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DEPT. OF REAL ESTATE

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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)	No. H-41272 LA
)	
PAUL A CUBILLOS,)	<u>STIPULATION AND AGREEMENT</u>
PREFERRED GROUP PROPERTIES INC,)	
doing business as Harcourts Prime)	
Properties, Portico, Portico Financial,)	
and Portico Properties, and)	
KEVIN JOHN SANCHEZ, individually)	
and as designated officer of Preferred)	
Group Properties Inc.,)	
)	
Respondents.)	
)	

It is hereby stipulated by and between Respondent PAUL A CUBILLOS, represented by Frank Buda, and the Complainant, acting by and through Steve Chu, Counsel for the Department of Real Estate ("Department"), as follows for the purpose of settling and disposing of the Accusation filed on January 18, 2019, and the First Amended Accusation filed on October 13, 2020, ("Accusation") in this matter:

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

6 2. Respondent has received, read, and understand the Statement to
7 Respondent, the Discovery Provisions of the APA, and the Accusation filed by the Department
8 of Real Estate in this proceeding.

9 3. On February 1, 2019, Respondent filed a Notice of Defense pursuant to
10 section 11506 of the Government Code for the purpose of requesting a hearing on the
11 allegations in the Accusation. Respondent hereby freely and voluntarily withdraws said Notice
12 of Defense. Respondent acknowledges that Respondent understands that by withdrawing said
13 Notice of Defense, Respondent will thereby waive Respondent’s right to require the Real Estate
14 Commissioner (“Commissioner”) to prove the allegations in the Accusation at a contested
15 hearing held in accordance with the provisions of the APA and that Respondent will waive
16 other rights afforded to Respondent in connection with the hearing such as the right to present
17 evidence in defense of the allegations in the Accusation and the right to cross-examine
18 witnesses.

19 4. Respondent, pursuant to the limitations set forth below, hereby admits
20 that the factual allegations in the First Amended Accusation filed in this proceeding are true and
21 correct and the Commissioner shall not be required to provide further evidence to prove such
22 allegations.

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1 4. Respondent shall, within twelve (12) months from the effective date of
2 this Decision and Order, present evidence satisfactory to the Commissioner that Respondent
3 has, since the most recent issuance of an original or renewal real estate license, taken and
4 successfully completed the continuing education requirements of Article 2.5 of Chapter 3 of the
5 Real Estate Law for renewal of a real estate license. If Respondent fails to satisfy this
6 condition, Respondent's real estate license shall automatically be suspended until Respondent
7 presents evidence satisfactory to the Commissioner of having taken and successfully completed
8 the continuing education requirements. Proof of completion of the continuing education
9 courses must be delivered to the Department of Real Estate, Flag Section at P.O. Box 137013,
10 Sacramento, CA 95813-7013.

11 5. Respondent shall, within twelve (12) months from the effective date of
12 this Decision and Order, take and pass the Professional Responsibility Examination
13 administered by the Department including the payment of the appropriate examination fee. If
14 the Department has not resumed administration of the Professional Responsibility Examination
15 in that time period, the deadline shall be extended until the Department resumes administration.
16 If Respondent fails to satisfy this condition, all of Respondent's real estate licenses and license
17 rights shall automatically be suspended until Respondent passes the examination.

18 6. Respondent shall notify the Commissioner in writing within 72 hours of
19 any arrest by sending a certified letter to the Commissioner at the Department of Real Estate,
20 Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013. The letter shall set forth the
21 date of Respondent's arrest, the crime for which Respondent was arrested and the name and
22 address of the arresting law enforcement agency. Respondent's failure to timely file written
23 notice shall constitute an independent violation of the terms of the restricted license and shall
24 be grounds for the suspension or revocation of that license.

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1 7. Respondent agrees to be available to be called as a witness, and testify as
2 a witness if called to testify, for any hearing dates before the Office of Administrative Hearings
3 for this case, Case No. H-41272 LA. Respondent's failure to meet this condition shall
4 constitute an independent violation of the terms of the restricted license and shall be grounds
5 for the suspension or revocation of that license, provided, however, that Respondent will have
6 the right to an administrative hearing and determination based on a violation of this paragraph.

7 8. All licenses and licensing rights of Respondent are indefinitely
8 suspended unless or until Respondent pays the sum of \$3,700.00 for restitution for Enrique
9 Felix and Erica Becerra. Said payment shall be in the form of a cashier's check made payable
10 to the Enrique Felix or Erica Becerra. The restitution check must be delivered to the Steve Chu,
11 Department of Real Estate, 320 West 4th Street, Suite 350, Los Angeles,
12 California 90013-1105, prior to the effective date of this Decision and Order.

13 9. All licenses and licensing rights of Respondent are indefinitely
14 suspended unless or until Respondent pays the sum of \$6,568.00 for the Commissioner's
15 reasonable cost of the investigation and enforcement which led to this disciplinary action. Said
16 payment shall be in the form of a cashier's check made payable to the Department of Real
17 Estate. The investigative and enforcement costs must be delivered to the Department of Real
18 Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, within sixty (60) days
19 after the effective date of this Decision and Order.

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21 DATED: 10-21-2020



Steve Chu, Counsel
Department of Real Estate

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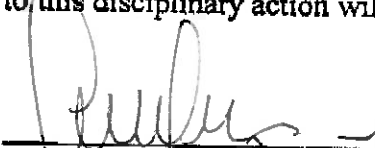
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2 I have read the Stipulation and Agreement. I understand that I am waiving rights
3 given to me by the California Administrative Procedure Act, (including but not limited to
4 Sections 11521 and 11523 of the Government Code), and I willingly, intelligently, and
5 voluntarily waive those rights, including the right to seek reconsideration and the right to seek
6 judicial review of the Commissioner's Decision and Order by way of a writ of mandate.

7 I agree, acknowledge, and understand that I cannot rescind or amend this
8 Stipulation and Agreement.


9 I can signify acceptance and approval of the terms and conditions of this
10 Stipulation and Agreement by mailing the original signed Stipulation and Agreement by
11 October 13, 2020, to: Steve Chu, Department of Real Estate, 320 West 4th Street, Suite 350,
12 Los Angeles, California 90013-1105. Steve Chu must receive the original signed Stipulation
13 and Agreement or a copy faxed to (213) 576-6917 by October 13, 2020; if not, this Stipulation
14 and Agreement is invalid and void because the sum for the Commissioner's reasonable cost of
15 the investigation and enforcement which led to this disciplinary action will increase.

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17 DATED: 10/13/2020



PAUL A CUBILLOS
Respondent

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20 DATED: 10/22/20



Frank Buda
Counsel for Respondent
Approved as to Form

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The foregoing Stipulation and Agreement is hereby adopted by me as my
Decision in this matter as to Respondent PAUL A CUBILLOS, and shall become effective at
12 o'clock noon on December 18, 2020.

IT IS SO ORDERED 11.10.20

DOUGLAS R. McCAULEY
REAL ESTATE COMMISSIONER

