

1 JASON D. LAZARK, Counsel (SBN 263714)
2 Department of Real Estate
3 P. O. Box 137007
4 Sacramento, CA 95813-7007

FILED

DEC 27 2019

4 Telephone: (916) 576-8700
5 (916) 576-7843 (Direct)

DEPARTMENT OF REAL ESTATE
By K. Kropp

8 BEFORE THE DEPARTMENT OF REAL ESTATE
9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of:) NO. H- 6902 SAC
12)
12 DANCE HALL INVESTORS, INC.,) ACCUSATION
13 WAYNE THOMAS HALL, and)
14 NEIL PATRICK COWAN,)
15 Respondents.)

16
17 The Complainant, TRICIA D. PARKHURST, acting in her official capacity as a
18 Supervising Special Investigator of the State of California, for cause of Accusation against
19 Respondents DANCE HALL INVESTORS, INC. ("DANCE HALL"), WAYNE THOMAS
20 HALL ("WAYNE HALL"), and NEIL PATRICK COWAN ("COWAN") collectively referred
21 to as "Respondents", is informed and alleges as follows:

22 RESPONDENTS

23 1.

24 DANCE HALL is presently licensed by the Department of Real Estate
25 ("Department") and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the
26 Code ("the Real Estate Law") as a corporate real estate broker, and at all relevant times herein
27 was acting by and through WAYNE HALL as its designated officer.

1 2.

2 WAYNE HALL is presently licensed by the Department and/or has license rights
3 under the Real Estate Law as a real estate broker. At all relevant times, WAYNE HALL was the
4 designated officer of DANCE HALL.

5 3.

6 COWAN is presently licensed by the Department and/or has license rights under
7 the Real Estate Law as a restricted real estate salesperson. At all relevant times DANCE HALL
8 served as COWAN's supervising broker.

9 4.

10 Whenever reference is made in an allegation in this Accusation to an act or
11 omission of DANCE HALL, such allegation shall be deemed to mean that the employees, agents,
12 real estate licensees, and others employed by or associated with DANCE HALL committed such
13 act or omission while engaged in furtherance of the business or operations of DANCE HALL,
14 and while acting within the course and scope of their authority and employment.

15 5.

16 At all times herein mentioned, Respondents engaged in the business of,
17 acted in the capacity of, advertised, or assumed to act as real estate brokers within the State of
18 California on behalf of others, for compensation or in expectation of compensation within the
19 meaning of Section 10131(a) of the Code, including the operation and conduct of a residential
20 resale brokerage wherein Respondents bought, sold, or offered to buy or sell, solicited or
21 obtained listings of, and negotiated the purchase, sale or exchange of real property or business
22 opportunities, all for or in expectation of compensation.

23 **FIRST CAUSE OF ACTION**

24 Unlicensed Activity

24 (As to COWAN and DANCE HALL)

25 6.

26 Each and every allegation set forth above in Paragraphs 1 through 5, inclusive, is
27 incorporated by this reference as if fully set forth herein.

1 7.

2 At all times relevant to this Accusation, COWAN and DANCE HALL agreed to represent
3 the seller and/or buyer in the purchase and sale of real estate in the following transactions:

4

	Address of property bought/sold:	Close Dates:
5 a.	3012 Corsica Dr., El Dorado Hills, CA 95762	5/1/2018
6 b.	309 Benet Ct., Roseville, CA 95661	5/25/2018
7 c.	5016 Earlcort Cir., Sacramento, CA 95842	6/8/2018
8 d.	5041 Thalia Dr., El Dorado Hills, CA 95762	6/1/2018
9 e.	440 Sunningdale Ct., Roseville, CA 95747	7/12/2018
10 f.	516 Rye Ct., Roseville, CA 95747	9/21/2018
11 g.	6217 Longmont Way, Carmichael, CA 95608	9/26/2018

12

13 8.

14 On or between April 18, 2018 and September 30, 2018, in furtherance of the
15 representation by COWAN and DANCE HALL of the seller and/or buyer in the transaction
16 described above in Paragraphs 7(a) through 7(g), COWAN and DANCE HALL executed
17 numerous documents during a time that COWAN and DANCE HALL knew COWAN's license
18 was expired, including, but not limited to: Residential Purchase Agreement and Joint Escrow
19 Instructions; Disclosure Regarding Real Estate Agency Relationship; Possible Representation of
20 More Than One Buyer Or Seller – Disclosure and Consent; Agent Visual Inspection Disclosure;
21 Transfer Disclosure Statement; Additional Agent Acknowledgment; FHA/VA Amendatory
22 Clause; Real Estate Transfer Disclosure Statement; Residential Lease After Sale; and Residential
23 Listing Agreement.

24 9.

25 On or about the "Close Dates" set forth above in Paragraphs 7(a) through 7(g),
26 COWAN received a commission by way of a check issued to Cowan Real Estate for the services
27 COWAN performed in the transactions described above in Paragraphs 7(a) through 7(g).

1 DANCE HALL authorized the payment of commission to COWAN for the transactions set forth
2 above in Paragraphs 7(a) through 7(g).

3 10.

