

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
28
FILED

JAN 23 2024

DEPT. OF REAL ESTATE

By [REDACTED]

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of
DONNIE RAY MULDROW,
Respondent.

DRE Case No. H-42330-LA
OAH Case No. 2023030764

DECISION AFTER REJECTION

This matter came on for hearing by videoconference on August 9, 2023, before Administrative Law Judge Glynda B. Gomez (“ALJ Gomez”) of the Office of Administrative Hearings (“OAH”), in Los Angeles, California. Steve Chu, Real Estate Counsel represented Complainant Veronica Kilpatrick (“Complainant”), a Supervising Special Investigator for the California Department of Real Estate (“Department” or “DRE”). Respondent Donnie Ray Muldrow (“Respondent”) represented himself. Oral and documentary evidence was received, the record was closed, and the matter was submitted for decision on August 9, 2023.

On August 23, 2023, ALJ Gomez issued a Proposed Decision in this case proposing that all of Respondent’s licenses and licensing rights be revoked; provided, however, that said revocation be stayed for five (5) years upon the following terms and conditions:

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 that no final subsequent determination be made, after hearing or upon stipulation, that cause for

1 disciplinary action occurred within five (5) years of the effective date of this Decision.
2 Should such a determination be made, the Commissioner may, in his discretion, vacate and
3 set aside the stay order and reimpose all or a portion of the stayed suspension. Should no
4 such determination be made, the stay imposed herein shall become permanent.

5 2. Respondent shall, within six months from the effective date of the Decision,
6 take and pass the Professional Responsibility Examination administered by the Department
7 including the payment of the appropriate examination fee. If Respondent fails to satisfy this
8 condition, the Commissioner may order suspension of Respondent's license until
9 Respondent passes the examination.

10 3. Respondent shall pay the DRE reasonable investigation and enforcement
11 costs of \$5,000 within five years of the effective date of the Decision or on a payment plan
12 approved by the Commissioner.

13 4. Respondent shall notify the Commissioner in writing within 72 hours of any
14 arrest by sending a certified letter to the Commissioner at the Department of Real Estate,
15 Post Office Box 187000, Sacramento, CA 95818-7000. The letter shall set forth the date of
16 Respondent's arrest, the crime for which Respondent was arrested and the name and address
17 of the arresting law enforcement agency.

18 The DRE received the Proposed Decision on August 23, 2023. The Real Estate Commissioner
19 ("Commissioner") declined to adopt ALJ Gomez's Proposed Decision.

20 On October 17, 2023, pursuant to Government Code section 11517, subdivision (c), the DRE
21 served Respondent with the Commissioner's Notice of Rejection of the Proposed Decision along
22 with a copy of the Proposed Decision by regular mail and by certified mail, return receipt requested,
23 to Respondent's last known mailing address on file with the Department. The DRE notified
24 Respondent that the Commissioner would decide the case upon the record, which may include the
25 transcript of the proceedings held on August 9, 2023, and upon any written argument offered by
26 Respondent and Complainant.

27 On November 9, 2023, the DRE received the Transcript of the Proceedings ("TOP"),
28 Volume I, from the court reporter service used to transcribe the Hearing held on August 9, 2023. On

1 November 16, 2023, the DRE served Respondent by mail with a written notice that Respondent had
2 fifteen (15) days from the date the transcript was received at the DRE's office to submit his written
3 argument for the Commissioner's consideration and that therefore, Respondent's written argument
4 must be received by the DRE no later than November 30, 2023. The DRE's written notice dated
5 November 16, 2023, also stated that the Department's written argument must be submitted by
6 December 15, 2023.

7 On November 30, 2023, no written argument was received or filed herein on behalf of
8 Respondent within the time directed by the DRE in its written notice to Respondent dated November
9 16, 2023.

10 On December 7, 2022, Complainant timely filed Complainant's Argument After Rejection.

11 I have given careful consideration to the record in this case, including the TOP of August 9,
12 2023, and the argument submitted by Complainant. The following shall constitute the Decision of
13 the Real Estate Commissioner ("Commissioner") in this proceeding.

14 **FACTUAL FINDINGS**

15 The Factual Findings in the Proposed Decision of the Administrative Law Judge, dated
16 August 23, 2023, are hereby adopted as a part of this Decision.

17 **LEGAL CONCLUSIONS**

18 The Legal Conclusions in the Proposed Decision of the Administrative Law Judge, dated
19 August 23, 2023, except for the Disposition section (discussed below), are hereby adopted as a part
20 of this Decision.

