

Sack

FILED

APR 21 2021

DEPT. OF REAL ESTATE

By 

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

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 PREFERRED GROUP PROPERTIES INC and Respondent KEVIN JOHN SANCHEZ, individually and as designated officer of Preferred Group Properties Inc, ("Respondents"), represented by Mary Work, 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:

///
///

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. Respondents have 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 January 25, 2019, Respondents filed Notices 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. Respondents hereby freely and voluntarily withdraw said Notices
12 of Defense. Respondents acknowledge that Respondents understand that by withdrawing said
13 Notices of Defense, Respondents will thereby waive Respondents’ right to require the Real
14 Estate Commissioner (“Commissioner”) to prove the allegations in the Accusation at a
15 contested hearing held in accordance with the provisions of the APA and that Respondents will
16 waive other rights afforded to Respondents in connection with the hearing such as the right to
17 present evidence in defense of the allegations in the Accusation and the right to cross-examine
18 witnesses.

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

22 ///

23 ///

24 ///

25 ///

26 ///

27 ///

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

8 6. The Order or any subsequent Order of the Commissioner made pursuant
9 to this Stipulation shall not constitute an estoppel, merger or bar to any further administrative or
10 civil proceedings by the Department with respect to any matters which were not specifically
11 alleged to be causes for the Accusation in this proceeding.

12 DETERMINATION OF ISSUES

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

16 I.

17 The conduct, acts, and/or omissions of Respondent PREFERRED GROUP
18 PROPERTIES INC, as described in the Accusation, constitute cause for the suspension or
19 revocation of all real estate licenses and license rights of Respondent PREFERRED GROUP
20 PROPERTIES INC under California Business and Professions Code ("Code") section 10177(g)
21 for violation of Code section 10177(g).

22 II.

23 The conduct, acts, and/or omissions of Respondent KEVIN JOHN SANCHEZ,
24 as described in the Accusation, constitute cause for the suspension or revocation of all real
25 estate licenses and license rights of Respondent KEVIN JOHN SANCHEZ under Code
26 sections 10177(g) and 10177(h) for violation of Code section 10159.2 and Title 10, Chapter 6,
27 California Code of Regulations ("Regulations") sections 2725.

ORDER

I.

1
2
3 1. Respondent PREFERRED GROUP PROPERTIES INC is publicly
4 reproved.

5 2. All licenses and licensing rights of Respondent PREFERRED GROUP
6 PROPERTIES INC are indefinitely suspended unless or until Respondent PREFERRED
7 GROUP PROPERTIES INC pays, jointly and severally with Respondent KEVIN JOHN
8 SANCHEZ, the sum of \$5,889.95 for the Commissioner's reasonable cost of the investigation
9 and enforcement which led to this disciplinary action. Said payment shall be in the form of a
10 cashier's check made payable to the Department of Real Estate. The investigative and
11 enforcement costs must be delivered to the Department of Real Estate, Flag Section at
12 P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this Decision and
13 Order.

14 3. All licenses and licensing rights of Respondent PREFERRED GROUP
15 PROPERTIES INC are indefinitely suspended unless or until Respondent PREFERRED
16 GROUP PROPERTIES INC pays an administrative fine of \$2,500. Said payment shall be in
17 the form of a cashier's check made payable to the Department of Real Estate. The
18 administrative fine must be delivered to the Department of Real Estate, Flag Section at
19 P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this Decision and
20 Order.

21 ///

22 ///

23 ///

24 ///

25 ///

26 ///

27 ///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

II.


1. Respondent KEVIN JOHN SANCHEZ is publicly reprovod.

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

3. All licenses and licensing rights of Respondent KEVIN JOHN SANCHEZ are indefinitely suspended unless or until Respondent KEVIN JOHN SANCHEZ pays, jointly and severally with Respondent PREFERRED GROUP PROPERTIES INC, the sum of \$5,889.95 for the Commissioner's reasonable cost of the investigation and enforcement which led to this disciplinary action. Said payment shall be in the form of a cashier's check made payable to the Department of Real Estate. The investigative and enforcement costs must be delivered to the Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this Decision and Order.

4. All licenses and licensing rights of Respondent KEVIN JOHN SANCHEZ are indefinitely suspended unless or until Respondent KEVIN JOHN SANCHEZ pays an administrative fine of \$2,500. Said payment shall be in the form of a cashier's check made payable to the Department of Real Estate. The administrative fine must be delivered to the Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this Decision and Order.

DATED: 2-25-2021



Steve Chu, Counsel
Department of Real Estate


1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

We have read the Stipulation and Agreement. We understand that we are waiving rights given to us by the California Administrative Procedure Act, (including but not limited to sections 11521 and 11523 of the Government Code), and we willingly, intelligently, and voluntarily waive those rights, including the right to seek reconsideration and the right to seek judicial review of the Commissioner's Decision and Order by way of a writ of mandate.

We agree, acknowledge, and understand that we cannot rescind or amend this Stipulation and Agreement.

We can signify acceptance and approval of the terms and conditions of this Stipulation and Agreement by mailing the original signed Stipulation and Agreement to: Steve Chu, Department of Real Estate, 320 West 4th Street, Suite 350, Los Angeles, California 90013-1105. Steve Chu must receive the original signed Stipulation and Agreement or a copy faxed to (213) 576-6917 by February 24, 2021; if not, this Stipulation and Agreement to is invalid and void.


DATED: 2/19/21


PREFERRED GROUP PROPERTIES INC
Respondent
By KEVIN JOHN SANCHEZ,
as designated officer of
Preferred Group Properties Inc

DATED: 2/19/21


KEVIN JOHN SANCHEZ
Respondent

DATED: 2/24/2021


Mary Work
Counsel for Respondents
Approved as to Form

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

The foregoing Stipulation and Agreement is hereby adopted by me as my
Decision in this matter as to Respondent PREFERRED GROUP PROPERTIES INC and
KEVIN JOHN SANCHEZ, and shall become effective at 12 o'clock noon on
May 21, 2021

IT IS SO ORDERED 4.12.21

DOUGLAS R. McCAULEY
REAL ESTATE COMMISSIONER

