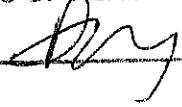


FILED

APR 13 2017

BUREAU OF REAL ESTATE

By



1 Bureau of Real Estate
320 W. 4th St., Room 350
2 Los Angeles, California 90013
3 Telephone: (213) 576-6982
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8 BEFORE THE BUREAU OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of) No. H-40431 LA
12) L-2016 120 402
13)
14 MAX REAL ESTATE)
15 SERVICES, INC.;) STIPULATION AND AGREEMENT
16 and RHETT BUTLER STAFFORD)
17 individually and as)
18 designated officer of)
19 Max Real Estate)
20 Services, Inc.;)
21 Respondents.)
22)

23 It is hereby stipulated by and between RHETT BUTLER
24 STAFFORD (sometimes referred to as Respondent), and his
25 attorney, Herman Thordson, and the Complainant, acting by and
26 through James R. Peel, Counsel for the Bureau of Real Estate, as
27 follows for the purpose of settling and disposing of Accusation
filed in this matter.

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1 1. All issues which were to be contested and all
2 evidence which was to be presented by Complainant and Respondent
3 at a formal hearing on the Accusation, which hearing is 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. Respondent has received, read and understands the
9 Statement to Respondent, the Discovery Provisions of the
10 Administrative Procedure Act ("APA") and the Accusation filed by
11 the Bureau of Real Estate in this proceeding.

12 3. On November 14, 2016, Respondent filed a Notice of
13 Defense pursuant to Section 11506 of the Government Code for the
14 purpose of requesting a hearing on the allegations in the
15 Accusation. Respondent hereby freely and voluntarily withdraws
16 said Notice of Defense. Respondent acknowledges that he
17 understands that by withdrawing said Notice of Defense he will
18 thereby waive his right to require the Commissioner to prove the
19 allegations in the Accusation at a contested hearing held in
20 accordance with the provisions of the APA and that he will waive
21 other rights afforded to him in connection with the hearing such
22 as the right to present evidence in defense of the allegations
23 in the Accusation and the right to cross-examine witnesses.

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1 4. This Stipulation is based on the factual
2 allegations contained in the Accusation filed in this
3 proceeding. In the interest of expedience and economy,
4 Respondent chooses not to contest these factual allegations, but
5 to remain silent and understands that, as a result thereof,
6 these factual statements, will serve as a prima facie basis for
7 the disciplinary action stipulated to herein. The Real Estate
8 Commissioner shall not be required to provide further evidence
9 to prove such allegations.

10 5. This Stipulation is made for the purpose of
11 reaching an agreed disposition of this proceeding and is
12 expressly limited to this proceeding and any other proceeding or
13 case in which the Bureau of Real Estate ("Bureau"), the state or
14 federal government, or an agency of this state, another state or
15 the federal government is involved.

16 6. It is understood by the parties that the Real
17 Estate Commissioner may adopt the Stipulation as his decision
18 in this matter thereby imposing the penalty and sanctions on
19 Respondent's real estate licenses and license rights as set
20 forth in the below "Order". In the event that the Commissioner
21 in his discretion does not adopt the Stipulation, the
22 Stipulation shall be void and of no effect, and Respondent shall
23 retain the right to a hearing and proceeding on the Accusation
24 under all the provisions of the APA and shall not be bound by
25 any stipulation 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 Bureau of Real Estate
5 with respect to any conduct which was not specifically alleged
6 to be causes for accusation in this proceeding.

7 DETERMINATION OF ISSUES

8 By reason of the foregoing stipulations and waivers
9 and solely for the purpose of settlement of the pending
10 Accusation, it is stipulated and agreed that the following
11 determination of issues shall be made:

12 I

13 The conduct, acts and/or omissions of Respondent, as
14 set forth in the Accusation, constitute cause for the suspension
15 or revocation of all of the real estate licenses and license
16 rights of Respondent under the provisions of Sections 10177(d)
17 and 10177(h) of the Business and Professions Code ("Code").

18 ORDER

19 All licenses and licensing rights of Respondents under
20 the Real Estate Law are suspended for a period of thirty (30)
21 days from the effective date of this Decision and Order;
22 provided, however, that:

23 1) Thirty (30) days of said suspension shall be
24 stayed, upon condition that Respondents petition pursuant to
25 Section 10175.2 of the Code at a rate of \$50 for each day of the
26 suspension for a total monetary penalty of \$1,500.
27

1 a) Said payment shall be in the form of a cashier's
2 check made payable to the Bureau of Real Estate, Flag Section at
3 P. O. Box 137013, Sacramento, CA 95813-7013, prior to the
4 effective date of this Decision and Order.

