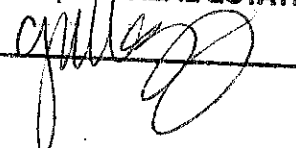


1 Bureau of Real Estate
2 320 West Fourth Street, #350
3 Los Angeles, California 90013

FILED

SEP - 1 2015

BUREAU OF REAL ESTATE

By 

7 BEFORE THE BUREAU OF REAL ESTATE

8 STATE OF CALIFORNIA

9 * * *

10 In the Matter of the Accusation of)

CALBRE NO. H-39335 LA

) OAH NO. 2014030920

11 CASTLE REAL ESTATE &)
12 FINANCIAL GROUP, INC. and)

13 KURTIS RAY SANDHOFF, individually)
14 as designated officer of Castle Real Estate &)
15 Financial Group, Inc.,)

FINAL REVISED
STIPULATION & AGREEMENT

16 Respondents.)
17)
18)
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21)

22 It is hereby stipulated by and between CASTLE REAL ESTATE & FINANCIAL
23 GROUP, INC. and KURTIS RAY SANDHOFF (collectively "Respondents") and their attorney,
24 Frank M. Buda, and the Complainant, acting by and through Lissete Garcia, Counsel for the
Bureau of Real Estate, as follows for the purpose of settling and disposing of the Accusation
filed on February 26, 2014, in this matter:

1. All issues which were to be contested and all evidence which was to be presented by
Complainant and Respondents at a formal hearing on the Accusation, which hearing was to be

H-39335 LA- FINAL REVISED STIPULATION AND AGREEMENT

1 held in accordance with the provisions of the Administrative Procedure Act ("APA"), shall
2 instead and in place thereof be submitted solely on the basis of the provisions of this Stipulation
3 and Agreement.

4 2. Respondents have received, read and understand the Statement to Respondent, the
5 Discovery Provisions of the APA and the Accusation filed by the Bureau of Real Estate
6 ("Bureau"), in this proceeding.

7 3. Respondents filed a Notice of Defense pursuant to Section 11506 of the Government
8 Code for the purpose of requesting a hearing on the allegations in the Accusation. Respondents
9 hereby freely and voluntarily withdraw said Notice of Defense. Respondents acknowledge that
10 they understand that by withdrawing said Notice of Defense they will thereby waive their right to
11 require the Commissioner to prove the allegations in the Accusation at a contested hearing held
12 in accordance with the provisions of the APA and that they will waive other rights afforded to
13 them 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. This Stipulation is based on the factual allegations contained in the Accusation filed in
16 this proceeding. In the interest of expedience and economy, Respondents choose not to contest
17 these factual allegations, but to remain silent and understand that, as a result thereof, these
18 factual statements, will serve as a prima facie basis for the disciplinary action stipulated to
19 herein. The Real Estate Commissioner shall not be required to provide further evidence to prove
20 such allegations.

21 5. This Stipulation and Respondents' decision not to contest the Accusation are made for
22 the purpose of reaching an agreed disposition of this proceeding and are expressly limited to this
23 proceeding and any other proceeding or case in which the Bureau or another licensing agency of
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1 this state, another state or if the federal government is involved and otherwise shall not be
2 admissible in any other criminal or civil proceedings.

3 6. It is understood by the parties that the Real Estate Commissioner may adopt the
4 Stipulation as his decision in this matter thereby imposing the penalty and sanctions on
5 Respondents' real estate licenses and license rights as set forth in the below "Order". In the
6 event that the Commissioner in his discretion does not adopt the Stipulation, the Stipulation shall
7 be void and of no effect, and Respondents shall retain the right to a hearing on the Accusation
8 under all the provisions of the APA and shall not be bound by any stipulation or waiver made
9 herein.

10 7. The Order or any subsequent Order of the Real Estate Commissioner made pursuant to
11 this Stipulation shall not constitute an estoppel, merger or bar to any further administrative or
12 civil proceedings by the Bureau with respect to any conduct which was not specifically alleged
13 to be causes for accusation in this proceeding.

14 8. Respondents understand that by agreeing to this Stipulation, they agree to pay pursuant
15 to Business and Professions Code Section 10148, the cost of the audit which led to this
16 disciplinary action. The amount of said cost for the audit is \$4,983.45.

