

1 Department of Real Estate  
320 West 4th Street, Ste. 350  
2 Los Angeles, California 90013-1105  
3 Telephone: (213) 576-6982 (office)  
4  
5  
6

**FILED**  
MAY 11 2007  
DEPARTMENT OF REAL ESTATE

*R. Niederholt*

7 BEFORE THE DEPARTMENT OF REAL ESTATE  
8 STATE OF CALIFORNIA

9 \* \* \*

10	In the Matter of the Accusation of	)	No. H-33451 LA
11		)	
12	SUDMAN ENTERPRISES INC.;	)	<u>STIPULATION</u>
13	and RONNIE WAYNE SUDMAN,	)	<u>AND</u>
14	individually and as	)	<u>AGREEMENT</u>
15	designated officer of	)	
16	Sudman Enterprises Inc.,	)	
17		)	
18	Respondents.	)	
19		)	
20		)	
21		)	

18 It is hereby stipulated by and between Respondents  
19 SUDMAN ENTERPRISES INC., and RONNIE WAYNE SUDMAN, individually  
20 and as designated officer of Sudman Enterprises Inc., sometimes  
21 collectively referred to as "Respondents"), represented by  
22 Elliott Luchs, Esq. and the Complainant, acting by and through  
23 Elliott Mac Lennan, Counsel for the Department of Real Estate, as  
24 follows for the purpose of settling and disposing of the  
25 Accusation filed on November 22, 2006, in this matter:

26 ///

1           1. All issues which were to be contested and all  
2 evidence which was to be presented by Complainant and Respondents  
3 at a formal hearing on the Accusation, which hearing was to be  
4 held in accordance with the provisions of the Administrative  
5 Procedure Act ("APA"), shall instead and in place thereof be  
6 submitted solely on the basis of the provisions of this  
7 Stipulation and Agreement ("Stipulation").

8           2. Respondents have received, read and understand the  
9 Statement to Respondent, the Discovery Provisions of the APA and  
10 the Accusation filed by the Department of Real Estate in this  
11 proceeding.

12           3. Respondents filed a Notice of Defense pursuant to  
13 Section 11506 of the Government Code for the purpose of  
14 requesting a hearing on the allegations in the Accusation as  
15 amended in court on June 7, 2006. Respondents hereby freely and  
16 voluntarily withdraw said Notice of Defense. Respondents  
17 acknowledge that they understand that by withdrawing said Notice  
18 of Defense they thereby waive their right to require the  
19 Commissioner to prove the allegations in the Accusation at a  
20 contested hearing held in accordance with the provisions of the  
21 APA and that they will waive other rights afforded to them in  
22 connection with the hearing such as the right to present evidence  
23 in their defense the right to cross-examine witnesses.

24           4. This Stipulation is based on the factual  
25 allegations contained in the Accusation. In the interest of  
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1 expedience and economy, Respondents choose not to contest these  
2 allegations, but to remain silent and understand that, as a  
3 result thereof, these factual allegations, without being admitted  
4 or denied, will serve as a prima facie basis for the disciplinary  
5 action stipulated to herein. The Real Estate Commissioner shall  
6 not be required to provide further evidence to prove said factual  
7 allegations.

8           5. This Stipulation and Respondent's decision not to  
9 contest the Accusation is made for the purpose of reaching an  
10 agreed disposition of this proceeding and is expressly limited to  
11 this proceeding and any other proceeding or case in which the  
12 Department of Real Estate ("Department"), the state or federal  
13 government, or any agency of this state, another state or federal  
14 government is involved, and otherwise shall not be admissible in  
15 any other criminal or civil proceedings.

16           6. It is understood by the parties that the Real  
17 Estate Commissioner may adopt this Stipulation as his Decision in  
18 this matter thereby imposing the penalty and sanctions on  
19 Respondents' real estate licenses and license rights as set forth  
20 in the below "Order". In the event that the Commissioner in his  
21 discretion does not adopt the Stipulation, the Stipulation shall  
22 be void and of no effect and Respondents shall retain the right  
23 to a hearing and proceeding on the Accusation under the  
24 provisions of the APA and shall not be bound by any stipulation  
25 or waiver made herein.  
26  
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1           7. The Order or any subsequent Order of the Real  
2 Estate Commissioner made pursuant to this Stipulation shall not  
3 constitute an estoppel, merger or bar to any further  
4 administrative or civil proceedings by the Department of Real  
5 Estate with respect to any matters which were not specifically  
6 alleged to be causes for accusation in this proceeding.