5 2) Pursuant to Section 10148 of the Code, Respondent
6 shall pay the sum of \$3,290 for the Commissioner's cost of the
7 audit which led to this disciplinary action. Respondent shall
8 pay such costs within sixty (60) of receiving an invoice
9 therefore from the Commissioner. Payment of audit costs should
10 not be made until Respondent receives the invoice. If
11 Respondent fails to satisfy this condition in a timely manner as
12 provided for herein, Respondent's real estate licenses shall
13 automatically be suspended until payment is made in full or
14 until a decision providing otherwise is adopted following a
15 hearing held pursuant to this condition.

16 Pursuant to Section 10148 of the Code, Respondent
17 shall pay the Commissioner's reasonable cost, not to exceed
18 \$4,425, for an audit to determine if Respondent has corrected
19 the violations found in the Determination of Issues. In
20 calculating the amount of the Commissioner's reasonable cost,
21 the Commissioner may use the estimated average hourly salary for
22 all persons performing audits of real estate brokers, and shall
23 include an allocation for travel time to and from the auditor's
24 place of work. Respondent shall pay such cost within 60 days of
25 receiving an invoice from the Commissioner. Payment of the
26 audit costs should not be made until Respondent receives the
27

1 invoice. If Respondent fails to satisfy this condition in a
2 timely manner as provided for herein, Respondent's real estate
3 licenses shall automatically be suspended until payment is made
4 in full, or until a decision providing otherwise is adopted
5 following a hearing held pursuant to this condition.

6 3) All licenses and licensing rights of Respondent
7 are indefinitely suspended unless or until Respondent provides
8 proof satisfactory to the Commissioner of having taken and
9 successfully completed the continuing education course on trust
10 fund accounting and handling specified in paragraph (3) of
11 subdivision (a) of Section 10170.5 of the Business and
12 Professions Code. Proof of satisfaction of these requirements
13 includes evidence that Respondent has successfully completed the
14 trust fund account and handling continuing education courses, no
15 earlier than 120 days prior to the effective date of the
16 Decision and Order in this matter. Proof of completion of the
17 trust fund accounting and handling course must be delivered to
18 the Bureau of Real Estate, Flag Section at P.O. Box 137013,
19 Sacramento, CA 95813-7013 or by fax at 916-263-8758, prior to
20 the effective date of the Decision and Order.
21

22 4) All licenses and licensing rights of Respondent
23 are indefinitely suspended unless or until Respondent pays the
24 sum of \$1,481 for the Commissioner's reasonable cost of the
25 investigation and enforcement which led to this disciplinary
26 action. Said payment shall be in the form of a cashier's check
27 made payable to the Bureau of Real Estate. The investigative

1 and enforcement costs must be delivered to the Bureau of Real
2 Estate, Flag Section at P. O. Box 137013, Sacramento, CA 95813-
3 7013, prior to the effective date of this Decision and Order.

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

11
12 DATED: 3-10-17

James R. Peel
13 JAMES R. PEEL, Counsel for the
14 Bureau of Real Estate

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16 * * *

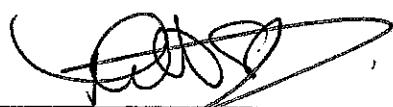
17 I have read the Stipulation and Agreement, and its
18 terms are understood by me and are agreeable and acceptable to
19 me. I understand that I am waiving rights given to me by the
20 California Administrative Procedure Act (including but not
21 limited to Sections 11506, 11508, 11509 and 11513 of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

Respondent can signify acceptance and approval of the terms and conditions of this Stipulation and Agreement by e-mailing a copy of the signature page, as actually signed by Respondent to the Bureau.

DATED: 2/27/17


RHETT BUTLER STAFFORD
Respondent

DATED: 3-3-17


HERMAN THORDSON
Counsel for Respondent

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The foregoing Stipulation and Agreement is hereby
adopted as my Decision and Order in this matter, and shall
become effective at 12 o'clock noon on May 15, 2017.

IT IS SO ORDERED

4/9/2017

WAYNE S. BELL
Real Estate Commissioner

