

1 Department of Real Estate
2 320 West Fourth Street, #350
3 Los Angeles, California 90013

4 (213) 620-6430
5 (213) 576-6917 (fax)

FILED

FEB 11 2014

BUREAU OF REAL ESTATE

By 

9 BEFORE THE BUREAU¹ OF REAL ESTATE
10 STATE OF CALIFORNIA

11 * * *

12 In the Matter of the Accusation of)	BRE Case No. H-38850 LA
)	OAH Case No. 2013070863
13 HEALSTONE REAL ESTATE GROUP, INC.,)	
14 a corporate real estate broker, and)	<u>STIPULATION AND</u>
15 <u>WILLIAM HUBERT ALLEN III</u> , individually)	<u>AGREEMENT</u>
16 and as designated broker-officer of)	
Healstone Real Estate Group, Inc.,)	
)	
17 _____ Respondent.)	

18 It is hereby stipulated by and between WILLIAM HUBERT ALLEN III
19 (sometimes referred to herein as "Respondent"), represented in this matter by Mary E. Work,
20 Esq., and the Complainant, acting by and through Martha J. Rosett, Counsel for the Bureau of
21 Real Estate, as follows for the purpose of settling and disposing of the Accusation filed on
22 May 3, 2013 in this matter:

23 1. All issues which were to be contested and all evidence which was to be
24 presented by Complainant and Respondent at a formal hearing on the Accusation, which
25 hearing was to be held in accordance with the provisions of the Administrative Procedure Act

26 _____
27 ¹ Effective July 1, 2013, the Department of Real Estate became the Bureau of Real Estate ("Bureau"). References to the agency in this Stipulation are to the successor Bureau.

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

3 2. Respondent has received, read and understands the Statement to Respondent,
4 the Discovery Provisions of the APA and the Accusation filed by the Department of Real
5 Estate in this proceeding and has reviewed it with his attorney.

6 3. On June 5, 2013, Respondent filed a Notice of Defense pursuant to Section
7 11506 of the Government Code for the purpose of requesting a hearing on the allegations in the
8 Accusation. In order to effectuate this settlement, Respondent hereby freely and voluntarily
9 withdraws said Notice of Defense. Respondent acknowledges that he understands that by
10 withdrawing said Notice of Defense, he will thereby waive his right to require the
11 Commissioner to prove the allegations in the Accusation at a contested hearing held in
12 accordance with the provisions of the APA and that he will waive other rights afforded to him
13 in connection with the hearing such as the right to present evidence in defense of the
14 allegations in the Accusation and the right to cross-examine witnesses.

15 4. Respondent, pursuant to the limitations set forth below, although not
16 admitting or denying the truth of the allegations, will not contest the factual allegations
17 contained in the Accusation filed in this proceeding and the Real Estate Commissioner shall
18 not be required to provide further evidence of such allegations.

19 5. It is understood by the parties that the Real Estate Commissioner may adopt
20 the Stipulation and Agreement as his Decision in this matter, thereby imposing the penalty and
21 sanctions on Respondent's real estate license and license rights as set forth in the below
22 "Order". In the event that the Commissioner in his discretion does not adopt the Stipulation
23 and Agreement, it shall be void and of no effect, and Respondent shall retain the right to a
24 hearing and proceeding on the Accusation under all the provisions of the APA and shall not be
25 bound by any stipulation or waiver made herein.

26 6. The Order or any subsequent Order of the Real Estate Commissioner made
27 pursuant to this Stipulation and Agreement shall not constitute an estoppel, merger or bar to

1 any further administrative proceedings by the Bureau of Real Estate with respect to any matters
2 which were not specifically alleged to be causes for accusation in this proceeding.

3 7. This Stipulation and Respondent's decision not to contest the Accusation are
4 made for the purpose of reaching an agreed disposition of this proceeding, and are expressly
5 limited to this proceeding and any other proceeding or case in which the Bureau of Real Estate,
6 or another licensing agency of this state, another state, or of the federal government is
7 involved, and otherwise shall not be admissible in any other criminal or civil proceedings.