7           8. Respondents understand that by agreeing to this  
8 Stipulation, Respondents agree to pay, pursuant to Business and  
9 Professions Code Section 10148, the cost of the audit which led  
10 to this disciplinary action. The amount of said cost is  
11 \$4,042.32 (LA 040127).

12           9. Respondents have received, read, and understand the  
13 "Notice Concerning Costs of Subsequent Audit". Respondents  
14 further understand that by agreeing to this Stipulation, the  
15 findings set forth below in the Determination of Issues become  
16 final, and the Commissioner may charge Respondents for the cost  
17 of any subsequent audit conducted pursuant to Business and  
18 Professions Code Section 10148 to determine if the violations  
19 have been corrected. The maximum cost of the subsequent audit  
20 will not exceed \$4,042.32.  
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DETERMINATION OF ISSUES

1  
2 By reason of the foregoing, it is stipulated and agreed  
3 that the following determination of issues shall be made:

I.

4  
5 The conduct of SUDMAN ENTERPRISES INC., as described in  
6 Paragraph 4, above, is in violation of Section 10145 of the  
7 Business and Professions Code ("Code") and Sections 2831.2 and  
8 2835(b) Chapter 6 of the California Code of Regulations  
9 ("Regulations") and is a basis for the suspension or revocation  
10 of Respondent's license and license rights as a violation of the  
11 Real Estate Law pursuant to Code Sections 10177(d) and 10177(g).

II.

12  
13 The conduct of RONNIE WAYNE SUDMAN, as described in  
14 Paragraph 4, above, constitutes a failure to keep Sudman  
15 Enterprises Inc. in compliance with the Real Estate Law during  
16 the time that he was the officer designated by a corporate broker  
17 licensee in violation of Section 10159.2 of the Code. This  
18 conduct is a basis for the suspension or revocation of  
19 Respondent's license pursuant to Code Sections 10177(d), 10177(g)  
20 and 10177(h).

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ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

I.

The restricted real estate broker licenses of Respondents SUDMAN ENTERPRISES INC., and RONNIE WAYNE SUDMAN, under the Real Estate Law are revoked; provided, however, new restricted real estate broker licenses shall be issued to said Respondents, pursuant to Section 10156.5 of the Business and Professions Code if Respondents:

(A) Make application thereof and pay to the Department of Real Estate the appropriate fee for the restricted licenses within ninety (90) days from the effective date of this Decision.

(B) Respondent RONNIE WAYNE SUDMAN shall, prior to and as a condition of the issuance of the new restricted license, submit proof satisfactory to the Commissioner of having taken and successfully completed the continuing education course on trust fund accounting and handling specified in paragraph (3) of subdivision (a) of Section 10170.5 of the Business and Professions Code. Proof of satisfaction of this requirement includes evidence that Respondent has successfully completed the trust fund account and handling continuing education course within 120 days prior to the effective date of the Decision in this matter.

The new restricted licenses issued to Respondents shall be subject to all of the provisions of Section 10156.7 of the Business and Professions Code and to the followings limitations,

1 conditions and restrictions imposed under authority of Section  
2 10156.6 of that Code:

3 1. The new restricted licenses issued to Respondents  
4 may be suspended prior to hearing by Order of the Real Estate  
5 Commissioner in the event of a Respondent's conviction or plea of  
6 nolo contendere to a crime which is substantially related to a  
7 Respondent's fitness or capacity as a real estate licensee.

8 2. The new restricted licenses issued to Respondents  
9 may be suspended prior to hearing by Order of the Real Estate  
10 Commissioner on evidence satisfactory to the Commissioner that a  
11 Respondent has violated provisions of the California Real Estate  
12 Law, the Subdivided Lands Law, Regulations of the Real Estate  
13 Commissioner or conditions attaching to the restricted license.

14 3. Respondents shall not be eligible to apply for the  
15 issuance of an unrestricted real estate license nor for the  
16 removal of any of the conditions, limitations or restrictions of  
17 a restricted license until two (2) years have elapsed from the  
18 effective date of this Decision.