21 **DISPOSITION AND ORDER**

22 I have determined that the legal conclusions reached in the Disposition section and the
23 discipline proposed in the Order in the Proposed Decision of the Administrative Law Judge, dated
24 August 23, 2023, lack legal authority applicable to the Department of Real Estate and to a real estate
25 licensee found to be in violation of the California Real Estate Law, codified at Part 1 of Division 4
26 of the California Business and Professions Code ("Code"), beginning with section 10000 ("Real
27 Estate Law). The Disposition section and the Order in the Proposed Decision fall outside of the
28 Department's procedures and statutory powers authorized under the Real Estate Law.

1 Pursuant to Code section 10080, the Commissioner is authorized to adopt regulations that
2 are reasonably necessary for the enforcement of the provisions of the Real Estate Law. Pursuant to
3 such authority, the Commissioner adopted California Code of Regulations (“C.C.R.”), title 10,
4 section 2930 (“Regulation 2930”), which includes the following introductory paragraph:

5 The following language, terms and conditions will be used, as
6 appropriate, in Proposed Decisions and Decisions of the commissioner in
7 administrative adjudications conducted pursuant to Sections 11500, et seq.
8 of the Government Code.

9 The introductory paragraph of Regulation 2930 is followed by twenty (20) subsections
10 setting forth the different types of discipline that may be imposed in Proposed Decisions and
11 Decisions of the Commissioner in administrative adjudications conducted pursuant to Government
12 Code section 11500 et seq. (“Administrative Procedure Act”). Unless otherwise authorized by statute
13 or regulation, the discipline that may be imposed by an Administrative Law Judge in a Proposed
14 Decision is to be determined based on the provisions of Regulation 2930.

15 The Disposition section in the Proposed Decision makes reference to a “probation period,”
16 and “revocation of Respondent’s real estate broker license, stayed, with a five year term of
17 probation.” The discipline proposed in the Order in the Proposed Decision provides for the
18 revocation of Respondent’s licenses and licensing rights, provided, however, “that said revocation
19 shall be stayed for five (5) years”; the discipline also provides that “Respondent shall pay the DRE
20 reasonable investigation and enforcement costs of \$5,000 within five years of the effective date of
21 this decision or on a payment plan approved by the Commissioner.” The provisions of Regulation
22 2930 do not authorize probation as a form of discipline, do not authorize the revocation of a real
23 estate license subject to a stay of said revocation, and do not authorize a payment plan for the
24 payment of investigation and enforcement costs. Moreover, probation and a payment plan are not
25 otherwise authorized under the Real Estate Law or the regulations of the Commissioner appearing
26 in title 10, C.C.R., section 2705 et seq.

27 ///
28 ///

The Disposition and Order in the Proposed Decision of the Administrative Law Judge, dated August 23, 2023, are hereby adopted as a part of this Decision, with the following amendments, additions, and/or deletions:

DISPOSITION

1. On Page 7 of the Proposed Decision of the Administrative Law Judge, dated August 23, 2023, the last three (3) sentences of Paragraph 6:

“Under these circumstances, it is important that the DRE closely monitor Respondent’s real estate activities to ensure compliance with the law and protection of the public. While outright revocation of Respondent’s license is not required to protect the public, a lengthy probation period will be necessary to monitor Respondent’s activities and compliance. Accordingly, revocation of Respondent’s real estate broker license, stayed, with a five year term of probation and payment of costs is the appropriate discipline for public protection.”

Shall be amended to:

“Under these circumstances, it is critical that Respondent ensure that his activities are in compliance with the Real Estate Law. While outright revocation of Respondent's license is not required at this time, a five-year period of time in which Respondent's licenses and license rights are restricted, along with the requirement that Respondent pay the Department's reasonable costs of investigation and enforcement in this matter, is the appropriate discipline for public protection.”

2. The Order appearing on Pages 8 through 10 of the Proposed Decision of the Administrative Law Judge, dated August 23, 2023, shall be deleted and replaced with the Order below.