8 8. Respondent understands that by agreeing to this Stipulation, he agrees to
9 pay, pursuant to Business and Professions Code Section 10148, the cost of the audit leading to
10 this Accusation, which \$3,114.50.

11 DETERMINATION OF ISSUES

12 By reason of the foregoing stipulations and waivers and solely for the purpose
13 of settlement of the pending Accusation without a hearing, it is stipulated and agreed that the
14 following Determination of Issues shall be made:

15 The conduct, acts or omissions of WILLIAM HUBERT ALLEN III, as set forth
16 in the Accusation constitute cause to suspend or revoke the real estate license and licensing
17 rights of WILLIAM HUBERT ALLEN III pursuant to Business and Professions Code Sections
18 10160, 10177(d), 10177(g), 10177(h) and 10176 (i) for violation of Business and Professions
19 Code Sections and 10145, 10162, 10140.6 and Title 10, Chapter 6 of the California Code of
20 Regulations, Regulations 2832, 2834, 2731, 2715, 2726 and 2773.

21 ORDER

22 WHEREFORE, THE FOLLOWING ORDER is hereby made:

23 All licenses and licensing rights of Respondent WILLIAM HUBERT ALLEN III
24 under the Real Estate Law are revoked as of the effective date of this Decision; provided,
25 however, a restricted real estate salesperson license shall be issued to Respondent pursuant to
26 Section 10156.5 of the Business and Professions Code if Respondent makes application therefor
27 and pays to the Bureau of Real Estate the appropriate fee for the restricted license within 90 days

1 from the effective date of this Decision. The restricted license issued to Respondent shall be
2 subject to all of the provisions of Section 10156.7 of the Business and Professions Code and to
3 the following limitations, conditions and restrictions imposed under authority of Section 10156.6
4 of that Code:

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

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

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

17 4. Respondent shall submit with any application for license under an employing
18 broker, or any application for transfer to a new employing broker, a statement signed by the
19 prospective employing real estate broker on a form approved by the Bureau of Real Estate which
20 shall certify:

21 (a) That the employing broker has read the Decision of the Commissioner which
22 granted the right to a restricted license; and

23 (b) That the employing broker will exercise close supervision over the
24 performance by the restricted licensee relating to activities for which a real estate license is
25 required.

26 5. Respondent shall, within nine months from the effective date of this Decision,
27 present evidence satisfactory to the Real Estate Commissioner that Respondent has, since the

1 most recent issuance of an original or renewal real estate license, taken and successfully
2 completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate
3 Law for renewal of a real estate license. If Respondent fails to satisfy this condition, the
4 Commissioner may order the suspension of the restricted license until the Respondent presents
5 such evidence. The Commissioner shall afford Respondent the opportunity for a hearing
6 pursuant to the Administrative Procedure Act to present such evidence.

7 6. Respondent shall, within six months from the effective date of this Decision,
8 take and pass the Professional Responsibility Examination administered by the Department
9 including the payment of the appropriate examination fee. If Respondent fails to satisfy this
10 condition, the Commissioner may order suspension of Respondent's license until Respondent
11 passes the examination.

12 7. Pursuant to Section 10148 of the Business and Professions Code, Respondent
13 WILLIAM HUBERT ALLEN III shall pay the Commissioner's reasonable cost for (a) the audit
14 which led to this disciplinary action (b) a subsequent audit to determine if Respondents are now
15 in compliance with the Real Estate Law. The cost of audit which led to this disciplinary action is
16 \$3,114.50. In calculating the amount of the Commissioner's reasonable cost, the Commissioner
17 may use the estimated average hourly salary for all persons performing audits of real estate
18 brokers, and shall include an allocation for travel time to and from the auditor's place of work.

19 (a) Respondent shall pay such cost within 60 days of receiving an invoice from
20 the Commissioner detailing the activities performed during the audit and the amount of time
21 spent performing those activities.