19 4. Respondent RONNIE WAYNE SUDMAN shall, within nine  
20 (9) months from the effective date of this Decision, present  
21 evidence satisfactory to the Real Estate Commissioner that  
22 Respondent has, since the most recent issuance of an original or  
23 renewal real estate license, taken and successfully completed the  
24 continuing education requirements of Article 2.5 of Chapter 3 of  
25 the Real Estate Law for renewal of a real estate license. If  
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1 Respondent fails to satisfy this condition, the Commissioner may  
2 order the suspension of the restricted license until Respondent  
3 presents such evidence. The Commissioner shall afford Respondent  
4 the opportunity for a hearing pursuant to the Administrative  
5 Procedure Act to present such evidence.

6 II.

7 The new restricted license and licensing rights of  
8 Respondent SUDMAN ENTERPRISES INC. under the Real Estate Law  
9 suspended for a period of ninety (90) days from the effective  
10 date of the issuance of the restricted license.

11 A. Provided, however, that if Respondent petitions,  
12 said ninety (90) day suspension shall be stayed for two (2) years  
13 upon condition that:

14 1. Respondent pays a monetary penalty pursuant to  
15 Section 10175.2 of the Business and Professions Code at the rate  
16 of \$33.33 per day for each day of the suspension for a total  
17 monetary penalty of \$1,000.

18 2. Said payment shall be in the form of a cashier's  
19 check or certified check made payable to the Recovery Account of  
20 the Real Estate Fund. Said check must be received by the  
21 Department prior to the effective date of the Decision in this  
22 matter.

23 3. No further cause for disciplinary action against  
24 the real estate license of Respondent occurs within two (2) years  
25 from the effective date of the Decision in this matter.  
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1 4. If Respondent fails to pay the monetary penalty in  
2 accordance with the terms of the Decision, the Commissioner may,  
3 without a hearing, order the immediate execution of all or any  
4 part of the stayed suspension, in which event the Respondent  
5 shall not be entitled to any repayment nor credit, prorated or  
6 otherwise, for money paid to the Department under the terms of  
7 this Decision.

8 5. If Respondent pays the monetary penalty and if no  
9 further cause for disciplinary action against the real estate  
10 license of Respondent occurs within two (2) years from the  
11 effective date of the Decision, the stay hereby granted shall  
12 become permanent.

13 III.

14 The new restricted license and licensing rights of  
15 Respondent RONNIE WAYNE SUDMAN under the Real Estate Law  
16 suspended for a period of ninety (90) days from the effective  
17 date of the issuance of the restricted license.

18 A. Provided, however, that if Respondent petitions,  
19 said ninety (90) day suspension shall be stayed for two (2) years  
20 upon condition that:

21 1. Respondent pays a monetary penalty pursuant to  
22 Section 10175.2 of the Business and Professions Code at the rate  
23 of \$33.33 per day for each day of the suspension for a total  
24 monetary penalty of \$1,000.  
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1           2. Said payment shall be in the form of a cashier's  
2 check or certified check made payable to the Recovery Account of  
3 the Real Estate Fund. Said check must be received by the  
4 Department prior to the effective date.

5           3. No further cause for disciplinary action against  
6 the real estate license of Respondent occurs within two (2) years  
7 from the effective date of the Decision in this matter.

8           4. If Respondent fails to pay the monetary penalty in  
9 accordance with the terms of the Decision, the Commissioner may,  
10 without a hearing, order the immediate execution of all or any  
11 part of the stayed suspension, in which event the Respondent  
12 shall not be entitled to any repayment nor credit, prorated or  
13 otherwise, for money paid to the Department under the terms of  
14 this Decision.

15           5. If Respondent pays the monetary penalty and if no  
16 further cause for disciplinary action against the real estate  
17 license of Respondent occurs within two (2) years from the  
18 effective date of the Decision, the stay hereby granted shall  
19 become permanent.

20  
21                                   IV.

22                   Pursuant to Section 10148 of the Business and  
23 Professions Code, Respondents shall pay the Commissioner's  
24 reasonable cost for (a) the audits which led to this disciplinary  
25 action and (b) a subsequent audits to determine if Respondents  
26 SUDMAN ENTERPRISES INC. and U S National Lending are now in  
27

1 compliance with the Real Estate Law. The cost of the audit which  
2 led to this disciplinary action is \$4,042.32 In calculating the  
3 amount of the Commissioner's reasonable cost, the Commissioner  
4 may use the estimated average hourly salary for all persons  
5 performing audits of real estate brokers, and shall include an  
6 allocation for travel time to and from the auditor's place of  
7 work. Said amount for the prior and subsequent audits shall not  
8 exceed \$8,084.64. Respondents are jointly and severally liable  
9 for the cost of the audits.

