

FILED

FEB 19 2026

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of:	)	DRE No. H-43102 LA
	)	
XUWEI CHEN,	)	OAH No. 2025080738
	)	
Respondent.	)	

DECISION

The Proposed Decision dated December 15, 2025, of the Administrative Law Judge of the Office of Administrative Hearings, is hereby adopted as the Decision of the Real Estate Commissioner in the above-entitled matter.

The Decision suspends or revokes one or more real estate licenses.

Pursuant to Government Code Section 11521, the Department of Real Estate 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 thirty (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 Sections 11521 and 11522 and a copy of the Commissioner's Criteria of Rehabilitation are attached hereto for the information of respondent.

This Decision shall become effective at 12 o'clock noon on MAR 23 2026

IT IS SO ORDERED

Chika Sunquist
REAL ESTATE COMMISSIONER

By: 
Marcus L. McCarther
Chief Deputy Real Estate Commissioner

**BEFORE THE
DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

XUWEI CHEN,

Respondent.

Agency Case No. H-43102 LA

OAH No. 2025080738

PROPOSED DECISION

Chris Ruiz, Administrative Law Judge, Office of Administrative Hearings (OAH), State of California, heard this matter by videoconference on November 14, 2025.

Kevin Sun, Counsel for the Department of Real Estate (Department or DRE), represented Ray Dagnino (complainant), a Supervising Special Investigator of the State of California.

Xuwei Chen was present and represented himself.

Testimony and documents were received as evidence. The record closed and the matter was submitted for decision on November 14, 2025.

FACTUAL FINDINGS

Jurisdictional Matters

1. Respondent currently holds real estate broker's license number ID 01990750, which was issued by the Department on May 29, 2020, and which is scheduled to expire on August 20, 2028, unless renewed.
2. On June 2, 2025, complainant filed the Accusation in his official capacity.
3. On July 2, 2025, respondent filed a Notice of Defense, which requested an administrative hearing on the allegations stated in the Accusation.

Respondent's Criminal Conviction

4. On February 22, 2023, in the Superior Court of California, Mono County, in Case No. 23FEM612, a criminal complaint was filed against respondent for violation of Penal Code 245, subdivision (a)(1) (Assault with a Deadly Weapon), a felony.
5. On February 26, 2024, in the Superior Court of California, Mono County, in Case No. 23FEM612, respondent was convicted, on his plea of no contest, of violating Penal Code section 417, subdivision (a)(1) (Exhibiting a Deadly Weapon other than a Firearm), a misdemeanor.
6. The criminal court suspended the imposition of sentence and placed respondent on summary probation for one year, with terms and conditions which included: serve one day in county jail (with credit for one day previously served), attend an anger management program, perform 25 hours of community service, and pay various fines and fees.

7. The underlying events leading to respondent's conviction occurred in February 2023. A female acquaintance invited respondent to attend an overnight ski trip to Mammoth Ski Resort. The female acquaintance told respondent that their group would include several potential real estate clients. Respondent, the female acquaintance, and three other people rented lodging during their stay in Mammoth. Upon arriving in Mammoth, the female acquaintance told respondent there was a party, at another location, that evening. Respondent decided to attend the party to meet potential real estate clients.

8. Respondent testified that when he arrived at the party, everybody was drunk. These people wanted respondent to drink alcohol, which respondent did not want to do. Respondent testified he was "bullied" into drinking alcohol. Respondent testified that when he attempted to leave the party, the attendees attacked him without provocation, causing injury to his face. Respondent then retreated to a bathroom where he locked the door and called the police. Respondent testified his hand was injured while he was holding the door closed and other people were attempting to open the door. The police arrived and transported respondent back to his rented lodging, and respondent went to sleep on a couch in the living room. Respondent's testimony conflicts with the police report. All the other witnesses at the party reported that respondent had punched another person without provocation.

