

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

4 Telephone: (916) 576-8700

**FILED**

MAY 31 2024

DEPARTMENT OF REAL ESTATE

By: B. Nicholas

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

10 \* \* \*

11 In the Matter of the Accusation of

12 PROPERTY FORCE, INC.;

13 and

14 JOHN M. WAY JR., as designated officer of  
15 Property Force, Inc.,

16 Respondents.

No. H-12690 SF

STIPULATION AND  
AGREEMENT

17 It is hereby stipulated by and between PROPERTY FORCE, INC. (PFI), and  
18 JOHN M. WAY JR. (WAY) (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 filed on September 28,  
21 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.  
27

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 further understand that by agreeing to this Stipulation and  
25 Agreement, the findings set forth below in the Determination of Issues become final, and that  
26 the Commissioner may charge said Respondents for the costs of any audit conducted pursuant  
27 to Section 10148 of the Code to determine if the violations have been corrected. The maximum

1 costs of said audit shall not exceed \$4,122.

2           7. Respondents understand that by agreeing to this Stipulation and  
3 Agreement, Respondents agree to pay, pursuant to Section 10106 of the Code, the reasonable  
4 costs of investigation and enforcement, which resulted in the determination that Respondent  
5 committed the violation(s) found in the Determination of Issues. The amount of said  
6 investigation and enforcement costs is \$324.95.

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

14           9. The Order or any subsequent Order of the Commissioner made pursuant to  
15 this Stipulation and Agreement shall not constitute an estoppel, merger or bar to any further  
16 administrative or civil proceedings by the Department with respect to any matters which were  
17 not specifically alleged to be causes for action in Accusation H-12690 SF.

18                               \* \* \*

19                               DETERMINATION OF ISSUES

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

23                               I

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

1 As to Paragraph 10, under Section 10177(g) of the Code in conjunction with  
2 Section 10145 of the Code and Section 2832.1 of the Regulations;

3 As to Paragraph 11, under Section 10177(g) of the Code in conjunction with  
4 Section 10145 of the Code and Section 2831.2 of the Regulations; and

5 As to Paragraph 12, under Section 10177(g) of the Code.

6 II

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

10 \* \* \*

11 ORDER

12 I

13 All licenses and licensing rights of PFI under the Real Estate Law are suspended  
14 for a period of sixty (60) days from the effective date of this Order; provided, however, that:

15 1) Thirty (30) days of said suspension shall be stayed, upon the condition that PFI  
16 petition pursuant to Section 10175.2 of the Code and pays a monetary penalty pursuant to  
17 Section 10175.2 of the Code at a rate of \$150 for each day of the suspension for a total monetary  
18 penalty of \$4,500.

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

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

25 c) If PFI fails to pay the monetary penalty as provided above prior to the effective  
26 date of this Order, the stay of the suspension shall be vacated as to PFI and the order of  
27 suspension shall be immediately executed, under this Order, in which event PFI shall not be

1 entitled to any repayment nor credit, prorated or otherwise, for the money paid to the Department  
2 under the terms of this Order.

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

7 2) Thirty (30) days of said suspension shall be stayed for two (2) years upon the  
8 following terms and conditions:

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

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

## 17 II

18 All licenses and licensing rights of WAY under the Real Estate Law are  
19 suspended for a period of sixty (60) days from the effective date of this Order; provided,  
20 however, that:

21 1) Thirty (30) days of said suspension shall be stayed, upon the condition that WAY  
22 petition pursuant to Section 10175.2 of the Code and pays a monetary penalty pursuant to  
23 Section 10175.2 of the Code at a rate of \$150 for each day of the suspension for a total monetary  
24 penalty of \$4,500.

25 a) Said payment shall be in the form of a cashier's check made payable to the  
26 Department of Real Estate. Said check must be delivered to the Department of Real Estate,  
27

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 WAY  
4 occurs within two (2) years from the effective date of the decision in this matter.

