


DEPARTMENT OF REAL ESTATE
320 West 4th Street, Suite 350
Los Angeles, California 90013-1105
Telephone: (213) 620-2072

FILED

FEB 27 2020

DEPT. OF REAL ESTATE

By 

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

In the Matter of the Accusation against)	DRE No. H-41401 LA
)	OAH No. 2019080238
DENNIS BARROCAS, individually and as)	
designated officer for Cornerstone R/E)	
Management, Inc.,)	<u>STIPULATION AND</u>
)	<u>AGREEMENT IN SETTLEMENT</u>
Respondent.)	<u>AND ORDER</u>
)	
)	

It is hereby stipulated by and between Respondent DENNIS BARROCAS, individually, and as designated officer of Cornerstone R/E Management, Inc. (collectively "Respondent"), represented by Frank M. Buda, Esq., and Complainant, acting by and through Lissete Garcia, Counsel for the Department of Real Estate ("Department"), as follows for the purpose of settling and disposing the Accusation filed on July 10, 2019, with Department Case No. H-41401 LA ("Accusation") in this matter:

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

1 Agreement in Settlement and Order ("Stipulation").

2 2. Respondent has received, read, and understands the Statement to Respondent, the
3 Discovery Provisions of the APA, and Accusation filed by the Department in this proceeding.

4 3. Respondent filed a Notice of Defense pursuant to section 11506 of the Government
5 Code for the purpose of requesting a hearing on the allegations in the Accusation. Respondent
6 hereby freely and voluntarily withdraws said Notice of Defense. Respondent acknowledges and
7 understands that by withdrawing said Notice of Defense, Respondent will thereby waive
8 Respondent's rights to require the Real Estate Commissioner ("Commissioner") to prove the
9 allegations in the Accusation at a contested hearing held in accordance with the provisions of the
10 APA and that Respondent will waive other rights afforded to Respondent in connection with the
11 hearing such as the right to present evidence in defense of the allegations in the Accusation and
12 the right to cross-examine witnesses.

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

19 5. This Stipulation and Respondent's decision not to contest the Accusation are made for
20 the purpose of reaching an agreed disposition of this proceeding and are expressly limited to this
21 proceeding and any other proceeding or case in which the Department, or another licensing
22 agency of this state, another state or if the federal government is involved and otherwise shall not
23 be admissible in any other criminal or civil proceedings.
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1 6. It is understood by the parties that the Real Estate Commissioner may adopt the
2 Stipulation and Agreement as his Decision in this matter, thereby imposing the penalty and
3 sanctions on Respondent's real estate licenses and license rights as set forth in the below
4 "Order." In the event that the Commissioner in his discretion does not adopt the Stipulation and
5 Agreement, it shall be void and of no effect, and Respondent shall retain the right to a hearing
6 and proceeding on the Accusation under all the provisions of the APA and shall not be bound by
7 any admission or waiver made herein.

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

12 9. Respondent understands that by agreeing to this Stipulation, Respondent agrees to
13 pay, pursuant to section 10148 of the Code, the cost of the audit which resulted in the
14 determination that Respondent committed the violations found in the "Determination of Issues"
15 below. The amount of said cost is \$4,714.45.

16 10. Respondent understands that by agreeing to this Stipulation, the findings set forth
17 below in the Determination of Issues become final, and the Commissioner may charge
18 Respondent for the cost of any subsequent audit conducted pursuant to Code section 10148 to
19 determine if the violations have been corrected. The maximum cost of the follow-up audit will
20 not exceed one-hundred twenty-five percent (125%) of the cost of the original audit; in the
21 instant case, the cost of the original audit is \$4,714.45, and the maximum cost of the follow-up
22 audit will not exceed \$5,893.06. Therefore, Respondents may be charged a maximum of
23 \$5,893.06 in the event of a subsequent audit.
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The conduct, acts and/or omissions of Respondent DENNIS BARROCAS as set forth in Paragraphs 9 through 36 of the Accusation, constitutes cause for the suspension or revocation of all real estate licenses and license rights of Respondent under the provisions of Code section 10177, subdivision (d) for violation of Code sections 10145, 10159.5, and Title 10, Chapter 6, California Code of Regulations ("Regulation") 2832.1, 2832, 2831, 2831.2, 2831.2, 2834, and 2731.

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1. Respondent shall obey all laws, rules and regulations governing the rights, duties and responsibilities of a real estate licensee in the State of California; and,
2. That no final subsequent determination be made, after hearing or upon stipulation, that cause for disciplinary action occurred within two (2) years from the effective date of this Decision and Order. Should such a determination be made, the Commissioner may, in his discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed suspension. Should no such determination be made, the stay imposed herein shall become permanent.