9. Later that night, four of the party attendees returned to the rental residence. An argument ensued between respondent and the female acquaintance who had invited him on the trip. The female acquaintance accused respondent of assaulting her friend at the party. They argued and respondent grabbed a knife and held it to her neck. They were ultimately separated, and somebody other than respondent called the police. Respondent retreated to a bathroom and waited for the

police to arrive. After the police arrived, respondent twice denied using a knife when questioned by the police. Respondent later acknowledged to police that his fingerprints would be found on the knife, which had been discovered by police in the bathroom where respondent had been. The police observed respondent's right hand was fractured, consistent with punching somebody. Respondent had no injuries on his face. Respondent reported to police that his right hand had likely been fractured when he held up his hands to protect himself from being punched at the party.

Respondent's Failure to Report His Conviction

10. Respondent did not report, in writing, to the Department that a felony complaint had been filed against him within 30 days of it being filed.

11. Respondent did not report, in writing, to the Department that he had been convicted of a crime within 30 days after his conviction.

12. Respondent testified he reported his arrest to the Department within two to four weeks. Respondent did not fill out any forms on the Department's website. Instead, respondent contended he used an unnamed Department messaging system to report his arrest. Respondent testified that Department personnel told him to "keep the Department updated." Respondent contended he possesses an email which would support this testimony, but respondent failed to offer any documentary evidence to corroborate his testimony.

13. Respondent testified he reported his conviction to the Department within three months, by the same method detailed in Factual Finding 12. However, respondent did not offer any documentary evidence to corroborate his testimony.

14. Respondent disclosed his February 2024 conviction in his May 30, 2024, license renewal application (Ex. 5).

Other Evidence

15. Respondent testified that he pled no contest to the criminal charges because attending a criminal trial in Mono County would have been time consuming and expensive.

16. Respondent satisfied all the terms and conditions of his criminal probation.

17. Respondent did not express any remorse, or accept any responsibility, for his criminal conduct. Respondent blamed the other involved persons for "causing" his criminal conduct.

18. Respondent did not appear truthful and honest during his testimony. Respondent's version of events did not match the police officers' observations, the other witnesses' statements, and some of respondent's own testimony and past statements were in conflict. For example, respondent's testimony offered a different explanation regarding how his hand had been injured, as compared to the statement he provided to the police.

19. Respondent earned approximately \$45,000 in 2023, and \$10,000 in 2024. He is currently employed by Harvest Realty in Temple City.

Costs

20. The reasonable costs of enforcement in this matter are \$765.00.

21. The reasonable costs of investigation in this matter are \$487.30.

22. The total reasonable costs of enforcement and investigation in this matter are \$1,252.30.

LEGAL CONCLUSIONS

Burden of Proof

1. A real estate broker's license is a professional license. The standard of proof in an administrative action seeking to suspend or revoke a professional license is "clear and convincing evidence." (*Ettinger v. Board of Medical Quality Assurance* (1982) 135 Cal.App.3d 853, 856.) Therefore, the Department bears the burden of proving cause exists to suspend or revoke respondent's license.

Respondent's Conviction and Substantial Relationship

2. Pursuant to Business and Professions Code sections 490, subdivision (a), and 10177, subdivision (b), the DRE may discipline respondent's license if he has been convicted of a misdemeanor crime which is substantially related to the qualifications, functions, or duties of the business of a real estate licensee. Respondent was convicted of a misdemeanor crime (Exhibiting a Deadly Weapon other than a Firearm).

3. California Code of Regulations (CCR), title 10, section 2910, lists 11 different subdivisions, each of which describes various characteristics of criminal conduct. These 11 categories of criminal conduct are deemed substantially related to the qualifications, functions, or duties of a real estate licensee. At issue in this matter is subdivision (a)(8). (All further references are to title 10 of the CCR.)

//

4. CCR section 2910, subdivision (a)(8), states, in pertinent part, that a crime is considered substantially related to the qualifications, functions or duties of a licensee when a person does an unlawful act "... with the intent of conferring a financial or economic benefit upon the perpetrator or with the intent or threat of doing substantial injury to the person or property of another." Respondent was convicted of a crime which involved the threat of doing substantial injury to another person. Therefore, respondent's conviction is substantially related to the qualifications, functions, or duties of a real estate licensee.

