telephone: (916) 576-8700

FILED

JUL 07 2023

DEPARTMENT OF REAL ESTATE
By B. Nicholas

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

10 * * *

11 In the Matter of the Accusation of)

12 CROSSBAY GROUP INC.:)

13 and)

14 TING YI CHANG, individually and as)
15 designated officer of Crossbay Group Inc.,)

16 Respondents.)

No. H-12646 SF

STIPULATION AND
AGREEMENT

17 It is hereby stipulated by and between CROSSBAY GROUP INC. (CGI), and
18 TING YI CHANG (CHANG) (collectively "Respondents"), and the Complainant, acting by
19 and through Truly Sughrue, Counsel for the Department of Real Estate (Department), as
20 follows for the purpose of settling and disposing of the Accusation (Accusation) filed on
21 March 7, 2023, in this matter:

22 1. All issues which were to be contested and all evidence which was to be
23 presented by Complainant and Respondents at a formal hearing on the Accusation, which
24 hearing was to be held in accordance with the provisions of the Administrative Procedure Act
25 (APA), shall instead and in place thereof be submitted solely on the basis of the provisions of
26 this Stipulation and Agreement.
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1 2. Respondents have received, read, and understand the Statement to
2 Respondent, and the Discovery Provisions of the APA filed by the Department in this
3 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 that Respondents understand that by withdrawing said Notice of Defense
8 Respondents will thereby waive Respondents' rights to require the Real Estate Commissioner
9 (Commissioner) to prove the allegations in the Accusation at a contested hearing held in
10 accordance with the provisions of the APA, and that Respondents will waive other rights
11 afforded to Respondents in connection with the hearing such as the right to present evidence in
12 defense of the allegations in the Accusation and the right to cross-examine witnesses.

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

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

24 6. Respondents understand that by agreeing to this Stipulation and
25 Agreement, Respondents agree to pay, pursuant to Section 10148 of the California Business and
26 Professions Code (Code), the cost of the audit, which resulted in the determination that
27 Respondent committed the trust fund handling violation(s) found in the Determination of Issues.

1 The amount of said costs is \$5,340.

2 7. Respondents further understand that by agreeing to this Stipulation and
3 Agreement, the findings set forth below in the Determination of Issues become final, and that
4 the Commissioner may charge said Respondents for the costs of any audit conducted pursuant
5 to Section 10148 of the Code to determine if the violations have been corrected. The maximum
6 costs of said audit shall not exceed \$6,675.

7 8. Respondents understand that by agreeing to this Stipulation and
8 Agreement, Respondents agree to pay, pursuant to Section 10106 of the Code, the reasonable
9 costs of investigation and enforcement, which resulted in the determination that Respondent
10 committed the violation(s) found in the Determination of Issues. The amount of said
11 investigation and enforcement costs is \$1,637.15.

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

19 10. The Order or any subsequent Order of the Commissioner made pursuant to
20 this Stipulation and Agreement shall not constitute an estoppel, merger or bar to any further
21 administrative or civil proceedings by the Department with respect to any matters which were
22 not specifically alleged to be causes for action in Accusation H-12646 SF.

23 * * *

24 DETERMINATION OF ISSUES

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

I

The acts and omissions of Respondents as described in the Accusation are grounds for the suspension or revocation of Respondents' licenses and license rights under the following sections of the Code and Title 10, Chapter 6, of the California Code of Regulations (Regulations):

As to Paragraph 10, under Sections 10177(d) and/or 10177(g) of the Code in conjunction with Section 10145 of the Code and Section 2832.1 of the Regulations;

As to Paragraph 11, under Sections 10177(d) and/or 10177(g) of the Code in conjunction with Section 10145 of the Code and Section 2832 of the Regulations; and

As to Paragraph 12, under Sections 10177(d) and/or 10177(g) of the Code in conjunction with Section 10145 of the Code and Section 2831.2 of the Regulations.

II

The acts and/or omissions of CHANG as described in the Accusation is cause for the suspension or revocation of CHANG's license and/or license rights under Section 10177(h) of the Code.

* * *

ORDER

I

All licenses and licensing rights of CGI under the Real Estate Law are suspended for a period of fifty (50) days from the effective date of this Order; provided, however, that:

1) Twenty-five (25) days of said suspension shall be stayed, upon the condition that CGI petition pursuant to Section 10175.2 of the Code and pays a monetary penalty pursuant to Section 10175.2 of the Code at a rate of \$50 for each day of the suspension for a total monetary penalty of \$1,250.

a) Said payment shall be in the form of a cashier's check made payable to the Department of Real Estate. Said check must be delivered to the Department of Real Estate.

1 Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of
2 this Order.

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

5 c) If CGI fails to pay the monetary penalty as provided above prior to the effective
6 date of this Order, the stay of the suspension shall be vacated as to CGI and the order of
7 suspension shall be immediately executed, under this Order, in which event CGI shall not be
8 entitled to any repayment nor credit, prorated or otherwise, for the money paid to the Department
9 under the terms of this Order.

