

1 DEPARTMENT OF REAL ESTATE  
2 P. O. Box 137007  
3 Sacramento, CA 95813-7007

4 Telephone: (916) 576-7843

**FILED**

JUN 17 2021

DEPARTMENT OF REAL ESTATE  
By B. Nicholas

8 BEFORE THE DEPARTMENT OF REAL ESTATE  
9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of: ) Case No. H-6987 SAC  
12 )  
13 GENESIS RE OF SAN JOAQUIN, INC. ) STIPULATION AND AGREEMENT  
and DARRELL RAY ISAACS, ) IN SETTLEMENT AND ORDER  
14 )  
15 Respondents. )

16 It is hereby stipulated by and between Respondent GENESIS RE OF SAN  
17 JOAQUIN, INC. ("GENESIS") and DARRELL RAY ISAACS ("ISAACS") (collectively  
18 referred to as "Respondents"), acting by and through Michael Fluetsch, counsel for  
19 Respondents, and the Complainant, acting by and through Jason D. Lazark, Counsel for the  
20 Department of Real Estate, as follows for the purpose of settling and disposing of the  
21 Accusation filed on January 4, 2021, in this matter:

22 1. All issues which were to be contested and all evidence which was to be  
23 presented by Complainant and Respondents at a formal hearing on the Accusation, which  
24 hearing was to be held in accordance with the provisions of the Administrative Procedure Act  
25 ("APA"), shall instead and in place thereof be submitted solely on the basis of the provisions of  
26 this Stipulation and Agreement In Settlement and Order ("Stipulation and Agreement").

27 ///

1                   2. Respondents have received, read and understand the Statement to  
2 Respondent, the Discovery Provisions of the APA and the Accusation filed by the Department  
3 of Real Estate in this proceeding.

4                   3. Respondents filed Notices of Defense pursuant to Section 11505 of the  
5 Government Code for the purpose of requesting a hearing on the allegations in the Accusation.  
6 Respondents hereby freely and voluntarily withdraw said Notices of Defense. Respondents  
7 acknowledge that they understand that by withdrawing said Notices of Defense they will  
8 thereby waive their rights to require the Real Estate Commissioner ("Commissioner") to prove  
9 the allegations in the Accusation at a contested hearing held in accordance with the provisions  
10 of the APA, and that they will waive other rights afforded to them in connection with the  
11 hearing, such as the right to present evidence in defense of the allegations in the Accusation  
12 and the right to cross-examine witnesses.

13                   4. Respondents, pursuant to the limitations set forth below, hereby admit that  
14 the factual allegations or findings of fact as set forth in the Accusation filed in this proceeding  
15 are true and correct and the Real Estate Commissioner shall not be required to provide further  
16 evidence of such allegations.

17                   5. This Stipulation and Agreement is made for the purpose of reaching an  
18 agreed disposition of this proceeding and is expressly limited to this proceeding and any other  
19 proceeding or case in which the Department, the state or federal government, any agency of  
20 this state, or an agency of another state is involved.

21                   6. It is understood by the parties that the Real Estate Commissioner may adopt  
22 the Stipulation and Agreement as his Decision in this matter, thereby imposing the penalties  
23 and sanctions on Respondents' real estate licenses and license rights as set forth in the below  
24 "Order." In the event that the Commissioner in his discretion does not adopt the Stipulation  
25 and Agreement, it shall be void and of no effect, and Respondents shall retain the right to a  
26 hearing and proceeding on the Accusation under all the provisions of the APA and shall not be  
27 bound by any admission or waiver made herein.



1 provisions of Sections 10145, 10159.5, 10177(d), and 10177(g) of the Code, and Sections 2731,  
2 2831, 2832 and 2834 of Title 10 of the California Code of the Regulations (“the Regulations”).

3 The acts and/or omissions of ISAACS as described in the Accusation are grounds  
4 for the suspension or revocation of the licenses and license rights of ISAACS under the  
5 provisions of Sections 10145, 10159.2, 10159.5, 10177(d), 10177(g), and 10177(h) of the Code,  
6 and Sections 2725, 2731, 2832 and 2834 of the Regulations.

7 ORDER

8 I.

9 AS TO GENESIS

10 All licenses and licensing rights of GENESIS under the Real Estate Law are  
11 suspended for a period of ninety (90) days from the effective date of this Order; provided,  
12 however, that:

13 1. Thirty (30) days of said suspension shall be stayed upon the condition that  
14 GENESIS petitions pursuant to Section 10175.2 of the Code and pays a monetary penalty  
15 pursuant to Section 10175.2 of the Code, at a rate of \$25 for each day of the suspension, for a  
16 total monetary penalty of \$750.

17 a. Said payment shall be in the form of a cashier’s check made payable to  
18 the Department of Real Estate. Said check must be delivered to the Department of Real Estate,  
19 Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this  
20 Order.

21 b. No further cause for disciplinary action against the real estate license  
22 of GENESIS occurs within two (2) years from the effective date of the Order in this matter.