5. Respondent's contention that he did not commit the underlying acts which supported his conviction were not persuasive. The issue of respondent's guilt in a criminal matter may not be re-litigated. Respondent's entry of the plea of no contest in his criminal case is conclusive evidence of guilt upon which the administrative law judge must rely. (*Arneson v. Fox* (1980) 28 Cal.3d 440.)

6. Cause exists, pursuant to Business and Professions Code sections 490 and 10177, subdivision (b), to suspend or revoke respondent's license because respondent was convicted of a crime substantially related to the qualifications, functions, or duties of a real estate licensee.

Respondent's Failure to Report His Conviction to DRE

7. Pursuant to Business and Professions Code section 10186.2, subdivision (a)(1)(A), a licensee must report within 30 days, in writing, "the bringing of an indictment or information charging a felony against the licensee." In this matter, respondent was initially charged with a felony crime, which respondent did not report in writing to the Department.

8. Pursuant to Business and Professions Code section 10186.2, subdivision (a)(1)(B), a licensee must report within 30 days, in writing, "the conviction of the licensee, including any verdict of guilty, or plea of guilty or no contest, of any felony or misdemeanor." Respondent did not report his conviction to the Department within 30 days.

9. Therefore, cause exists to suspend or revoke respondent's license, pursuant to Business and Professions Code section 10186.2, subdivisions (a)(1)(A) and (B).

Costs

10. Business and Professions 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 an act which is cause for discipline to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

11. In this matter, the reasonable costs of investigation and enforcement total \$1,252.30.

Disposition

12. Respondent's conviction established cause to suspend or revoke his license. Additionally, respondent failed to report the filing of a felony complaint against him, or the conviction which followed, both of which established cause to suspend or revoke his license.

//

13. Respondent did not take any responsibility for his criminal conduct. The time for respondent to challenge the criminal allegations against him was at a criminal trial, not during an administrative proceeding. Respondent denied committing any of the acts which led to his conviction. Respondent's testimony is in direct conflict with the police officers' observations and all the witnesses' statements given to police. Similarly, respondent did not take responsibility for failing to report the filing of criminal charges against him and his subsequent conviction. Respondent testified he reported both to the Department, albeit late, but he failed to provide any documents to corroborate his testimony.

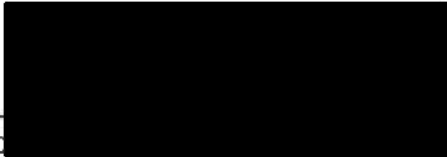
14. A real estate licensee's functions and duties necessarily require that the person be honest, of good character, and trustworthy. Honesty and truthfulness are two qualities deemed by the Legislature to bear on one's fitness and qualification to be a real estate licensee. If an applicant for licensure, or a licensee, is not truthful and honest, it may be said he lacks the necessary qualifications to become a real estate licensee. (*Golde v. Fox* (1979) 98 Cal.App.3d 176.) The Legislature intended to ensure that real estate brokers and salespersons will be honest, truthful, and worthy of the fiduciary responsibilities which they will bear. (*Ring v. Smith* (1970), 5 Cal.App.3d 197, 205; *Golde v. Fox*, supra, 98 Cal.App.3d at p. 177.) For all these reasons, the following order is required.

ORDER

1. All licenses and licensing rights of respondent Xuwei Chen under the Real Estate Law are revoked. Respondent may reapply for licensure at the earliest time provided by law.

2. Respondent Xuwei Chen shall pay the Department \$1,252.30 for its costs of enforcement and investigation in this matter. Respondent shall pay all costs to the Department prior to filing a petition for reinstatement or any application for licensure with the Department.

DATE: 12/15/2025

Christop  (PST)

CHRIS RUIZ

Administrative Law Judge

Office of Administrative Hearings