ORDER

All licenses and licensing rights of Respondent DONNIE RAY MULDROW under the Real Estate Law are revoked; provided, however, a restricted real estate broker license shall be issued to

1 Respondent pursuant to Code section 10156.5 if Respondent makes application therefor and pays to
2 the Department of Real Estate the appropriate fee for the restricted license within 90 days from the
3 effective date of this Decision. The restricted license issued to Respondent shall be subject to all of
4 the provisions of Code section 10156.7 to the following limitations, conditions and restrictions
5 imposed under authority of Code section 10156.6:

6 1. The restricted license issued to Respondent may be suspended prior to hearing by
7 Order of the Real Estate Commissioner in the event of Respondent's conviction or plea of nolo
8 contendere to a crime which is substantially related to Respondent's fitness or capacity as a real
9 estate licensee.

10 2. The restricted license issued to Respondent may be suspended prior to hearing by
11 Order of the Real Estate Commissioner on evidence satisfactory to the Commissioner that
12 Respondent has violated provisions of the California Real Estate Law, the Subdivided Lands Law,
13 Regulations of the Real Estate Commissioner or conditions attaching to the restricted license.

14 3. Respondent shall not be eligible to apply for the issuance of an unrestricted real estate
15 license nor for the removal of any of the conditions, limitations or restrictions of a restricted license
16 until five (5) years have elapsed from the effective date of this Decision.

17 4. Respondent shall, within nine (9) months from the effective date of this Decision,
18 present evidence satisfactory to the Real Estate Commissioner that Respondent has, since the most
19 recent issuance of an original or renewal real estate license, taken and successfully completed the
20 continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate Law for renewal
21 of a real estate license. If Respondent fails to satisfy this condition, the Commissioner may order
22 the suspension of the restricted license until the Respondent presents such evidence. The
23 Commissioner shall afford Respondent the opportunity for a hearing pursuant to the Administrative
24 Procedure Act to present such evidence.

25 5. Respondent shall, within six months from the effective date of this Decision, take
26 and pass the Professional Responsibility Examination administered by the Department including the
27 payment of the appropriate examination fee. If Respondent fails to satisfy this condition, the
28 ///

1 Commissioner may order suspension of Respondent's license until Respondent passes the
2 examination.

3 6. Respondent shall pay the sum of \$5,000.00 pursuant to Code section 10106, for the
4 for the Commissioner's reasonable cost of the investigation and enforcement which led to this
5 disciplinary action within sixty (60) days from the effective date of this Decision and Order. Said
6 payment shall be in the form of a cashier's check made payable to the Department of Real Estate.
7 The investigative and enforcement costs must be delivered to the Department of Real Estate, Flag
8 Section at P.O. Box 137013, Sacramento, CA 95813-7013. If Respondent fails to satisfy this
9 condition in a timely manner as provided for herein, Respondent's real estate license shall
10 automatically be suspended until payment is made in full.

11 This Decision shall become effective at 12 o'clock noon on 1/12/2024.

IT IS SO ORDERED

CHIKA SUNQUIST
REAL ESTATE COMMISSIONER

**By: MARCUS McCARTHER
Chief Deputy Real Estate Commissioner**

FILED

OCT 17 2023

DEPT. OF REAL ESTATE

By

20

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of) DRE No. H-42330 LA
DONNIE RAY MULDROW,) OAH No. 2023030764
Respondent.)

NOTICE

TO: DONNIE RAY MULDROW, Respondent.

YOU ARE HEREBY NOTIFIED that the Proposed Decision herein dated August 23, 2023, of the Administrative Law Judge is not adopted as the Decision of the Real Estate Commissioner. A copy of the Proposed Decision dated August 23, 2023, is attached hereto for your information.

In accordance with Section 11517(c) of the Government Code of the State of California, the disposition of this case will be determined by me after consideration of the record herein, which may include the transcript of the proceedings held on Wednesday, August 09, 2023, and any written argument hereafter submitted on behalf of respondent and complainant.

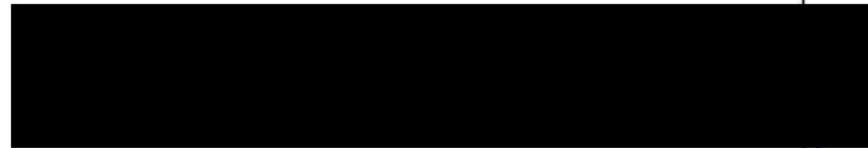
Written argument of respondent to be considered by me must be submitted within 15 days after receipt of the transcript of the proceedings of Wednesday, August 09, 2023, at the Los Angeles office of the Department of Real Estate unless an extension of the time is granted for good cause shown.

1 cause shown.