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

14 2) Twenty-five (25) days of said suspension shall be stayed for two (2) years upon
15 the following terms and conditions:

16 a) CGI shall obey all laws, rules and regulations governing the rights, duties and
17 responsibilities of a real estate licensee in the State of California; and,

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

23 II

24 All licenses and licensing rights of CHANG under the Real Estate Law are
25 suspended for a period of fifty (50) days from the effective date of this Order; provided,
26 however, that:
27

1) Twenty-five (25) days of said suspension shall be stayed, upon the condition that CHANG petition pursuant to Section 10175.2 of the Code and pays a monetary penalty pursuant to Section 10175.2 of the Code at a rate of \$50 for each day of the suspension for a total monetary penalty of \$1,250.

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

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

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

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

2) Twenty-five (25) days of said suspension shall be stayed for two (2) years upon the following terms and conditions:

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

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

1 such determination be made, the stay imposed herein shall become permanent.

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

12 III

13 1) Pursuant to Section 10148 of the Code, Respondents shall pay the sum of \$5,340
14 for the Commissioner's cost of the audit which led to this disciplinary action. Respondents shall
15 pay such cost within sixty (60) days of receiving an invoice therefore from the Commissioner.
16 Payment of audit costs should not be made until Respondents receive the invoice. If
17 Respondents fail to satisfy this condition in a timely manner as provided for herein.
18 Respondents' real estate license shall automatically be suspended until payment is made in full,
19 or until a decision providing otherwise is adopted following a hearing held pursuant to this
20 condition.

21 2) Pursuant to Section 10148 of the Code, Respondents shall pay the
22 Commissioner's reasonable cost, not to exceed \$6,675, for an audit to determine if Respondents
23 have corrected the violation(s) found in the Determination of Issues. In calculating the amount
24 of the Commissioner's reasonable cost, the Commissioner may use the estimated average hourly
25 salary for all persons performing audits of real estate brokers, and shall include an allocation for
26 travel time to and from the auditor's place of work. Respondents shall pay such costs within
27 sixty (60) days of receiving an invoice therefore from the Commissioner. Payment of the audit

1 costs should not be made until Respondents receive the invoice. If Respondents fail to satisfy
2 this condition in a timely manner as provided for herein. Respondents' real estate license shall
3 automatically be suspended until payment is made in full, or until a decision providing otherwise
4 is adopted following a hearing held pursuant to this condition.

5 3.) All licenses and licensing rights of Respondents are indefinitely suspended unless
6 or until Respondent pays the sum of \$1,637.15 for the Commissioner's reasonable cost of the
7 investigation and enforcement which led to this disciplinary action. Said payment shall be in the
8 form of a cashier's check made payable to the Department of Real Estate. The investigative and
9 enforcement costs must be delivered to the Department of Real Estate, Flag Section at P.O. Box
10 137013, Sacramento CA 95813-7013, prior to the effective date of this Decision and Order.

11
12 **22 May 2023**

13 DATED

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15 TRULY SUGHRUE
16 Counsel for Complainant

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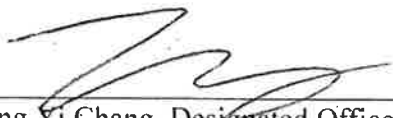
18 I have read the Stipulation and Agreement, discussed it with my counsel, and its
19 terms are understood by me and are agreeable and acceptable to me. I understand that I am
20 waiving rights given to me by the California Administrative Procedure Act, and I willingly,
21 intelligently and voluntarily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

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


Department of Real Estate, Legal Section, P.O. Box 137007, Sacramento, California 95813-7007. Respondent and Respondent's attorney understand and agree that if they fail to return the

1 original signed Stipulation and Agreement by the due date. Complainant retains the right to set
2 this matter for hearing.

3 05/17/2023
4 DATED


Ting Yi Chang, Designated Officer
CROSSBAY GROUP INC.,
Respondent

6 05/17/2023
7 DATED


TING YI CHANG
Respondent

9 ***

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

13 5/17/2023
14 DATED

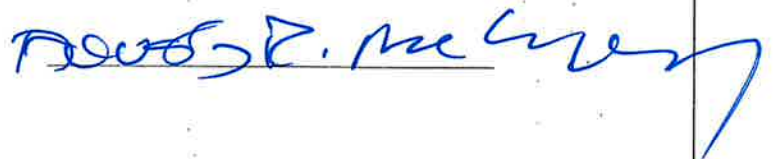

GARRY BARBADILLO
Attorney for Respondents

15 *** /Rajeev Madnawat/
16 Rajeev Madnawat, Attorney

17 The foregoing Stipulation and Agreement is hereby adopted as my Decision and
18 Order and shall become effective at 12 o'clock noon on JUL 28 2023

19 IT IS SO ORDERED 6.23.23

20 DOUGLAS R. McCAULEY
21 REAL ESTATE COMMISSIONER

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