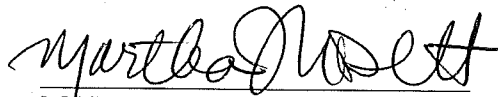
22 (b) The Commissioner may suspend Respondent's license pending a hearing held
23 in accordance with Section 11500, et seq., of the Government Code, if payment is not timely
24 made as provided for herein, or as provided for in a subsequent agreement between the
25 Respondent and the Commissioner. The suspension shall remain in effect until payment is made
26 in full or until Respondents enter into an agreement satisfactory to the Commissioner to provide
27

1 for payment, or until a decision providing otherwise is adopted following a hearing held pursuant
2 to this condition.

3 8. Respondent shall, prior to the effective date of this Order, provide proof
4 satisfactory to the Bureau that he has successfully transferred control of and responsibility for
5 trust fund accounts and books and records of HEALSTONE REAL ESTATE GROUP, INC.'s
6 real estate business to another licensed broker, or has otherwise returned such funds and records
7 to the principals.

8 9. Pursuant to Section 10106 of the Business and Professions Code, Respondent
9 shall, prior to the effective date of this Order, pay the Commissioner's reasonable cost of
10 investigation and enforcement of the case leading to this disciplinary action in the amount of
11 \$1,174.80.

12
13
14 DATED: 11/12/13

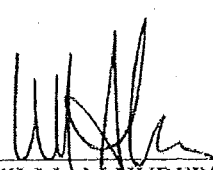

15 MARTHA J. ROSETT
16 Counsel for Complainant

17 * * *

18
19 I have read the Stipulation and Agreement, reviewed it with my attorney, and its
20 terms are understood by me and are agreeable and acceptable to me. I understand that I am
21 waiving rights given to me by the California Administrative Procedure Act (including but not
22 limited to Sections 11506, 11508, 11509 and 11513 of the Government Code), and I willingly,
23 intelligently and voluntarily waive those rights, including the right of requiring the
24 Commissioner to prove the allegations in the Accusation at a hearing at which I would have the
25 right to cross-examine witnesses against me and to present evidence in defense and mitigation
26 of the charges.
27

Respondent may signify acceptance and approval of the terms and conditions of this Stipulation and Agreement by faxing a copy of the signature page, as actually signed by Respondent, to the Bureau at the following fax number (213) 576-6917. Respondent agrees, acknowledges and understands that by electronically sending to the Bureau a fax copy of his actual signature as it appears on the Stipulation that receipt of the faxed copy by the Bureau shall be as binding on Respondent as if the Bureau had received the original signed Stipulation and Agreement.

DATED: 11/11/13


WILLIAM NUBERT ALLEN III
Respondent

DATED: 11/11/13


Mary E. Work, Attorney at Law
Counsel for Respondent

* * *

The foregoing Stipulation and Agreement is hereby adopted as my Decision in this matter and shall become effective at 12 o'clock noon on _____.

IT IS SO ORDERED _____

Wayne S. Bell
Real Estate Commissioner

Respondent may signify acceptance and approval of the terms and conditions of this Stipulation and Agreement by faxing a copy of the signature page, as actually signed by Respondent, to the Bureau at the following fax number (213) 576-6917. Respondent agrees, acknowledges and understands that by electronically sending to the Bureau a fax copy of his actual signature as it appears on the Stipulation that receipt of the faxed copy by the Bureau shall be as binding on Respondent as if the Bureau had received the original signed Stipulation and Agreement.

DATED: _____

WILLIAM HUBERT ALLEN III
Respondent

DATED: _____

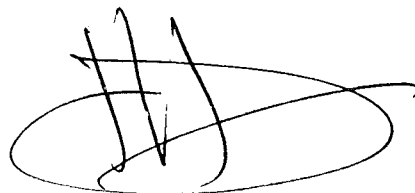
Mary E. Work, Attorney at Law
Counsel for Respondent

* * *

The foregoing Stipulation and Agreement is hereby adopted as my Decision in this matter and shall become effective at 12 o'clock noon on MAR 04 2014.

FEB 04 2014

IT IS SO ORDERED _____



By. JEFFREY MASON
Chief Deputy Commissioner