2 Written argument of complainant to be considered by me must be submitted within
3 15 days after receipt of the argument of respondent at the Los Angeles Office of the Department of
4 Real Estate unless an extension of the time is granted for good cause shown.

5 DATED: 10.11.23.

6 DOUGLAS R. McCUALEY
7 REAL ESTATE COMMISSIONER



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 against:

DONNIE RAY MULDROW, Respondent.

Agency Case No. H-42330-LA

OAH No. 2023030764

PROPOSED DECISION

Glynda B. Gomez, Administrative Law Judge, Office of Administrative Hearings (OAH), State of California, heard this matter on August 9, 2023, by videoconference.

Complainant Veronica Kilpatrick, a Supervising Special Investigator, (complainant) was represented by Steve Chu, Counsel, Department of Real Estate (DRE).

Respondent Donnie Ray Muldrow (Respondent) represented himself.

Oral and documentary evidence was received. The record was closed and the matter was submitted for decision on August 9, 2023.

FACTUAL FINDINGS

Jurisdictional Matters

1. Complainant made, filed and served the Accusation dated June 9, 2022, in her official capacity as a Supervising Investigator.

2. Respondent filed a timely Notice of Defense, requested a hearing on the allegations and this hearing ensued. All jurisdictional requirements have been met.

Background

3. Respondent was involved in a series of transactions involving a property at 10308 Wall Street, Los Angeles (the property). A complaint about the transaction was made to DRE. In the course of the investigation, DRE found Respondent had violated various aspects of the real estate law.

Fictitious Business Name

4. In July of 2019, Respondent represented both the buyer and seller in a real estate transaction involving the property. Respondent used the name "East West Estates" as his fictitious business name in the transaction.

5. On March 17, 2020, Respondent represented the seller of the property in the sale of the property. At that time, he signed the Residential Purchase Agreement using the name East West Estates.

6. On June 10, 2021, Respondent's LinkedIn profile listed him as CEO for East West Estates/Lending Key, Inc.

///

7. Respondent was not licensed to conduct real estate activities under the fictitious business name East West Estates.

8. Respondent erroneously believed that he could use the fictitious business name as long as he also listed his name and broker number next to it which he did on the transaction documents related to the property in 2019 and 2020. Respondent also asserted that there was no danger of anyone being confused since he listed his name and broker license number.

Records for the Property

9. As part of the complaint investigation, DRE investigator Kathryn Stanbra, requested that Respondent provide the complete transaction files for the property transactions in 2019 and 2020.

10. Investigator Stanbra mailed Respondent letters on March 5, 2021 and August 21, 2021, requesting the complete transaction files for the property transactions in 2019 and 2020. The letters were mailed to his address of record.

11. On September 2, 2021, Investigator Stanbra called Respondent. He answered the telephone and identified himself. She identified herself. At that point, Respondent told her he was "at work, on another line, and would have to call back." She inquired if he had received her letters, but he repeated he would have to call her back. He told her he had her phone number and then disconnected the call. At hearing, Respondent claimed that he was not the person that Ms. Stanbra spoke to and that it must have been his father Donny Muldrow, Sr. who used to work in his office, but is not a DRE licensee.

///

12. Respondent explained that his father was ill with a variety of ailments and had previously worked in his office, but no longer works in the office. Respondent claims that he never answers the telephone and all calls are routed through his main telephone number which is answered by one of his two receptionists. He claimed he was not aware of the telephone call.

13. Also on September 2, 2021, Investigator Stanbra emailed Respondent at his email address of record eastwestestates@aol.com asking if he had received her letters. He responded that he would review her letters and contact her. She asked that he email her so that they could arrange a telephone call, but he did not.

14. On September 14, 2021, Investigator Stanbra emailed Respondent again asking for a response to her letter requesting that he provide the property transaction documents for 2019 and 2020. She did not receive a response.

15. Respondent testified that he did not email Investigator Stanbra and inferred that his father may have. According to Respondent, the email address that Investigator Stanbra used is a general email box for the business and he does not personally attend to it.

16. On October 14, 2021, the investigator served Respondent with a subpoena duces tecum for the production of the complete transaction files for the property transactions in 2019 and 2020. The documents requested were detailed in the subpoena duces tecum. Respondent claimed he did not receive the subpoena.

17. Respondent never provided the complete transaction files as requested by letter or by subpoena. At hearing, he insisted that his attorney had the files.

