Department of Real Estate P.O. Box 137007 Sacramento, CA 95813-7007

Telephone: (916) 576-8700



## BEFORE THE DEPARTMENT OF REAL ESTATE STATE OF CALIFORNIA

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In the Matter of the Accusation of

WATSON REALTY SERVICES, INC. AND
WILLIAM STANLEY REDMOND, JR.,

Respondents.

It is hereby stipulated by and between WATSON REALTY SERVICES, INC. (WRS) only, represented by Joshua A. Rosenthal, and the Complainant, acting by and through Richard K. Uno, Counsel for the Department of Real Estate (Department), as follows for the purpose of settling and disposing the Accusation filed on June 12, 2023, in this matter:

- 1. All issues which were to be contested and all evidence which was to be presented by Complainant and Respondent at a formal hearing on the Accusation, which hearing was to be held in accordance with the provisions of the Administrative Procedure Act (APA), shall instead and in place thereof be submitted solely on the basis of the provisions of this Stipulation and Agreement.
- 2. Respondent has received, read, and understands the Statement to Respondent, and the Discovery Provisions of the APA filed by the Department in this proceeding.

- 4. This Stipulation and Agreement is based on the factual allegations contained in the Accusation. In the interest of expediency and economy, Respondent choose not to contest these factual allegations, but to remain silent and understand that, as a result thereof, these factual statements will serve as a prima facie basis for the "Determination of Issues" and "Order" set forth below. The Commissioner shall not be required to provide further evidence to prove such allegations.
- 5. This Stipulation and Agreement and Respondent's decision not to contest the Accusation are made for the purpose of reaching an agreed disposition of this proceeding and are expressly limited to this proceeding and any other proceeding or case in which the Department is involved.
- 6. It is understood by the parties that the Commissioner may adopt the Stipulation and Agreement as his Decision and Order in this matter thereby imposing the penalty and sanctions on the real estate licenses and license rights of Respondent as set forth in the below "Order". In the event that the Commissioner in her discretion does not adopt the Stipulation and Agreement, it shall be void and of no effect, and Respondent shall retain the right to a hearing and proceeding on the Accusation under all the provisions of the APA and shall not be bound by any admission or waiver made herein.

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 7. The Order or any subsequent Order of the Commissioner made pursuant to this Stipulation and Agreement shall not constitute an estoppel, merger or bar to any further administrative or civil proceedings by the Department with respect to any matters which were not specifically alleged in Accusation H-3502 FR.

- 8. WRS understands that by agreeing to this Stipulation, WRS agrees jointly and severally, to pay, pursuant to Section 10106 of the Business and Professions Code (Code), the cost of the investigation which led to this disciplinary action. The amount of said costs is \$1,000.00.
- 9. Respondent further understands that by agreeing to this Stipulation and Agreement, the findings set forth below in the Determination of Issues become final, and that the Commissioner may charge said Respondent for the costs of any audit conducted pursuant to Section 10148 of the Code to determine if the violations have been corrected. The maximum costs of said audit shall not exceed \$4,908.15.

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## **DETERMINATION OF ISSUES**

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

The acts and omissions of WRS as described in the Accusation are grounds for the suspension or revocation of WRS's licenses and license rights under the Section 10177(d) and (g) of the Code.

## <u>ORDER</u>

All licenses and licensing rights of WRS under the Real Estate Law are suspended for a period of sixty (60) days from the effective date of this Order; provided, however, that:

1) Thirty (30) days of said suspension shall be stayed, upon the condition that WRS petition pursuant to Section 10175.2 of the Code and pays a monetary penalty pursuant to

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Section 10175.2 of the Code at a rate of \$50 for each day of the suspension for a total monetary penalty of \$1,500.00.

- Said payment shall be in the form of a cashier's check made payable to the Department of Real Estate. Said check must be delivered to the Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this Order.
- No further cause for disciplinary action against the Real Estate licenses of WRS occurs within two (2) years from the effective date of the decision in this matter.
- If WRS fails to pay the monetary penalty as provided above prior to the effective date of this Order, the stay of the suspension shall be vacated as to that WRS and the order of suspension shall be immediately executed, under this Order, in which event the said WRS shall not be entitled to any repayment nor credit, prorated or otherwise, for the money paid to the Department under the terms of this Order.
- If WRS pays the monetary penalty and any other moneys due under this Stipulation and Agreement and if no further cause for disciplinary action against the real estate license of said WRS occurs within two (2) years from the effective date of this Order, the entire stay hereby granted this Order, as to said WRS only, shall become permanent.
- Thirty (30) days of said suspension shall be stayed for two (2) years upon the following terms and conditions:
- WRS 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 two (2) years from the effective date of this Order. 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.
- All licenses and licensing rights of WRS are indefinitely suspended unless

1 or until WRS pays the sum of \$1,000.00 for the Commissioner's reasonable cost of the 2 investigation which led to this disciplinary action. Said payment shall be in the form of a 3 cashier's check made payable to the Department of Real Estate. The investigative and 4 enforcement costs must be delivered to the Department of Real Estate, Flag Section at P.O. Box 5 137013, Sacramento, CA 95813-7013, prior to the effective date of this Decision and Order 6 Pursuant to Section 10148 of the Code, Respondent shall, jointly and severally, pay 7 the Commissioner's reasonable cost, not to exceed \$4,908.15, for an audit to determine if Respondents have corrected the violation(s) found in the Determination of Issues. In calculating the amount of the Commissioner's reasonable cost, the Commissioner may use the estimated 10 average hourly salary for all persons performing audits of real estate brokers, and shall include 11 an allocation for travel time to and from the auditor's place of work. Respondent shall pay such 12 cost within sixty (60) days of receiving an invoice therefore from the Commissioner. Payment of 13 the audit costs should not be made until Respondent receives the invoice. If Respondent fails to 14 satisfy this condition in a timely manner as provided for herein, Respondent's real estate licenses 15 shall automatically be suspended until payment is made in full, or until a decision providing 16 otherwise is adopted following a hearing held pursuant to this condition. 17

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Counsel for Complainant

I have read the Stipulation and Agreement, discussed it with my counsel, and its terms are understood by me and are agreeable and acceptable to me. I understand that I am waiving rights given to me by the California Administrative Procedure Act, and I willingly, intelligently and voluntarily waive those rights, including the right of requiring the

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Commissioner to prove the allegations in the Accusation at a hearing at which I would have the right to cross-examine witnesses against me and to present evidence in defense and mitigation of the charges.

Respondent and Respondent's attorney further agree to send the original signed Stipulation by mail to the following address no later than one (1) week from the date the Stipulation is signed by Respondent and Respondent's attorney: Department of Real Estate, Legal Section, P.O. Box 137007, Sacramento, California 95813-7007. Respondent and Respondent's attorney understand and agree that if they fail to return the original signed Stipulation by the due date, Complainant retains the right to set this matter for hearing.

DATED

By: WILLIAM STANLEY REDMOND,

Designated Officer

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

1/22/24

DATED JOSHUA A. ROSENTHAL
Attorney for Respondent

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IT IS SO ORDERED 5/7/2024

CHIKA SUNQUIST REAL ESTATE COMMISSIONER

By: Marcus L. McCarther Chief Deputy Real Estate Commissioner