

1 Department of Real Estate
2 320 West 4th Street, Ste. 350
3 Los Angeles, California 90013-1105
4 Telephone: (213) 576-6982

FILED

APR 20 2022

DEPT. OF REAL ESTATE

By *Julie L. To*

7 BEFORE THE DEPARTMENT OF REAL ESTATE

8 STATE OF CALIFORNIA

9 * * *

10 In the Matter of the Accusation of) No. H-42063 LA
11)
12 SOUTHERN CALIFORNIA REAL) **STIPULATION**
13 ESTATE MANAGEMENT INC;) **AND**
14) **AGREEMENT**
15 STEFFANIE DANIELLE STELNICK,)
16 as designated officer of Southern California)
17 Real Estate Management Inc; and)
18)
19 KENNETH CLARK DETERMAN,)
20 as former designated officer of Southern)
21 California Real Estate Management Inc,)
22)
23 Respondents.)

24 It is hereby stipulated by and between Respondents SOUTHERN CALIFORNIA
25 REAL ESTATE MANAGEMENT INC (“SCREMI”) and STEFFANIE DANIELLE STELNICK
26 (“STELNICK”), both represented by Mary E. Work, Esq., and the Complainant, acting by and
27 through Julie L. To, Counsel for the Department of Real Estate (“Department” or “DRE”), as
follows for the purpose of settling and disposing of the Accusation (“Accusation”) filed on July
13, 2021, in Case No. H-42063 LA, in this matter.

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DRE Stipulation & Agreement: SCREMI & Stelnick, H-42063 LA

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 hearing
3 was to be held in accordance with the provisions of the Administrative Procedure Act (“APA”),
4 shall instead and in place thereof be submitted solely on the basis of the provisions of this
5 Stipulation and Agreement (“Stipulation”).

6 2. Respondents have received, read and understand the Statement to Respondent,
7 the Discovery Provisions of the APA and the Accusation filed by the Department of Real Estate
8 (“Department”) in this proceeding.

9 3. On July 13, 2021, Respondents timely filed their respective Notices of Defense
10 pursuant to Section 11506 of the Government Code for the purpose of requesting a hearing on
11 the allegations in the Accusation. Respondents hereby freely and voluntarily withdraw said
12 Notices of Defense. Respondents acknowledge that they understand that by withdrawing said
13 Notices of Defense they thereby waive their right to require the Commissioner to prove the
14 allegations in the Accusation at a contested hearing held in accordance with the provisions of the
15 APA and that they will waive other rights afforded to them in connection with the hearing such
16 as the right to present evidence in their defense and the right to cross-examine witnesses.

17 4. This Stipulation is based on the factual allegations contained in the Accusation.
18 In the interest of expedience and economy, Respondents choose not to contest these allegations,
19 but to remain silent, and understand that, as a result thereof, these factual allegations, without
20 being admitted or denied, will serve as a prima facie basis for the disciplinary action stipulated to
21 herein. The Real Estate Commissioner shall not be required to provide further evidence to prove
22 said factual allegations.

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DRE Stipulation & Agreement: SCREMI & Stelnick, H-42063 LA

1 5. This Stipulation is made for the purpose of reaching an agreed disposition of
2 this proceeding and is expressly limited to this proceeding and any other proceeding or case in
3 which the Department or another licensing agency of this state, another state, or if the federal
4 government is involved, and otherwise shall not be admissible in any other criminal or civil
5 proceeding.

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

13 7. The Order or any subsequent Order of the Real Estate Commissioner made
14 pursuant to this Stipulation shall not constitute an estoppel, merger or bar to any further
15 administrative or civil proceedings by the Department of Real Estate with respect to any matters
16 which were not specifically alleged to be causes for Accusation in this proceeding but do
17 constitute a bar, estoppel and merger as to any allegations actually contained in the Accusations
18 against Respondents herein.

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DRE Stipulation & Agreement: SCREMI & Stelnick, H-42063 LA

1 8. Respondents understand that by agreeing to this Stipulation, Respondents agree
2 to pay for their portion for the cost of the audit which resulted in the determination that
3 Respondents committed the violations found in the Determination of Issues, pursuant to Business
4 and Professions Code (“Code”) Section 10148. The amount of said costs for the audit
5 examination (LA200027) totals \$10,057.50. Respondents agree to pay, pursuant to Code Section
6 10148, the following amounts for their respective portions of the cost of Audit No. LA20007:
7 SCREMI agrees to pay one-half of the total, which is \$5,028.75, and STELNICK agrees to pay
8 44% of one-half of the total, which is \$2,212.65.