17 9. Respondents understand that by agreeing to this Stipulation, the findings set forth
18 below in the Determination of Issues become final, and the Commissioner may charge
19 Respondents for the cost of any subsequent audit conducted pursuant to Business and Professions
20 Code Section 10148 to determine if the violations have been corrected. The maximum cost of
21 the subsequent audit will not exceed \$4,983.45.

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1 DETERMINATION OF ISSUES

2 By reason of the foregoing stipulation and waiver and solely for the purpose of settlement
3 of the pending Accusation without a hearing, it is stipulated and agreed that the following
4 determination of issues shall be made:

5 I.

6 The conduct, acts and/or omissions of Respondents CASTLE REAL ESTATE &
7 FINANCIAL GROUP, INC. and KURTIS RAY SANDHOFF, as set forth in the Accusation,
8 constitute cause for the suspension or revocation of all the real estate licenses and license rights
9 of Respondents under the provisions of Sections 10177(d) and 10177(g) of the Business and
10 Professions Code ("Code") for violations of sections the Business and Professions Code and
11 Title 10, Chapter 6, California Code of Regulations as set as set forth in the Accusation.

12 II.

13 The conduct, acts and/or omissions of Respondent KURTIS RAY SANDHOFF, as set
14 forth in the Accusation, constitute cause for the suspension or revocation of all the real estate
15 licenses and license rights of Respondent KURTIS RAY SANDHOFF under the provisions of
16 Section 10177(h) of the Business and Professions Code ("Code") for violations of Code section
17 10159.2 and Regulation 2725.

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I.

All licenses and licensing rights of Respondent CASTLE REAL ESTATE &
FINANCIAL GROUP, INC. under the Real Estate Law are revoked; provided, however, a
restricted real estate corporate broker license shall be issued to Respondent CASTLE REAL
ESTATE & FINANCIAL GROUP, INC. pursuant to Section 10156.5 of the Business and
Professions Code if Respondent makes application therefor and pays to the Bureau of Real
Estate the appropriate fee for the restricted license within 90 days of the effective date of this
Decision. The restricted license issued to Respondent shall be subject to all of the provisions of
Section 10156.7 of the Business and Professions Code and to the following limitations,
conditions and restrictions imposed under authority of Section 10156.6 of that Code:

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

4. Respondent shall, prior to the issuance of a restricted license and as a condition of the issuance of said restricted license, pay a monetary penalty of \$2,500. Said payment shall be in the form of a cashier's check made payable to the Bureau of Real Estate. The payment must be delivered to the Bureau of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the issuance of any restricted license to Respondent.

II.

All licenses and licensing rights of Respondent KURTIS RAY SANDHOFF under the Real Estate Law are revoked; provided, however, a restricted real estate broker license shall be issued to Respondent KURTIS RAY SANDHOFF pursuant to Section 10156.5 of the Business and Professions Code if Respondent makes application therefor and pays to the Bureau of Real Estate the appropriate fee for the restricted license within 90 days of the effective date of this Decision. The restricted license issued to Respondent shall be subject to all of the provisions of Section 10156.7 of the Business and Professions Code and to the following limitations, conditions and restrictions imposed under authority of Section 10156.6 of that Code:

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

2. The restricted license issued to Respondent may be suspended prior to hearing by
Order of the Real Estate Commissioner on evidence satisfactory to the Commissioner that

Respondent has violated provisions of the California Real Estate Law, the Subdivided Lands Law, Regulations of the Real Estate Commissioner, or conditions attaching to the restricted license.

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

4. All licenses and licensing rights of Respondent are indefinitely suspended unless or
until Respondent provides 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 these requirements includes evidence that Respondent has successfully completed the trust fund account and handling continuing education courses, no earlier than 120 days prior to the effective date of the Order in this matter. Proof of completion of the trust fund accounting and handling course must be delivered to the Bureau of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013 or by fax at 916-263-8758, prior to the effective date of this Order.

5. Respondent shall, within six (6) months from the effective date of this Order, take and
pass the Professional Responsibility Examination administered by the Bureau including the payment of the appropriate examination fee. If Respondent fails to satisfy this condition, Respondent's real estate license shall automatically be suspended until Respondent passes the examination.

6. Respondent shall, within nine (9) months of the effective date of this Order, present
evidence satisfactory to the Commissioner that Respondent has, since the most recent issuance of

1 an original or renewal real estate license, taken and successfully completed the continuing
2 education requirements of Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a real
3 estate license. If Respondent fails to satisfy this condition, Respondent's real estate license shall
4 automatically be suspended until Respondent presents evidence satisfactory to the Commissioner
5 of having taken and successfully completed the continuing education requirements. Proof of
6 completion of the continuing education courses must be delivered to the Bureau of Real Estate,
7 Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013.