10 Respondents shall pay such cost within 60 days of  
11 receiving an invoice from the Commissioner detailing the  
12 activities performed during the audit and the amount of time  
13 spent performing those activities.

14 The Commissioner may suspend the license of Respondents  
15 pending a hearing held in accordance with Section 11500, et seq.,  
16 of the Government Code, if payment is not timely made as provided  
17 for herein, or as provided for in a subsequent agreement between  
18 the Respondents and the Commissioner. The suspension shall  
19 remain in effect until payment is made in full or until a  
20 Respondent enters into an agreement satisfactory to the  
21 Commissioner to provide for payment, or until a decision  
22 providing otherwise is adopted following a hearing held pursuant  
23 to this condition.  
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1  
2 DATED: 4-10-07

EJL  
ELLIOTT MAC LENNAN, Counsel for  
the Department of Real Estate

3  
4 \* \* \*

5 EXECUTION OF THE STIPULATION

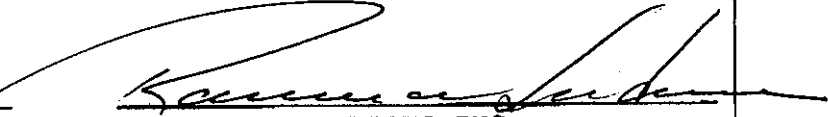
6 We have read the Stipulation, and have discussed it  
7 with our counsel. Its terms are understood by us and are  
8 agreeable and acceptable to us. We understand that we are  
9 waiving rights given to us by the California Administrative  
10 Procedure Act (including but not limited to Sections 11506,  
11 11508, 11509 and 11513 of the Government Code), and we willingly,  
12 intelligently and voluntarily waive those rights, including the  
13 right of requiring the Commissioner to prove the allegations in  
14 the Accusation at a hearing at which we would have the right to  
15 cross-examine witnesses against us and to present evidence in  
16 defense and mitigation of the charges.

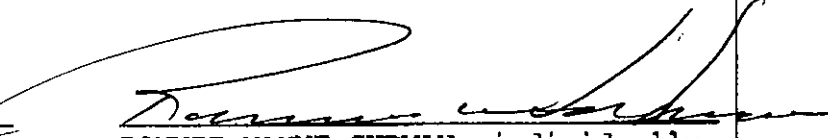
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18 MAILING AND FACSIMILE

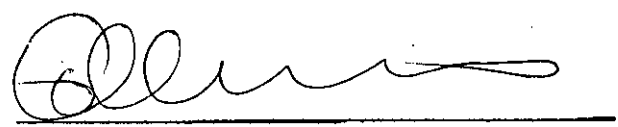
19 Respondent(s) (1) shall mail the original signed  
20 signature page of the stipulation herein to Elliott Mac Lennan:  
21 Attention: Legal Section, Department of Real Estate, 320 W.  
22 Fourth St., Suite 350, Los Angeles, California 90013-1105.  
23 Additionally, Respondent(s) shall also (2) facsimile a copy of  
24 signed signature page, to the Department at the following  
25 telephone/fax number: (213) 576-6917, Attention: Elliott Mac  
26 Lennan.  
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A facsimile constitutes acceptance and approval of the terms and conditions of this stipulation. Respondent(s) agrees, acknowledges and understands that by electronically sending to the Department a facsimile copy of Respondent's actual signature as it appears on the stipulation, that receipt of the facsimile copy by the Department shall be as binding on Respondent(s) as if the Department had received the original signed stipulation.