9 9. Respondents have received, read, and understand the “Notice Concerning
10 Costs of Subsequent Audit.” Respondents further understand that by agreeing to this Stipulation,
11 the findings set forth below in the Determination of Issues become final, and the Commissioner
12 may charge Respondents for the cost of any subsequent (follow-up) audit(s) conducted pursuant
13 to Code Section 10148 to determine if the violations found in Audit LA200027 have been
14 corrected. The maximum cost of the follow-up audits will not exceed one-hundred twenty-five
15 percent (125%) of the cost of the original audit; in the instant case, the cost of the original audits
16 total \$10,057.50, and the maximum cost of the follow-up audit ($\$10,057.50 \times 125\%$) will not
17 exceed \$12,571.88. Therefore, Respondents may be charged a maximum of \$12,571.88 in the
18 event of a subsequent audit.

19 10. Respondents understand that by agreeing to this Stipulation, Respondents
20 agree to pay for their portion of the Commissioner’s cost of the investigation and enforcement
21 which resulted in the determination that Respondents committed the violations found in the
22 Determination of Issues, pursuant to Code Section 10106. The total amount of said investigation
23 and enforcement costs is \$3,929.05 (comprised of \$2,753.05 in investigation costs and \$1,176.00
24 in enforcement costs). Respondents agree to pay, pursuant to Code Section 10106, the following
25 amounts for their respective portions of the investigation and enforcement costs:
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1 SCREMI agrees to pay one-half of the total, which is \$1,964.52, and STELNICK agrees to pay
2 44% of one-half of the total, which is \$864.39.

3 DETERMINATION OF ISSUES

4 By reason of the foregoing stipulations, admissions and waivers, and solely for the
5 purpose of settlement of the pending Accusation without a hearing, it is stipulated and agreed
6 that the following determination of issues shall be made:

7 The conduct, acts or omissions of Respondent SCREMI as described in Paragraph
8 4, herein above, are in violation of the Real Estate Law pursuant to: Code Section 10145 and
9 Regulation 2832.1, Code Section 10145 and Regulation 2831.1, Code Section 10145 and
10 Regulation 2831.2, Code Sections 10145 and 10176(e) and Regulation 2835, Code Section
11 10145 and Regulation 2834, Code Section 10159.5 and 2731, and Code Section 10148, and are
12 bases for the suspension or revocation of the license and license rights of SCREMI pursuant to
13 Code Sections 10177(d) and 10177(g).

14 The conduct, acts or omissions of Respondent STELNICK as described in
15 Paragraph 4, herein above, are in violation of the Real Estate Law pursuant to Code Section
16 10159.2 and Regulation 2725, and are bases for the suspension or revocation of the license and
17 license rights of STELNICK pursuant to Code Sections 10177 (h).

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DRE Stipulation & Agreement: SCREMI & Stelnick, H-42063 LA

1 ORDER

2 WHEREFORE, THE FOLLOWING ORDER is hereby made:

3 I.

4 All licenses and licensing rights of Respondents SOUTHERN CALIFORNIA
5 REAL ESTATE MANAGEMENT INC and STEFFANIE DANIELLE STELNICK under the
6 Real Estate Law are suspended for a period of thirty (30) days from the effective date of this
7 Decision and Order; provided, however, that:

8 1. All thirty (30) days of said suspension shall be stayed for one (1) year upon the
9 following terms and conditions:

10 a) Respondents shall obey all laws, rules and regulations governing the
11 rights, duties and responsibilities of a real estate licensee in the State of
12 California; and,

13 b) That no final subsequent determination be made, after hearing or upon
14 stipulation, that cause of disciplinary action occurred within one (1) year
15 from the effective date of this Decision and Order. Should such a
16 determination be made, the Commissioner may, in his discretion, vacate
17 and set aside the stay order and reimpose all or a portion of the stayed
18 suspension. Should no such determination be made, the stay imposed
19 herein shall become permanent.

20 2. All licenses and licensing rights of Respondents are indefinitely suspended
21 unless or until Respondents pay their respective portions of the Commissioner's reasonable cost
22 of the investigation and enforcement which led to this disciplinary action; said costs total
23 \$3,929.05 (comprised of \$2,753.05 in investigation costs and \$1,176.00 in enforcement costs).
24 Pursuant to Code Section 10106: Respondent SCREMI agrees to pay the amount \$1,964.52,
25 which is one-half of the total, and Respondent STELNICK agrees to pay the amount \$864.39,
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27 DRE Stipulation & Agreement: SCREMI & Stelnick, H-42063 LA

1 which is 44% of one-half of the total. Respondents' payment(s) shall be in the form of a
2 cashier's check or certified check made payable to the Department of Real Estate. The
3 investigation and enforcement costs must be delivered to: Department of Real Estate, Flag
4 Section, P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this
5 Decision and Order.

6 3. Pursuant to Section 10148 of the Code, Respondents shall pay their respective
7 portions of the Commissioner's cost of the audit (LA200027) which led to this disciplinary
8 action, \$10,057.50. Pursuant to Code Section 10148: Respondent SCREMI agrees to pay, the
9 amount \$5,028.75, which is one-half of the total, and Respondent STELNICK agrees to pay the
10 amount \$2,212.65, which is 44% of one-half of the total. Respondents shall pay their respective
11 portions within sixty (60) days of receiving an invoice therefore from the Commissioner.


