

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

**FILED**

**NOV 28 2023**

**DEPT. OF REAL ESTATE**  
By 

5  
6  
7 BEFORE THE DEPARTMENT OF REAL ESTATE  
8 STATE OF CALIFORNIA  
9

10 \* \* \*

10 In the Matter of the Accusation against ) No. H-42236 LA  
11 )  
11 DIVIDENDS XIII CAPITAL; ) **STIPULATION**  
12 ) **AND**  
12 ) **AGREEMENT**  
13 )  
13 ADRIAN LAVERNE BATES, as former )  
14 designated officer for Dividends XIII Capital; )  
14 )  
15 and )  
15 )  
16 TRACIE CAROLYN LOVE, as )  
16 designated officer for Dividends XIII Capital, )  
17 )  
17 Respondents. )  
18 )  
18 )

19 It is hereby stipulated by and between Respondent ADRIAN LAVERNE BATES  
20 (BATES), represented by Frank M. Buda, Esq., and the Complainant, acting by and through Julie  
21 L. To, Counsel for the Department of Real Estate (“Department” or “DRE”), as follows for the  
22 purpose of settling and disposing of the Accusation filed on February 28, 2022 in Department of  
23 Real Estate Case No. H-42236 LA, in this matter.

24 1. All issues which were to be contested and all evidence which was to be  
25 presented by Complainant and Respondent at a formal hearing on the Accusation (Accusation),  
26

27 H-42236 LA: Stipulation & Agreement: Adrian Laverne Bates

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

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

7           3.       On or about April 13, 2022, Respondent timely filed a Notice of Defense  
8 pursuant to Section 11505 of the Government Code for the purpose of requesting a hearing on  
9 the allegations in the Accusation. Respondent hereby freely and voluntarily withdraws said  
10 Notice of Defense. Respondent acknowledges that she understands that by withdrawing said  
11 Notice of Defense she thereby waives her right to require the Real Estate Commissioner  
12 (Commissioner) to prove the allegations in the Accusation at a contested hearing held in  
13 accordance with the provisions of the APA, and that she waives other rights afforded to her in  
14 connection with the hearing such as the right to present evidence in their defense of the  
15 allegations in the Accusation and the right to cross-examine witnesses.

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

22           5.       This Stipulation and Respondent's decision not to contest the Accusation  
23 are made for the purpose of reaching an agreed disposition of this proceeding and are expressly  
24 limited to this proceeding and any other proceeding or case in which the Department, the state or  
25 federal government, an agency of this state, or an agency of another state is involved, and shall  
26

1 not be otherwise admissible in any other criminal or civil procedure. Respondent further  
2 understands that the sustained violation(s) may be considered in any future administrative or  
3 disciplinary matters by the Department.

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

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

16           8.       Respondent understands that by agreeing to this Stipulation and pursuant  
17 to Code Section 10106, Respondent agrees to pay her one-third portion of the Commissioner's  
18 cost of the investigation and enforcement costs (investigative costs) which resulted in the  
19 determination that Respondent committed the violation(s) found in the Determination of Issues.  
20 The amount of total said investigative costs is \$8,387.80 (comprised of \$6,467.80 in  
21 investigation costs and \$1,920.00 in enforcement costs); therefore, Respondent agrees to pay,  
22 pursuant to Code Section 10106, her one-third share of this total in the amount \$2,795.93.

23 ///

24 ///

25 ///

26

27

1 DETERMINATION OF ISSUES

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

5 The conduct, acts or omissions of Respondent ADRIAN LAVERNE BATES, as  
6 described in Paragraph 4, herein above, are in violation of the Real Estate Law pursuant to Code  
7 Section 10177(h), and are bases for the suspension or revocation of the license and license rights  
8 of Respondent.

9 ORDER

10 WHEREFORE, THE FOLLOWING ORDER is hereby made:

11 I.

12 All licenses and licensing rights of Respondent ADRIAN LAVERNE BATES  
13 under the Real Estate Law are suspended for a period of ninety (90) days from the effective date  
14 of this Decision and Order; provided, however, that all ninety (90) days of said suspension shall  
15 be stayed for two (2) years upon the following terms and conditions:

16 1. Respondent shall obey all laws, rules and regulations governing the rights,  
17 duties and responsibilities of a real estate licensee in the State of California.