DATED: 4-3-07   
SUDMAN ENTERPRISES INC.  
BY: RONNIE WAYNE SUDMAN, D.O.  
Respondent

DATED: 4-3-07   
RONNIE WAYNE SUDMAN, individually  
and as designated officer of Sudman  
Enterprises Inc., Respondent

DATED: 4-4-07   
ELLIOTT LUCHS, Attorney for  
Respondents  
Approved as to form

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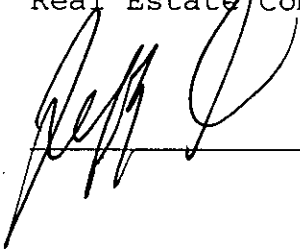
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The foregoing Stipulation and Agreement is hereby  
adopted as my Decision as to Respondents SUDMAN ENTERPRISES INC.,  
and RONNIE WAYNE SUDMAN, individually and as designated officer  
of Sudman Enterprises Inc. and shall become effective at 12  
o'clock noon on JUN 11, 2007

IT IS SO ORDERED S/3/, 2007

JEFF DAVI  
Real Estate Commissioner

  
\_\_\_\_\_

*Jacky King*

**FILED**  
NOV 22 2006  
DEPARTMENT OF REAL ESTATE

1 ELLIOTT MAC LENNAN, SBN 66674  
2 Department of Real Estate  
3 320 West 4th Street, Ste. 350  
4 Los Angeles, California 90013-1105  
5  
6  
7  
8 Telephone: (213) 576-6911 (direct)  
9 -or- (213) 576-6982 (office)

By *K. Waddell*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \*

11	In the Matter of the Accusation of	)	No. H-33451 LA
12	SUDMAN ENTERPRISES INC., and	)	<u>A C C U S A T I O N</u>
13	RONNIE WAYNE SUDMAN, individually	)	
14	and as designated officer of	)	
15	Sudman Enterprises Inc.,	)	
16		)	
17	Respondents.	)	

17 The Complainant, Janice Waddell, a Deputy Real Estate  
18 Commissioner of the State of California, for cause of Accusation  
19 against SUDMAN ENTERPRISES INC., a California corporation dba  
20 Management One, and RONNIE WAYNE SUDMAN, individually and as  
21 designated officer of Sudman Enterprises Inc., is informed and  
22 alleges as follows:

23 1.

24 The Complainant, Janice Waddell, a Deputy Real Estate  
25 Commissioner of the State of California makes this Accusation in  
26 her official capacity.  
27

2.

1 All references to the "Code" are to the California  
2 Business and Professions Code and all references to "Regulations"  
3 are to Title 10, Chapter 6, California Code of Regulations.  
4

3.

5  
6 SUDMAN ENTERPRISES INC., (hereinafter "SEI") and RONNIE  
7 WAYNE SUDMAN, individually and as designated officer of Sudman  
8 Enterprises Inc., (hereinafter "SUDMAN") and (sometimes  
9 hereinafter collectively referred to as "Respondents") are  
10 presently licensed or have license rights under the Real Estate  
11 Law (Part 1 of Division 4 of the Business and Professions Code,  
12 hereinafter "Code").

13 LICENSE HISTORY

4.

14  
15 A. SUDMAN ENTERPRISES INC. At all times material  
16 herein, SEI was licensed by the Department of Real Estate of the  
17 State of California (hereinafter "Department") as a as restricted  
18 real estate broker, by and through SUDMAN, as the designated  
19 officer and broker responsible, pursuant to Code Section 10159.2  
20 of the Business and Professions Code for supervising the  
21 activities requiring a real estate license conducted on behalf of  
22 SEI by SEI's officers, agents and employees. SEI was originally  
23 licensed on November 28, 1990. On June 5, 1992, SEI's license  
24 was revoked with right to a restricted real estate broker license  
25 effective on said date, as more fully set forth below in  
26  
27



1 Paragraph 11. On April 24, 1991, an Order to Desist and Refrain  
2 was issued to SEI, as set forth in Paragraph 12.

3 B. RONNIE WAYNE SUDMAN. SUDMAN is presently licensed  
4 as a restricted real estate broker. SUDMAN was originally  
5 licensed as a real estate salesperson on March 12, 1984 and  
6 originally licensed as a real estate broker on January 6, 1988.  
7 SUDMAN has been the designated officer of SEI from its inception.  
8 On June 5, 1992, SUDMAN's license was revoked with right to a  
9 restricted real estate broker license effective on said date, as  
10 more fully set forth below in Paragraph 11. On April 24, 1991,  
11 an Order to Desist and Refrain was issued to SEI, as set forth in  
12 Paragraph 12.

13 5.

14 All further references to "Respondents", unless  
15 otherwise specified, includes the parties identified in  
16 Paragraphs 3 and 4, above, and also includes the officers,  
17 directors, managers, employees, agents and/or real estate  
18 licensees employed by or associated with said parties, who at all  
19 times material herein were engaged in the furtherance of the  
20 business or operations of said parties and who were acting within  
21 the course and scope of their authority, agency, or employment.