///

18. Investigator Stanbra also served a subpoena duces tecum on West Tower Escrow Services, Inc. and BASS-BARI, Inc. on June 17, 2022 requesting documents related to 2019 and 2020 transactions concerning to property.

19. A review of the documents obtained from West Tower Escrow Services, Inc. and BASS-BARI, Inc. revealed that the signed 2020 Residential Purchase Contract for the property lists Donnie Muldrow, license number 01798415 from the firm East West Estates as the Seller's agent, with an email address of eastwestestates@aol.com and a telephone number of (310) 486-4888.

Costs

20. Complainant established by declarations, a total of \$8496.10 in prosecution and investigation costs. Prosecution costs consisted of \$4,608 in attorney charges consisting of 38 hours of DRE attorney time charged at \$96 per hour. Investigation costs consisted of \$3888.10 in DRE investigator time charges at rates of \$79 and \$97 per hour for 49 hours of investigator time.

LEGAL CONCLUSIONS

1. The burden of proof in this matter is on the Complainant. The standard of proof for complainant to prevail on the Accusation is clear and convincing evidence to a reasonable certainty. (See *Borror v. Dept. of Real Estate* (1971) 15 Cal.App.3d 531; *Ettinger v. Board of Medical Quality Assurance* (1982) 135 Cal.App.3d 853.) Complainant met her burden.

///

///

Causes for Discipline

2. First Cause for discipline: Respondent's real estate broker license is subject to discipline pursuant to Business and Professions Code (Code) section 10148 in conjunction with Code sections 10177, subdivisions (d) based upon his failure to retain and make available for examination, copying, and inspection the records related to the property transactions in 2019 and 2020.

3. Second Cause for discipline: Respondent's real estate broker license is subject to discipline pursuant to Code section 10159.5 and California Code of Regulations, title 10 (Regulations), section 2731 in conjunction with Code sections 10177 (d) and 10177 (g) based upon his use of the unlicensed fictitious business name "East West Estates."

Level of Discipline

4. The purpose of a disciplinary matter is to protect the public and not to punish the licensee. (*Handeland v. Department of Real Estate* (1976) 58 Cal.App.3d 513, 518; *Small v. Smith* (1971) 16 Cal.App.3d 450, 457.) The statutes relating to the licensing of real estate professionals are designed to protect the public from dishonest, untruthful, and disreputable licensees. (*Arneson v. Fox* (1980) 28 Cal.3d 440, 451.)

5. The amount of evidence required to justify licensure varies according to the seriousness of the misconduct in question: the more serious the misconduct, the greater the level of rehabilitation. (*In re Menna* (1995) 11 Cal.4th 975, 987.) In most cases, rehabilitation is shown by "sustained conduct over an extended period of time." (*Id.* at p. 991.) Fully acknowledging the wrongfulness of past actions also is an

important step towards rehabilitation. (*Seide v. Committee of Bar Examiners* (1989) 49 Cal.3d 933, 940.)

Disposition

6. Here, Respondent's explanations for his misconduct and his failure to cooperate with the DRE are not entirely convincing. His misconduct concerns the most basic of issues concerning licensed activity as a real estate broker. Respondent cannot merely claim ignorance of the law and ignore his responsibilities to appropriately respond to inquiries from the DRE or simply make himself unavailable if he intends to work as a real estate broker in California. Respondent is responsible for the operations and activities of his brokerage. Respondent is only now coming to realize the seriousness of his misconduct and expressing remorse. Under these circumstances, it is important that the DRE closely monitor Respondent's real estate activities to ensure compliance with the law and protection of the public. While outright revocation of Respondent's license is not required to protect the public, a lengthy probation period will be necessary to monitor Respondent's activities and compliance. Accordingly, revocation of Respondent's real estate broker license, stayed, with a five year term of probation and payment of costs is the appropriate discipline for public protection.

Costs

7. Code section 10106, provides, in pertinent part, that in any order issued in resolution of a disciplinary proceeding before the DRE, the Commissioner may request the administrative law judge to direct a licensee found to have committed a violation of this part to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

///

8. In *Zuckerman v. State Board of Chiropractic Examiners* (2002) 29 Cal.4th 32 (*Zuckerman*), the Supreme Court directed the administrative law judge and the licensing agency to evaluate several factors to ensure that the cost recovery provision did not deter individuals from exercising their right to a hearing. Accordingly, the DRE must not assess the full costs where it would unfairly penalize the respondent who has committed some misconduct, but who has used the hearing process to obtain the dismissal of some charges or a reduction in the severity of the penalty; the DRE must consider a respondent's subjective good faith belief in the merits of respondent's position and whether the respondent has raised a colorable challenge; the DRE must consider a respondent's ability to pay; and the DRE may not assess disproportionately large investigation and prosecution costs when it has conducted a disproportionately large investigation to prove that respondent engaged in relatively innocuous misconduct. (See *Zuckerman, supra*, at p. 45.)

