

1 3. On August 3, 2020, Respondent filed a Notice of Defense pursuant to section 11506
2 of the Government Code for the purpose of requesting a hearing on the allegations in the
3 Accusation. Respondent hereby freely and voluntarily withdraws said Notice of Defense.
4 Respondent acknowledges that he understands that by withdrawing said Notice of Defense,
5 Respondent will thereby waive his right to require the Real Estate Commissioner
6 ("Commissioner") to prove the allegations in the Accusation at a contested hearing held in
7 accordance with the provisions of the APA and that Respondent will waive other rights afforded to
8 him in connection with the hearing such as the right to present evidence in defense of the
9 allegations in the Accusation and the right to cross-examine witnesses.

10 4. This Stipulation is based on the factual allegations contained in the Accusation. In
11 the interest of expedience and economy, Respondent chooses not to contest these allegations, but to
12 remain silent, and understands that, as a result thereof, these factual allegations, without being
13 admitted or denied, will serve as a prima facie basis for the disciplinary action stipulated to herein.
14 The Real Estate Commissioner shall not be required to provide further evidence to prove said
15 factual allegations.

16 5. This Stipulation and Respondent's decision not to contest the Accusation are made
17 for the purpose of reaching an agreed disposition of this proceeding and are expressly limited to
18 this proceeding and any other proceeding or case in which the Department, or another licensing
19 agency of this state, another state, or if the federal government is involved, and otherwise shall not
20 be admissible in any other criminal or civil proceedings.

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

27 7. The Order or any subsequent Order of the Commissioner made pursuant to this
28 Stipulation shall not constitute an estoppel, merger or bar to any further administrative or civil

1 proceedings by the Department with respect to any matters which were not specifically alleged to
2 be causes for the Accusation in this proceeding.

3 8. Respondent understands that by agreeing to this Stipulation, Respondent agrees to
4 pay, pursuant to Business and Professions Code Section 10148, the cost of the original audit which
5 led to this disciplinary action. The amount of said cost is \$4,684.84.

6 9. Respondent has received, read, and understands the "Notice Concerning Costs of
7 Subsequent Audit." Respondent further understands that by agreeing to this Stipulation, the
8 findings set forth below in the Determination of Issues become final, and the Commissioner may
9 charge Respondent for the cost of any subsequent audit conducted pursuant to Business and
10 Professions Code Section 10148 to determine if the violations have been corrected. The maximum
11 cost of the subsequent audit shall not exceed 125% of cost of the original audit, or \$5,856.05.

12 10. Respondent understands that by agreeing to this Stipulation, Respondent agrees to
13 pay, pursuant to Business and Professions Code Section 10106, the cost of the investigation and
14 enforcement of this matter. The amount of the investigation costs is \$1,018.70 and the amount of
15 the enforcement costs is \$787.20, for a total of \$1,805.90.

16 DETERMINATION OF ISSUES

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

20 I.

21 The conduct, acts, and/or omissions of Respondent as described in the Accusation,
22 constitute cause for the suspension or revocation of all real estate licenses and license rights of
23 Respondent under California Business and Professions Code ("Code") sections 10145, 10176(g),
24 and 10177(d) and/or 10177(g), and Title 10, Chapter 6, California Code of Regulations
25 ("Regulations") sections 2832 and 2834.

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1 2. The remaining fifteen (15) days of said suspension shall be stayed for two (2) years
2 upon the following terms and conditions:

3 a. Respondent BRONSTEIN shall obey all laws, rules and regulations
4 governing the rights, duties and responsibilities of a real estate licensee in the State of
5 California; and,

6 b. That no final subsequent determination be made, after hearing or upon
7 stipulation, that cause of disciplinary action occurred within two (2) years from the effective
8 date of this Decision and Order. Should such a determination be made, the Commissioner
9 may, in his discretion, vacate and set aside the stay order and reimpose all or a portion of
10 the stayed suspension. Should no such determination be made, the stay imposed herein
11 shall become permanent.

12 3. Respondent BRONSTEIN shall pay the sum of \$1,805.90 for the Commissioner's
13 reasonable cost of the investigation and enforcement which led to this disciplinary action, within
14 one-hundred and eighty (180) days from the effective date of this Decision and Order. Said
15 payment shall be in the form of a cashier's check made payable to the Department of Real Estate.
16 The investigative and enforcement costs must be delivered to the Department of Real Estate,
17 Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013. Payment of investigation and
18 enforcement costs should not be made until the Stipulation has been approved by the
19 Commissioner. If Respondent fails to satisfy this condition in a timely manner as provided for
20 herein, Respondent's real estate license shall automatically be suspended until payment is made in
21 full, or until a decision providing otherwise is adopted following a hearing held pursuant to this
22 condition.

23 4. Pursuant to section 10148 of the Code, Respondent BRONSTEIN shall pay the sum
24 of \$4,684.84 for the Commissioner's cost of the audit which led to this disciplinary action.
25 Respondent shall pay such cost within sixty (60) days of receiving an invoice therefore from
26 the Commissioner. Payment of audit costs should not be made until Respondent receives the
27 invoice. If Respondent fails to satisfy this condition in a timely manner as provided for herein,

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1 Respondent's real estate license shall automatically be suspended until payment is made in full, or
2 until a decision providing otherwise is adopted following a hearing held pursuant to this condition.