22  
23 PROPERTY MANAGEMENT BROKERAGE

24 6.

25 At all times material herein, SEI engaged in the  
26 business as a real estate broker pursuant to Code Section  
27

1 10131(b) of the Code. SEI operates a property management  
2 brokerage dba Management One.

3 FIRST CAUSE OF ACTION

4 AUDIT EXAMINATION

5 7.

6 On April 29, 2005, the Department completed an audit  
7 examination of the books and records of SEI pertaining to its  
8 property management activities, requiring a real estate license  
9 as described in Paragraph 6. The audit examination covered a  
10 period of time beginning January 1, 2004 and ending December 31,  
11 2004. The audit examination revealed violations of the Code and  
12 the Regulations as set forth below, and more fully discussed in  
13 Audit Report LA 040127 and the exhibits and workpapers attached  
14 to said audit report.

15 TRUST ACCOUNTS

16 8.

17  
18 At all times mentioned, in connection with the  
19 activities described in Paragraph 6, above, SEI accepted or  
20 received funds in trust (trust funds) from or on behalf of  
21 tenants, renters and property owners, and thereafter made  
22 disposition of such funds. SEI maintained the following trust  
23 accounts during the audit period into which were deposited  
24 certain of these funds at the Inland Empire National Bank,  
25 Riverside, California:

26 ///

1 "Sudman Enterprises Inc. dba Management One Trust Account -  
2 Corona  
Account No. 02-520567" ("T/A #1")

3  
4 "Sudman Enterprises Inc. dba Management One Trust Account -  
5 Moreno  
Account No. 02-520559" ("T/A #2")

6  
7 "Sudman Enterprises Inc. dba Management One Trust Account -  
8 Gold Account  
Account No. 02-514400" ("T/A #3")

9  
10 "Sudman Enterprises Inc. dba Management One Trust Account -  
11 Gold Account  
Account No. 02-515032" ("T/A #4")

12  
13 "Sudman Enterprises Inc. dba Management One Trust Account -  
14 Account No. 02-5112122" ("T/A #5")

15  
16 "Sudman Enterprises Inc. dba Management One Trust Account -  
17 Account No. 02-519984" ("T/A #6")

18  
19 "Sudman Enterprises Inc. dba Management One Trust  
20 Account No. 02-520117" ("T/A #7")

21  
22 AUDIT VIOLATIONS

23 9.

24 In the course of activities described in Paragraph 6,  
25 above, and during the examination period described in  
26 Paragraph 7, SEI and SUDMAN acted in violation of the Code and  
27 the Regulations in that they:

1 (a) Permitted, allowed or caused the disbursement of  
2 trust funds from the trust account where the disbursement of  
3 funds reduced the total of aggregate funds in the trust account,  
4 to an amount which, on December 31, 2004, was:

- 5 (1) T/A #2 - \$ 617.50  
6 (2) T/A #4 - \$ 3,792.00  
7 (3) T/A #5 - \$ 2,459.20  
8 (4) T/A #6 - \$18,166.24  
9 (5) T/A #7 - \$ 8,548.26  
10

11 less than the existing aggregate trust fund liability of SEI to  
12 every principal who was an owner of said funds, without first  
13 obtaining the prior written consent of the owners of said funds,  
14 as required by Code Section 10145 and Regulation 2832.1.

15 \$11,108.49, was cured during January, February and March 2004.

16 (b) Failed to refund a security deposit to tenant Ella  
17 Jones-Geeting, 55 Viburnum Way, Ladera Ranch, California, in the  
18 amount of Five Hundred (\$500.00) Dollars, as required by Code  
19 Section 10145(a) and Regulation 2832(a).  
20

21 (c) Failed to perform a monthly reconciliation of the  
22 balance of all separate beneficiary or transaction records  
23 maintained pursuant to Regulation 2831.1 with the record of all  
24 trust funds received and disbursed by the trust accounts, as  
25 required by Code Section 10145 and Regulation 2831.2.  
26  
27

1 (d) Failed to disburse funds belonging to SEI in the  
2 form of management fees not later than twenty-five (25) days  
3 after their deposit where there is no dispute between the broker  
4 and the broker's principal as to the broker's portion of the  
5 funds for the trust accounts, as required by Code Section 10145  
6 and Regulation 2835(b).