12 Payment of audit costs should not be made until Respondents receive the invoice, and payment(s)
13 must be delivered in accordance to the invoice instructions. If a Respondent fail to satisfy this
14 condition in a timely manner as provided for herein, the non-compliant Respondent's real estate
15 license(s) shall automatically be suspended until payment of their respective portion is made in
16 full, or until a decision providing otherwise is adopted following a hearing held pursuant to this
17 condition.

18 4. Pursuant to Section 10148 of the Code, Respondents shall pay the
19 Commissioner's reasonable cost, not to exceed \$12,571.88 [or, 125% of the original audit cost],
20 for a subsequent audit to determine if Respondents have corrected the violations found in the
21 Determination of Issues. In calculating the amount of the Commissioner's reasonable cost, the
22 Commissioner may use the estimated average hourly salary for all persons performing audits of
23 real estate brokers, and shall include an allocation for travel time to and from the auditor's place
24 of work. Respondents shall pay such cost within sixty (60) days of receiving an invoice therefore
25 from the Commissioner. Payment of the audit costs should not be made until Respondents

1 receive the invoice and payment(s) must be delivered in accordance with the invoice instructions.
2 If Respondents fail to satisfy this condition in a timely manner as provided for herein,
3 Respondents' real estate licenses shall automatically be suspended until payment is made in full,
4 or until a decision providing otherwise is adopted following a hearing held pursuant to this
5 condition.

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

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18 DATED: 3-24-22



19 Julie L. To, Counsel for
20 Department of Real Estate

21 * * *

22 II

23 EXECUTION OF THE STIPULATION

24 We have read the Stipulation and Agreement. Its terms are understood by us and
25 are agreeable and acceptable to us. We understand that we are waiving rights given to us by the
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27 DRE Stipulation & Agreement SCREMI & Stelnick, H-42063 LA

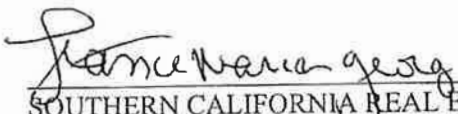
1 California Administrative Procedure Act (including but not limited to Sections 11506, 11508,
2 11509 and 11513 of the Government Code), and we willingly, intelligently and voluntarily waive
3 those rights, including the right of requiring the Commissioner to prove the allegations in the
4 Accusation at a hearing at which we would have the right to cross-examine witnesses against us
5 and to present evidence in defense and mitigation of the charges.

6 III.

7 MAILING AND FACSIMILE

8 Respondents can signify acceptance and approval of the terms and conditions of
9 this Stipulation and Agreement by sending a hard copy of the original signed signature page of
10 the Stipulation herein to: Julie L. To, Legal Section, Department of Real Estate, 320 W. Fourth
11 St., Suite 350, Los Angeles, California 90013-1105. In the event of time constraints before an
12 administrative hearing, Respondents can signify acceptance and approval of the terms and
13 conditions of this Stipulation and Agreement by e-mailing a scanned copy of the signature page,
14 as actually signed by Respondents to the Department counsel assigned to this case. Respondents
15 agree, acknowledge, and understand that by electronically sending to the Department a scan of
16 Respondents' actual signatures as they appear on the Stipulation and Agreement, that receipt of
17 the scan by the Department shall be binding on Respondents as if the Department had received
18 the original signed Stipulation and Agreement.

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20 DATED: 3/21/2022

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22 SOUTHERN CALIFORNIA REAL ESTATE
23 MANAGEMENT INC, Respondent
24 By: Frances Marian George, Designated Officer

25 DATED: 3-21-22

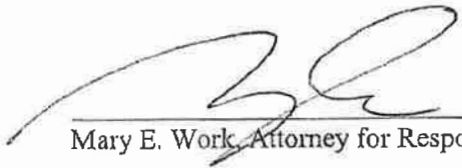
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27 STEFFANIE DANIELLE STELNICK, Respondent

DRE Stipulation & Agreement: SCREMI & Stelnick, H-42063 LA

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I have reviewed the Stipulation and Agreement as to form and have advised my clients accordingly.

DATED: 3/21/2022



Mary E. Work, Attorney for Respondents

The foregoing Stipulation and Agreement is hereby adopted as my Decision as to Respondents SOUTHERN CALIFORNIA REAL ESTATE MANAGEMENT INC and STEFFANIE DANIELLE STELNICK and shall become effective at 12 o'clock noon on MAY 20 2022, 2022.

IT IS SO ORDERED 4.14.22, 2022.

REAL ESTATE COMMISSIONER



DOUGLAS R. McCAULEY