8 III.

9 Prior to the issuance of any restricted licenses to Respondents, Respondents shall, as a
10 condition of the issuance of said restricted licenses, pay jointly or severally, the sum of
11 \$1,941.60 for the Commissioner's reasonable costs of enforcement and investigation which led
12 to this disciplinary action. Said payment shall be in the form of a cashier's check made payable
13 to the Bureau of Real Estate. The investigative and enforcement costs must be delivered to the
14 Bureau of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to
15 the effective date of this Order.

16 If Respondents fail to satisfy this condition, the Commissioner shall suspend any licenses
17 issued to Respondents until the Respondents present evidence of payment. The Commissioner
18 shall afford Respondents the opportunity for a hearing pursuant to the Administrative Procedure
19 Act to present such evidence that payment was timely made. The suspensions shall remain in
20 effect until payment is made in full or until a decision providing otherwise is adopted following
21 a hearing held pursuant to this condition.

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IV.

Pursuant to Section 10148 of the Code, Respondents are jointly and severally liable for payment of the sum of \$4,983.45 for the Commissioner's cost of the audit which led to this disciplinary action. Respondents shall pay such cost within sixty (60) days of receiving an invoice therefore from the Commissioner. Payment of audit costs should not be made until Respondents receive the invoice. If Respondents fail to satisfy this condition in a timely manner as provided for herein, Respondents' real estate licenses shall automatically be suspended until payment is made in full, or until a decision providing otherwise is adopted following a hearing held pursuant to this condition.

Pursuant to Section 10148 of the Code, Respondents shall pay the Commissioner's reasonable cost, not to exceed \$4,983.45, for a subsequent audit to determine if Respondents have corrected the violations found in the Determination of Issues. In calculating the amount of the Commissioner's reasonable cost, the Commissioner may use the estimated average hourly salary for all persons performing audits of real estate brokers, and shall include an allocation for travel time to and from the auditor's place of work. Respondents shall pay such cost within sixty (60) days of receiving an invoice therefore from the Commissioner. Payment of the audit costs should not be made until Respondents receive the invoice. If Respondents fail to satisfy this condition in a timely manner as provided for herein, Respondents' real estate licenses shall automatically be suspended until payment is made in full, or until a decision providing otherwise is adopted following a hearing held pursuant to this condition.

DATED: 7/31/2015


LISSETE GARCIA Counsel for Complainant

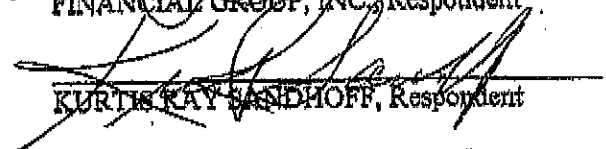
We have read the Stipulation and Agreement, have discussed it with our counsel, and its terms are understood by us and are agreeable and acceptable to us. We understand that we are waiving rights given to us by the California Administrative Procedure Act (including but not limited to Sections 11506, 11508, 11509 and 11513 of the Government Code), and we 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 we would have the right to cross-examine witnesses against us and to present evidence in defense and mitigation of the charges.

Respondents can 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 Respondents, to the Bureau at fax number (213) 576-6917. Respondents agree, acknowledge, and understand that by electronically sending to the Bureau a fax copy of their actual signatures as they appear on the Stipulation and Agreement, that receipt of the faxed copy by the Bureau shall be as binding on Respondents as if the Bureau had received the original signed Stipulation and Agreement.

DATED: 7/30/2015

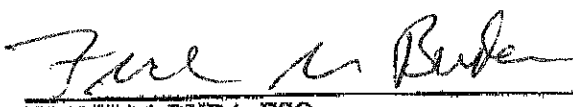

On behalf of CASTLE REAL ESTATE &
FINANCIAL GROUP, INC., Respondent

DATED: 7/30/2015


KURTIS RAY SANDHOFF, Respondent

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

DATED: 7-30-15


FRANK M. BUDA, ESQ.
Attorney for Respondents

The foregoing Stipulation and Agreement is hereby adopted as my Decision in
this matter and shall become effective at 12 o'clock noon on SEP 21 2015.

IT IS SO ORDERED August 14, 2015

WAYNE S. BELL
REAL ESTATE COMMISSIONER

By: JEFFREY MASON
Chief Deputy Commissioner