9. Here, it appears that the DRE conducted a larger investigation, but presented only a narrow case for hearing. Under these circumstances, the costs of \$8496.10 are excessive and are therefore reduced to \$5,000. Respondent did not present any evidence of financial hardship or inability to pay the costs. Therefore an award of \$5,000 in cost recovery, payable in installments will be made.

ORDER

All licenses and licensing rights of Respondent Donnie Muldrow under the Real Estate Law are revoked; provided, however, that said revocation shall be stayed for five (5) years upon the following terms and conditions:

///

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 that no final subsequent determination be made, after hearing or upon stipulation, that cause for disciplinary action occurred within five (5) years of the effective date of this Decision. 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.

2. Respondent shall, within six months from the effective date of this Decision, take and pass the Professional Responsibility Examination administered by the Department including the payment of the appropriate examination fee. If Respondent fails to satisfy this condition, the Commissioner may order suspension of Respondent's license until Respondent passes the examination.

3. Respondent shall pay the DRE reasonable investigation and enforcement costs of \$5,000 within five years of the effective date of this decision or on a payment plan approved by the Commissioner.

///

///

///

///

///

///

4. Respondent shall notify the Commissioner in writing within 72 hours of any arrest by sending a certified letter to the Commissioner at the Department of Real Estate, Post Office Box 187000, Sacramento, CA 95818-7000. The letter shall set forth the date of Respondent's arrest, the crime for which Respondent was arrested and the name and address of the arresting law enforcement agency.

DATE: 08/23/2023



GLYNDA B. GOMEZ
Administrative Law Judge
Office of Administrative Hearings

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
FILED

SEP 20 2022

DEPT. OF REAL ESTATE

By Curran

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of) No. H-42330 LA
)
12 DONNIE RAY MULDROW,)
)
13 Respondent.)
)
14 _____)

ORDER VACATING DECISION AND SETTING ASIDE DEFAULT

On July 8, 2022, a Default Order was filed. Thereafter, on August 3, 2022, a Decision was rendered revoking the real estate broker license with an individual mortgage loan originator license endorsement of Respondent DONNIE RAY MULDROW, effective September 20, 2022.

On September 19, 2022, good cause was presented to set aside the Default Order of July 8, 2022, and to vacate the Decision of August 3, 2022, and to have the matter remanded to the Office of Administrative Hearings as a contested matter.

23 ///
24 ///
25 ///
26 ///
27 ///

1 NOW, THEREFORE, IT IS ORDERED that the Default Order of
2 July 8, 2022, is set aside and the Decision of August 3, 2022, is vacated and that the Matter of
3 the Accusation filed on June 9, 2022, be remanded to the Office of Administrative Hearings.

This Order is effective immediately.

DATED: 9/20/2022

**DOUGLAS R. McCUALEY
REAL ESTATE COMMISSIONER**

**By: Marcus L. McCarter
Chief Deputy Real Estate Commissioner**

FILED

SEP 20 2022

DEPT. OF REAL ESTATE

By Emma Wang

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

11 In the Matter of the Accusation of) No. H-42330 LA
12)
12 DONNIE RAY MULDROW,)
13)
13 Respondent.)
14)

ORDER STAYING EFFECTIVE DATE

16 On August 3, 2022, a Decision was rendered in the above-entitled matter to
17 become effective September 20, 2022.

18 IT IS HEREBY ORDERED that the effective date of the Decision of
19 August 3, 2022, is stayed for a period of 10 days to consider Respondent's Petition to Vacate
20 Decision and Set Aside Default.

21 | //

22 | //

23 | //

24 //

25 //

26 | //

27 | //

1

The Decision of August 3, 2022, shall become effective at 12 o'clock noon on September 30, 2022.

IT IS SO ORDERED on September 20, 2022.