7 10.

8 The conduct, acts and omissions of Respondents  
9 SEI and SUDMAN as described in Paragraph 9, above, violated the  
10 Code and the Regulations as set forth below:

11 PARAGRAPH

PROVISIONS VIOLATED

12  
13 9(a)

Code Section 10145 and  
Regulation 2832.1

14  
15  
16 9(b)

Code Section 10145(a) and  
Regulation 2832(a)

17  
18  
19 9(c)

Code Section 10145 and  
Regulation 2831.2

20  
21  
22 9(d)

Code Section 10145 and  
Regulation 2835(b)

1 The foregoing violations constitute cause for the suspension or  
2 revocation of the real estate license and license rights of SEI  
3 and SUDMAN pursuant to Code Section 10177(d) and/or 10177(g).

4 PRIOR DEPARTMENTAL ACTION

5 11.

6 On July 8, 1991, in Case No. H-1141 SA, an Accusation  
7 were filed against Respondents SUDMAN ENTERPRISES INC. dba  
8 Management One and RONNIE WAYNE SUDMAN, that resulted in  
9 discipline by revocation of their respective real estate broker  
10 licenses with right to issuance of restricted real estate broker  
11 licenses effective June 5, 1992, for violations of Sections 10145  
12 and 10177(d) of the California Business and Professions Code and  
13 Sections 2726, 2731, 2830, 2831, 2831.1, 2831.1, 2832.1, and 2834  
14 of Title 10, Chapter 6, California Code of Regulations, effective  
15 June 5, 1992.

16 PRIOR DEPARTMENTAL ACTION

17 12.

18 On May 24, 1991, in Case No. H-1140 SA, an ORDER TO  
19 DESIST AND REFRAIN was filed against Respondents SUDMAN  
20 ENTERPRISES INC. dba Management One and RONNIE WAYNE SUDMAN,  
21 under Section 10086 of the Code (Engaging in Prohibited Activity,  
22 Order to Desist and Refrain) for violations of Sections 10145 of  
23 the California Business and Professions Code and Sections 2726,  
24 2731, 2830, 2831, 2831.1, 2831.2 and 2834 of Title 10, Chapter 6,  
25 California Code of Regulations. Acknowledgement of service was  
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received on June 11, 1991.

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SECOND CAUSE OF ACTION

(Negligence)

13.

The overall conduct of Respondents SEI and SUDMAN, as described above, constitutes negligence or incompetence.

This conduct and violation are cause for the suspension or revocation of the real estate license and license rights of said Respondents pursuant to Code Section 10177(g).

THIRD CAUSE OF ACTION

(Failure to supervise)

14.

The conduct, acts and/or omissions of Respondent SUDMAN, in causing, allowing, or permitting SEI to violate the Real Estate Law, as described, herein above, constitutes failure on the part of SUDMAN, as the officer designated by a corporate broker licensee, to exercise reasonable supervision and control over the licensed activities of SEI, as required by Code Section 10159.2. Said conduct is cause to suspend or revoke the real estate licenses and license rights of SUDMAN pursuant to the provisions of Code Sections 10177(d), 10177(g) and/or 10177(h).

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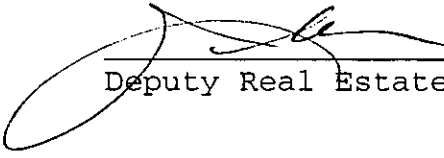
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1 WHEREFORE, Complainant prays that a hearing be  
2 conducted on the allegations made by the Accusation and, that  
3 upon proof thereof, a decision be rendered imposing disciplinary  
4 action against all licenses and license rights of Respondents  
5 SUDMAN ENTERPRISES INC., a California corporation, and RONNIE  
6 WAYNE SUDMAN, individually and as designated officer of Sudman  
7 Enterprises Inc., under the Real Estate Law (Part 1 of Division 4  
8 of the Business and Professions Code) and for such other and  
9 further relief as may be proper under other applicable provisions  
10 of law.

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12 Dated at Los Angeles, California

13 this *15 November 2006*

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18 Deputy Real Estate Commissioner  
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26 cc: Sudman Enterprises Inc.  
27 c/o Ronnie Wayne Sudman  
Sacto.