5 c) If WAY 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 WAY and the order of  
7 suspension shall be immediately executed, under this Order, in which event WAY 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 WAY 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 WAY occurs within two (2) years from the effective date of this Order, the entire stay  
13 hereby granted this Order, as to WAY only, shall become permanent.

14 2) Thirty (30) days of said suspension shall be stayed for two (2) years upon the  
15 following terms and conditions:

16 a) WAY 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 the Commissioner's  
21 discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed  
22 suspension. Should no such determination be made, the stay imposed herein shall become  
23 permanent.

24 3) All licenses and licensing rights of WAY are indefinitely suspended unless or  
25 until WAY provides proof satisfactory to the Commissioner, of having taken and successfully  
26 completed the continuing education course on trust fund accounting and handling specified in  
27 paragraph (3) of subdivision (a) of Section 10170.5 of the Code. Proof of satisfaction of these

1 requirements includes evidence that WAY has successfully completed the trust fund account and  
2 handling continuing education courses, no earlier than 120 days prior to the effective date of the  
3 Decision and Order in this matter. Proof of completion of the trust fund accounting and handling  
4 course must be delivered to the Department of Real Estate, Flag Section at P.O. Box 137013,  
5 Sacramento, CA 95813-7013 or by fax at 916-263-8758, prior to the effective date of this  
6 Decision and Order.


### 7 III

8 1) Pursuant to Section 10148 of the Code, Respondents shall pay the  
9 Commissioner's reasonable cost, not to exceed \$4,122, for an audit to determine if Respondents  
10 have corrected the violation(s) found in the Determination of Issues. In calculating the amount  
11 of the Commissioner's reasonable cost, the Commissioner may use the estimated average hourly  
12 salary for all persons performing audits of real estate brokers and shall include an allocation for  
13 travel time to and from the auditor's place of work. Respondents shall pay such costs within  
14 sixty (60) days of receiving an invoice therefore from the Commissioner. Payment of the audit  
15 costs should not be made until Respondents receive the invoice. If Respondents fail to satisfy  
16 this condition in a timely manner as provided for herein, Respondents' real estate license shall  
17 automatically be suspended until payment is made in full, or until a decision providing otherwise  
18 is adopted following a hearing held pursuant to this condition.

19 2) All licenses and licensing rights of Respondents are indefinitely suspended unless  
20 or until Respondents pays the sum of \$324.95 for the Commissioner's reasonable cost of the  
21 investigation and enforcement which led to this disciplinary action. Said payment shall be in the  
22 form of a cashier's check made payable to the Department of Real Estate. The investigative and  
23 enforcement costs must be delivered to the Department of Real Estate, Flag Section at P.O. Box  
24 137013, Sacramento, CA 95813-7013, prior to the effective date of this Decision and Order.

23 April 2024

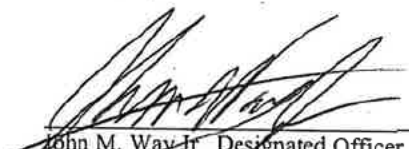
DATED

  
TRULY SUGHRUE  
Counsel for Complainant

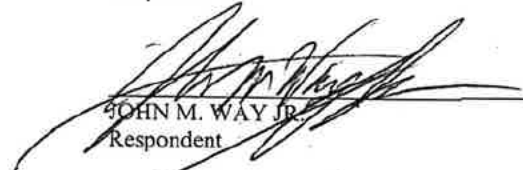
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I have read the Stipulation and Agreement, discussed it with my counsel, and its terms are understood by me and are agreeable and acceptable to me. I understand that I am waiving rights given to me by the California Administrative Procedure Act, and 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.

4/22/2024  
DATED


  
John M. Way Jr., Designated Officer  
PROPERTY FORCE, INC.,  
Respondent

4/22/2024  
DATED

  
JOHN M. WAY JR.  
Respondent

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

4/23/24  
DATED

  
JOSHUA ROSENTHAL  
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 JUN 21 2024.

IT IS SO ORDERED 5/23/24.

CHIKA SUNQUIST  
Real Estate Commissioner