1 3. All licenses and licensing rights of Respondent DENNIS BARROCAS are
2 indefinitely suspended unless or until Respondent provides proof satisfactory to the
3 Commissioner, of having taken and successfully completed the continuing education course on
4 trust fund accounting and handling specified in paragraph (3) of subdivision (a) of section
5 10170.5 of the Code. Proof of satisfaction of this requirement includes evidence that Respondent
6 has successfully completed the trust fund account and handling continuing education course, no
7 earlier than 120 days prior to the effective date of the Decision and Order in this matter. **Proof**
8 **of completion of the trust fund accounting and handling course must be delivered to the**
9 **Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013**
10 **or by fax at 916-263-8758, prior to the effective date of this Decision and Order.**

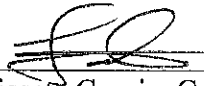
11 4. All licenses and licensing rights of Respondent DENNIS BARROCAS are
12 indefinitely suspended unless or until Respondent pays the sum of \$1,157.00 for the
13 Commissioner's reasonable cost of the enforcement which led to this disciplinary action. Said
14 payment shall be in the form of a cashier's check made payable to the Department of Real Estate.
15 **The enforcement costs must be delivered to the Department of Real Estate, Flag Section at**
16 **P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this Decision**
17 **and Order. Payment of the enforcement costs should not be made until the Stipulation has**
18 **been approved by the Commissioner.**

19 5. Pursuant to section 10148 of the Code, Respondent DENNIS BARROCAS
20 shall pay the sum of \$4,714.45 for the Commissioner's cost of the audit which led to this
21 disciplinary action. **Respondent shall pay such cost within sixty (60) days of receiving an**
22 **invoice therefore from the Commissioner. Payment of audit costs should not be made until**
23 **Respondent receives the invoice.** If Respondent fails to satisfy this condition in a timely
24 manner as provided for herein, Respondent's real estate licenses shall automatically be

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

3 6. Pursuant to section 10148 of the Code, Respondent DENNIS BARROCAS
4 shall pay the Commissioner's reasonable cost, not to exceed \$5,893.06, for any subsequent audit
5 to determine if Respondent DENNIS BARROCAS has corrected the violations found in the
6 Determination of Issues. In calculating the amount of the Commissioner's reasonable cost, the
7 Commissioner may use the estimated average hourly salary for all persons performing audits of
8 real estate brokers, and shall include an allocation for travel time to and from the auditor's place
9 of work. **Respondent shall pay such cost within sixty (60) days of receiving an invoice**
10 **therefore from the Commissioner. Payment of the audit costs should not be made until**
11 **Respondent receives the invoice.** If Respondent fails to satisfy this condition in a timely
12 manner as provided for herein, Respondent's real estate licenses shall automatically be
13 suspended until payment is made in full, or until a decision providing otherwise is adopted
14 following a hearing held pursuant to this condition.

15 DATED: 1/31/2020


Lissete Garcia, Counsel
Department of Real Estate

17 * * *

18 EXECUTION OF THE STIPULATION

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

1 and mitigation of the charges.

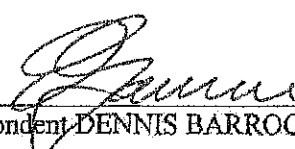
2 Respondent can signify acceptance and approval of the terms and conditions of this
3 Stipulation and Agreement by electronically e-mailing a copy of the signature pages, as actually
4 signed by Respondent, to the Department. Respondent agrees, acknowledges, and understands
5 that by electronically sending to the Department an electronic copy of Respondent's actual
6 signatures, as it appears on the Stipulation, that receipt of the emailed copy by the Department
7 shall be as binding on Respondent as if the Department had received the original signed
8 Stipulation.

9 Respondent's signature below constitutes acceptance and approval of the terms and
10 conditions of this Stipulation. Respondent agrees, acknowledges, and understands that by
11 signing this Stipulation Respondent is bound by its terms as of the date of such signature and that
12 this agreement is not subject to rescission or amendment at a later date except by a separate
13 Decision and Order of the Real Estate Commissioner.

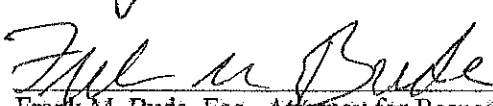
14 MAILING

15 Respondent and Respondent's counsel shall, within five (5) business days from signing
16 the Stipulation, mail the original signed signature page(s) of the Stipulation herein to Lissete
17 Garcia, Attention: Legal Section, Department of Real Estate, 320 W. Fourth St., Room 350, Los
18 Angeles, California 90013-1105.

19
20 DATED: JAN 30, 2020


Respondent DENNIS BARROCAS

21
22 DATED: 1-30-20


Frank M. Buda, Esq., Attorney for Respondent
Approved as to Form

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1 and mitigation of the charges.

2 Respondent can signify acceptance and approval of the terms and conditions of this
3 Stipulation and Agreement by electronically e-mailing a copy of the signature pages, as actually
4 signed by Respondent, to the Department. Respondent agrees, acknowledges, and understands
5 that by electronically sending to the Department an electronic copy of Respondent's actual
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12 this agreement is not subject to rescission or amendment at a later date except by a separate
13 Decision and Order of the Real Estate Commissioner.

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17 Garcia, Attention: Legal Section, Department of Real Estate, 320 W. Fourth St., Room 350, Los
18 Angeles, California 90013-1105.

19
20 DATED: _____

Respondent DENNIS BARROCAS

21
22 DATED: _____

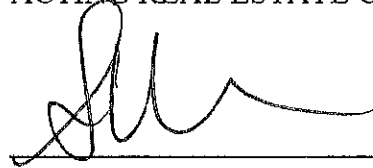
Frank M. Buda, Esq., Attorney for Respondent
Approved as to Form

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24 * * *

1 The foregoing Stipulation and Agreement in Settlement and Order is hereby
2 adopted by me as my Decision in this matter and shall become effective at 12 o'clock noon on
3 March 27, 2020.

4 IT IS SO ORDERED 2/21/20, 2020.

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6 SANDRA KNAU
7 ACTING REAL ESTATE COMMISSIONER
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A handwritten signature in black ink, appearing to read 'SK', is written over a horizontal line.