18 2. No further cause for disciplinary action against the real estate license  
19 of Respondent occurs within two (2) years from the effective date of the Decision in this matter.  
20 If no further cause for disciplinary action against the real estate licenses of Respondent occurs  
21 within two (2) years from the effective date of the Decision, the stay hereby granted shall  
22 become permanent.

23 3. All licenses and licensing rights of all Respondent are indefinitely  
24 suspended unless or until Respondent pays the amount \$2,795.93 for her one-third share of the  
25 Commissioner's reasonable cost of the investigation and enforcement which led to this  
26

1 disciplinary action. Respondent's payment shall be in the form of a cashier's check or certified  
2 check made payable to the Department of Real Estate, and must be delivered to the Department  
3 of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the  
4 effective date of this Decision and Order.

5           4. All licenses and licensing rights of all Respondent are indefinitely  
6 suspended unless or until Respondent pays the amount \$7,120.65 to Katara A. for her one-third  
7 share of the \$21,361.94 difference between the amount of the closing cost and the amount that  
8 was actually paid to Katara A. Respondent shall deliver proof satisfactory to the Commissioner  
9 of successful payment of \$7,120.65 to Katara A. to the Department of Real Estate, Flag Section  
10 at P.O. Box 137013, Sacramento, CA 95813-7013, within one hundred and eighty (180) days of  
11 the effective date of this Decision and Order.

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

22 ///

23 ///

24 ///

25 ///

26

27

1           6.       Respondent shall not be a designated officer of any corporate real estate  
2 license during the two-year stay period unless or until she provides proof satisfactory to the  
3 Commissioner that she is the one hundred percent (100%) owner of said corporation.

4  
5 DATED: 10-05-23

6   
7 Julie L. To,  
8 Counsel for Department of Real Estate

9 \* \* \*

10 II.

11 EXECUTION OF THE STIPULATION

12 I have read the Stipulation and Agreement. Its terms are understood by me and  
13 are agreeable and acceptable to me. I understand that I am waiving rights given to me by the  
14 California Administrative Procedure Act (including but not limited to Sections 11506, 11508,  
15 11509 and 11513 of the Government Code), and I willingly, intelligently and voluntarily waive  
16 those rights, including the right of requiring the Commissioner to prove the allegations in the  
17 Accusation at a hearing at which I would have the right to cross-examine witnesses against me  
18 and to present evidence in defense and mitigation of the charges.

19 III.


20 MAILING AND FACSIMILE

21 Respondent can signify acceptance and approval of the terms and conditions of  
22 this Stipulation and Agreement by sending a hard copy of the original signed signature page of  
23 the Stipulation herein to Julie L. To, Legal Section, Department of Real Estate, 320 W. Fourth  
24 St., Suite 350, Los Angeles, California 90013-1105. In the event of time constraints before an  
25 administrative hearing, Respondent can signify acceptance and approval of the terms and  
26 conditions of this Stipulation and Agreement by e-mailing a scanned copy of the signature page,  
27 as actually signed by Respondent to the Department counsel assigned to this case. Respondent

1 agrees, acknowledges, and understands that by electronically sending to the Department a scan  
2 of Respondent's actual signature as it appears on the Stipulation and Agreement, that receipt of  
3 the scan by the Department shall be binding on Respondent as if the Department had received the  
4 original signed Stipulation and Agreement.

5  
6 DATED: 10/04/23   
7  
8 Respondent

9 *I have reviewed the Stipulation and Agreement as to form and have advised my*  
10 *client accordingly.*

11  
12 DATED: 10/04/23   
13  
14 Frank M. Buda, Attorney for Respondent

15 \* \* \*

16 The foregoing Stipulation and Agreement is hereby adopted as my Decision as to  
17 Respondent ADRIAN LAVERNE BATES and shall become effective at 12 o'clock noon on  
18 **DEC 28 2023**, 2023.

19 IT IS SO ORDERED 11/15/23, 2023.

20 REAL ESTATE COMMISSIONER

21  
22  
23   
24 *for* DOUGLAS R. McCAULEY