**DOUGLAS R. McCUALEY
REAL ESTATE COMMISSIONER**

Maria McElrath

**By: Marcus L. McCarter
Chief Deputy Real Estate Commissioner**

FILED

SEP 01 2022

DEPT. OF REAL ESTATE

By Emilie
ATE

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

DECISION

This Decision is being issued in accordance with the provisions of Section 11520 of the Government Code, on evidence of compliance with Section 11505 of the Government Code and pursuant to the Order of Default filed on July 8, 2022, and the Findings of Fact set forth herein, which are based on one or more of the following: (1) The express admissions of Respondent, DONNIE RAY MULDROW (“Respondent”); (2) affidavits; and (3) other evidence.

This Decision revokes one or more real estate licenses on the grounds of the violation of the Real Estate Law, Part 1 commencing with Section 10000 of the Business and Professions Code (“Code”) and/or the Regulations of the Real Estate Commissioner, Title 10, Chapter 6 of the California Code of Regulations (“Regulations”).

Pursuant to Government Code Section 11521, the California Department of Real Estate (“the Department”) may order reconsideration of this Decision on petition of any party. The party seeking reconsideration shall set forth new facts, circumstances, and evidence, or errors in law or analysis, that show(s) grounds and good cause for the Commissioner to reconsider the Decision. If new evidence is presented, the party shall specifically identify the new evidence and explain why it was not previously presented. The Department’s power to order reconsideration of this Decision shall expire 30 days after mailing of this Decision, or on the effective date of this Decision, whichever occurs first. The right to reinstatement of a revoked real estate license, or to the reduction of a penalty, is controlled by Section 11522 of the Government Code. A copy of Government Code Sections 11521 and 11522 and a copy of the Commissioner’s Criteria of Rehabilitation are attached hereto for the information of respondent.

111

11

111

FINDINGS OF FACT

1.

On June 9, 2022, Veronica Kilpatrick made the Accusation in her official capacity as a Supervising Special Investigator of the Department. The Accusation, Statement to Respondent, and Notice of Defense were mailed, by certified mail, return receipt requested, to Respondent's last known mailing address on file with the Department on June 9, 2022.

2.

On July 8, 2022, no Notice of Defense having been received or filed herein within the time prescribed by Section 11506 of the Government Code, Respondent's default was entered herein.

3.

Respondent is presently licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code ("the Code") as a real estate broker with an individual mortgage loan originator license endorsement.

4.

Attached as Exhibit "A" is a true and correct copy of the Accusation filed on June 9, 2022, which is incorporated herein as part of this Decision.

DETERMINATION OF ISSUES

1.

The allegations contained in the Accusation, incorporated herein by reference in Paragraph 4, above, are in violation of Code sections 10148 and 10159.5 and Regulations section 2731 and constitutes cause for the suspension or revocation of all the licenses, license endorsements, and license rights of Respondent DONNIE RAY MULDROW under the Real Estate Law pursuant to the provisions of Code sections 10177(d) and 10177(g).

2.

The standard of proof applied was clear and convincing evidence to a reasonable certainty.

///

///

///

///

///

ORDER

All licenses and licensing rights of Respondent DONNIE RAY MULDROW under the provisions of Part I of Division 4 of the Business and Professions Code are revoked.

This Decision shall become effective at 12 o'clock noon on 9/20/2022
DATED: 8.3.22.

DOUGLAS R. McCUALEY
REAL ESTATE COMMISSIONER

Douglas R. McCualey

FILED

JUL 08 2022

DEPT OF REAL ESTATE
By CHIKA SUNQUIST

1 Department of Real Estate
2 320 West Fourth St, Ste 350
3 Los Angeles, CA, 90013
4
5
6
7

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9
10 STATE OF CALIFORNIA

11 * * *

12 In the Matter of the Accusation of) DRE NO. **H-42330 LA**
13 DONNIE RAY MULDROW,)
14) DEFAULT ORDER
15)
16)
17)
18)
19)
20)
21)
22)
23)
24)
25)
26)
27)

15 Respondent DONNIE RAY MULDROW, having failed to file a Notice of
16 Defense within the time required by Section 11506 of the Government Code, is now in
17 default. It is, therefore, ordered that a default be entered on the record in this matter.

18 IT IS SO ORDERED JUL 07 2022.

19 DOUGLAS R. McCUALEY
20 REAL ESTATE COMMISSIONER
21)
22)
23)
24)
25)
26)
27)

22 By: CHIKA SUNQUIST
23 CHIKA SUNQUIST
24 Assistant Commissioner
25)
26)
27)