3 5. Respondent understands that by agreeing to this Stipulation, the findings set forth
4 below in the Determination of Issues become final, and the Commissioner may charge Respondent
5 for the cost of any subsequent audit, if a subsequent audit is conducted, pursuant to Code section
6 10148 to determine if the violations have been corrected and that Respondent is in compliance with
7 trust fund handling requirements of the Real Estate Law. The maximum cost of the follow-up audit
8 will not exceed one-hundred twenty-five percent (125%) of the cost of the original audit; in the
9 instant case, the cost of the original audit is \$4,684.84 and the maximum cost of the follow-up audit
10 will not exceed \$5,856.05. Therefore, Respondent may be charged a maximum of \$5,856.05 in the
11 event of a subsequent audit.

12 6. Pursuant to Section 10148 of the Code, Respondent shall pay the Commissioner's
13 reasonable cost, not to exceed \$5,856.05, for any subsequent audit, if one is performed, to
14 determine if Respondent has corrected the violations found in the Determination of Issues and that
15 Respondent is in compliance with trust fund handling requirements of the Real Estate Law. In
16 calculating the amount of the Commissioner's reasonable cost, the Commissioner may use the
17 estimated average hourly salary for all persons performing audits of real estate brokers, and shall
18 include an allocation for travel time to and from the auditor's place of work. Respondent shall pay
19 such cost within sixty (60) days of receiving an invoice therefore from the Commissioner.

20 **Payment of the audit costs should not be made until Respondent receives the invoice.** If
21 Respondent fails to satisfy this condition in a timely manner as provided for herein, Respondent's
22 real estate licenses shall automatically be suspended until payment is made in full, or until a
23 decision providing otherwise is adopted following a hearing held pursuant to this condition.

24 7. Within ninety (90) days of the effective date of this Decision and Order, Respondent
25 BRONSTEIN shall provide written proof that:

26 a. Respondent has refunded to property owners the 10% markup on the hourly
27 rates that BRONSTEIN paid to his handymen for repair and maintenance work on the

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1 property owners' properties, and which markup BRONSTEIN charged to the property
2 owners, which markup was not previously disclosed in writing to the property owners; and

3 b. Respondent has disclosed in writing to his current property management
4 clients and property owners with whom he, or any real estate corporation for which
5 Respondent is the designated officer and real estate broker, any current markup on the
6 wages or hourly rates paid for repair and maintenance services provided by Prime Property
7 Maintenance Inc., and the amount of any markup on such wages or hourly rates.

8 Such proof must be delivered to the Department of Real Estate, Flag Section at P.O. Box 137013,
9 Sacramento, CA 95813-7013. If Respondent fails to satisfy this condition in a timely manner as
10 provided for herein, Respondent's real estate license shall automatically be suspended until such
11 written proof as described above in Paragraphs 7(a) and 7(b) is provided, or until a decision
12 providing otherwise is adopted following a hearing held pursuant to this condition.

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14 DATED: 8/19/2021

Laurence D. Haveson

15 Laurence D. Haveson
16 Counsel for Complainant

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18 EXECUTION OF THE STIPULATION

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

26 Respondent can signify acceptance and approval of the terms and conditions of this
27 Stipulation and Agreement by electronically e-mailing a copy of the signature pages, as actually
28 signed by Respondent, to the Department. Respondent agrees, acknowledges, and understands that

1 by electronically sending to the Department an electronic copy of Respondent's actual signature, as
2 it appears on the Stipulation, that receipt of the emailed copy by the Department shall be as binding
3 on Respondent as if the Department had received the original signed Stipulation. By signing this
4 Stipulation, Respondent understands and agrees that Respondent may not withdraw his agreement
5 or seek to rescind the Stipulation prior to the time the Commissioner considers and acts upon it or
6 prior to the effective date of the Stipulation and Order.

7 MAILING

8 Respondent and his counsel shall, within five (5) business days from signing the
9 Stipulation, mail the original signed signature page(s) of the Stipulation herein to Laurence
10 Haveson, Attention: Legal Section, Department of Real Estate, 320 W. Fourth St., Room 350. Los
11 Angeles, California 90013-1105.

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

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18 DATED: 8/19/21


Respondent PAUL E. BRONSTEIN

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21 DATED: _____

22 Mary E. Work
23 Mary E. Work, A Professional Corporation
24 Attorney for Respondent PAUL E. BRONSTEIN
25 *Approved as to Form*

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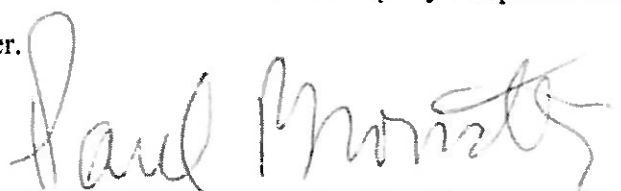
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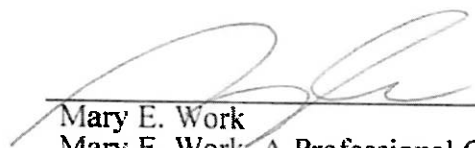
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14 this Stipulation Respondent is bound by its terms as of the date of such signature and that this
15 agreement is not subject to rescission or amendment at a later date except by a separate Decision
16 and Order of the Real Estate Commissioner.

17
18 DATED: 8/19/21


Respondent PAUL E. BRONSTEIN

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21 DATED: 8/19/2021


Mary E. Work
Mary E. Work, A Professional Corporation
Attorney for Respondent PAUL E. BRONSTEIN
Approved as to Form

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The foregoing Stipulation and Agreement in Settlement and Order is hereby adopted by me
as my Decision in this matter and shall become effective at 12 o'clock noon on
Nov. 24, 2021.

IT IS SO ORDERED 10.29.21, 2021.

DOUGLAS R. McCAULEY
REAL ESTATE COMMISSIONER

Douglas R. McCauley