4 Also on or about the "Close Dates" set forth above in Paragraphs 7(a) through
5 7(g), DANCE HALL received a commission by way of a check issued to Keller Williams Realty
6 for the services DANCE HALL performed in the transactions described above in Paragraphs 7(a)
7 through 7(g).

8 11.

9 In performing the acts described above in Paragraphs 6 through 10, COWAN and
10 DANCE HALL willfully disregarded Section 10130 of the Code.

11 12.

12 The facts alleged in the Paragraphs 6 through 11 are grounds for the suspension
13 or revocation of all license and license rights of COWAN and DANCE HALL pursuant to
14 Section 10130 of the Code in conjunction with Section 10177(d) of the Code.

15 **SECOND CAUSE OF ACTION**
16 **Failure to Supervise**
17 **(As to WAYNE HALL only)**

18 13.

19 Each and every allegation in paragraphs 1 through 12, inclusive, above, is
20 incorporated by this reference as if fully set forth herein.

21 14.

22 At all relevant times, WAYNE HALL, as the supervising broker of DANCE
23 HALL and its officers and employees, was required to exercise reasonable supervision and
24 control over the activities of COWAN pursuant to Sections 10159.2, 10177(h) of the Code and
25 Section 2725 of the Regulations.

26 ///
27 ///

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

15.

WAYNE HALL failed to exercise reasonable supervision over the acts and/or omissions of DANCE HALL and its officers and employees in such a manner as to allow the acts and/or omissions of COWAN as described in the First Cause of Action to occur, which constitutes cause for the suspension or revocation of the license(s) and license rights of WAYNE HALL under Sections 10177(d), 10177(g), 10177(h), and/or 10159.2 of the Code, in conjunction with Section 2725 of the Regulations.

THIRD CAUSE OF ACTION
Failure to Supervise
(As to DANCE HALL only)

16.

Each and every allegation in paragraphs 1 through 15, inclusive, above, is incorporated by this reference as if fully set forth herein.

17.

At all relevant times, DANCE HALL, as the supervising broker of COWAN, was required to exercise reasonable supervision and control over the activities of COWAN pursuant to Section 10177(h) of the Code and Section 2725 of the Regulations.

18.

DANCE HALL failed to exercise reasonable supervision over the acts and/or omissions of COWAN in such a manner as to allow the acts and/or omissions as described in the First Cause of Action to occur, which constitutes cause for the suspension or revocation of the license(s) and license rights of DANCE HALL under Sections 10177(d), 10177(g) and/or 10177(h) of the Code, in conjunction with Section 2725 of the Regulations.

///
///
///
///
///

FOURTH CAUSE OF ACTION
Unlawful Compensation
(As to DANCE HALL and COWAN)

19.

Each and every allegation set forth above in Paragraphs 1 through 19, inclusive, is incorporated by this reference as if fully set forth herein.

20.

The acts and/or omissions of DANCE HALL, as described above in Paragraphs 3 through 12, constitute violations of Section 10137, and are grounds for the suspension or revocation of all licenses and license rights of DANCE HALL under Sections 10177(d) and/or 10177(g) of the Code.

PRIOR DISCIPLINE

21.

Effective November 5, 2010, in Case No. H-5482 SAC, the Real Estate Commissioner suspended the real estate broker license of WAYNE HALL for violating 10159.3, 10177(d), and 10177(h) of the Code, and 2725 of the Regulations.

22.

Effective November 5, 2010, in Case No. H-5482 SAC, the Real Estate Commissioner suspended the real estate broker license of DANCE HALL for violating 10177(g) of the Code.

23.

Effective April 6, 2010, in Case No. H-5282 SAC, the Real Estate Commissioner denied COWAN's application for a real estate salesperson license for violating 480(a) and 10177(b) of the Code.

24.

Effective April 8, 2014, in Case No. H-6050 SAC, the Real Estate Commissioner issued COWAN a restricted real estate license for violating 480(a) and 10177(b) of the Code.


///

1 COST RECOVERY

2 25.

3 Section 10106 of the Code provides, in pertinent part, that in any order issued in
4 resolution of a disciplinary proceeding before the Department, the Commissioner may request the
5 Administrative Law Judge to direct a licensee or licensees found to have committed a violation
6 of this part to pay a sum not to exceed the reasonable costs of the investigation and enforcement
7 of the case.

8 WHEREFORE, Complainant prays that a hearing be conducted on the allegations
9 of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary
10 action against all licenses and license rights of Respondents under the Code, for the cost of
11 investigation and enforcement as permitted by law, for the cost of the audit, and for such other
12 and further relief as may be proper under other provisions of law.

13
14  (for T. Parkhurst)
15 TRICIA D. PARKHURST
16 Supervising Special Investigator

17 Dated at Sacramento, California,
18 this 26th day of December, 2019

19 DISCOVERY DEMAND

20 Pursuant to Sections 11507.6, *et seq.* of the *Administrative Procedure Act*, the
21 Department hereby makes demand for discovery pursuant to the guidelines set forth in the
22 *Administrative Procedure Act*. Failure to provide Discovery to the Department may result in the
23 exclusion of witnesses and documents at the hearing or other sanctions that the Office of
24 Administrative Hearings deems appropriate.