23 c. If GENESIS fails to pay the monetary penalty in accordance with the  
24 terms and conditions of the Decision, the Commissioner may, without a hearing, order the  
25 immediate execution of all or any part of the stayed suspension, in which event, GENESIS shall  
26 not be entitled to any repayment nor credit, prorated or otherwise, for money paid to the  
27 Department under the terms of this decision.

1 d. If GENESIS pays the monetary penalty, and if no further cause for  
2 disciplinary action against the real estate license of GENESIS occurs within two (2) years from  
3 the effective date of the Decision herein, then the stay hereby granted shall become permanent.

4 2. The remaining sixty (60) days of said suspension shall be stayed for two (2)  
5 years upon the following terms and conditions:

6 a. GENESIS shall obey all laws, rules and regulations governing the  
7 rights, duties and responsibilities of a real estate licensee in the State of California, and

8 b. That no final subsequent determination be made, after hearing or  
9 upon stipulation, that cause for disciplinary action occurred within two (2) years from the  
10 effective date of this Order. Should such a determination be made, the Commissioner may, in  
11 his discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed  
12 suspension. Should no such determination be made, the stay imposed herein shall become  
13 permanent.

14 II.

15 AS TO ISAACS

16 All licenses and licensing rights of ISAACS under the Real Estate Law are  
17 suspended for a period of ninety (90) days from the effective date of this Order; provided,  
18 however, that:

19 1. Thirty (30) days of said suspension shall be stayed upon the condition that  
20 ISAACS petitions pursuant to Section 10175.2 of the Code and pays a monetary penalty  
21 pursuant to Section 10175.2 of the Code, at a rate of \$25 for each day of the suspension, for a  
22 total monetary penalty of \$750.

23 a. Said payment shall be in the form of a cashier's check made payable to  
24 the Department of Real Estate. Said check must be delivered to the Department of Real Estate,  
25 Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this  
26 Order.

27 b. No further cause for disciplinary action against the real estate license

1 of ISAACS occurs within two (2) years from the effective date of the Order in this matter.

2 c. If ISAACS fails to pay the monetary penalty in accordance with the  
3 terms and conditions of the Decision, the Commissioner may, without a hearing, order the  
4 immediate execution of all or any part of the stayed suspension, in which event, ISAACS shall  
5 not be entitled to any repayment nor credit, prorated or otherwise, for money paid to the  
6 Department under the terms of this decision.

7 d. If ISAACS pays the monetary penalty, and if no further cause for  
8 disciplinary action against the real estate license of ISAACS occurs within two (2) years from  
9 the effective date of the Decision herein, then the stay hereby granted shall become permanent.

10 2. The remaining sixty (60) days of said suspension shall be stayed for two (2)  
11 years upon the following terms and conditions:

12 a. ISAACS shall obey all laws, rules and regulations governing the  
13 rights, duties and responsibilities of a real estate licensee in the State of California, and

14 b. That no final subsequent determination be made, after hearing or  
15 upon stipulation, that cause for disciplinary action occurred within two (2) years from the  
16 effective date of this Order. Should such a determination be made, the Commissioner may, in  
17 his discretion, vacate and set aside the stay order and re-impose all or a portion of the stayed  
18 suspension. Should no such determination be made, the stay imposed herein shall become  
19 permanent.

20 3. ISAACS shall, within nine (9) months from the effective date of this Order,  
21 take and pass the Professional Responsibility Examination administered by the Department,  
22 including the payment of the appropriate examination fee. If ISAACS fails to satisfy this  
23 condition, ISAACS's real estate license shall automatically be suspended until ISAACS passes  
24 the examination.

25 4. All licenses and licensing rights of ISAACS are indefinitely suspended unless  
26 or until ISAACS provides proof satisfactory to the Commissioner, of having taken and  
27 successfully completed the continuing education course on trust fund accounting and handling

1 specified in paragraph (3) of subdivision (a) of Section 10170.5 of the Code. Proof of  
2 satisfaction of these requirements includes evidence that ISAACS has successfully completed the  
3 trust fund accounting and handling continuing education course, no earlier than one hundred  
4 twenty (120) days prior to the effective date of the Order in this matter. Proof of completion of  
5 the trust fund accounting and handling course must be delivered to the Department of Real  
6 Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date  
7 of this Order.

8  
9 III.

10 AS TO GENESIS AND ISAACS JOINTLY AND SEVERALLY

11 1. Pursuant to Section 10148 of the Code, Respondents, jointly and severally,  
12 shall pay the sum of \$3,644.45 for the Commissioner's cost of the audit which led to this  
13 disciplinary action. Respondents shall pay such cost within sixty (60) days of receiving an  
14 invoice therefore from the Commissioner. The Commissioner shall indefinitely suspend all  
15 licenses and licensing rights of Respondents pending a hearing held in accordance with Section  
16 11500, et seq., of the Government Code, if payment is not timely made as provided for herein,  
17 or as provided for in a subsequent agreement between Respondents and the Commissioner.  
18 The suspension shall remain in effect until payment is made in full or until Respondents enter  
19 into an agreement satisfactory to the Commissioner to provide for payment, or until a decision  
20 providing otherwise is adopted following a hearing held pursuant to this condition.

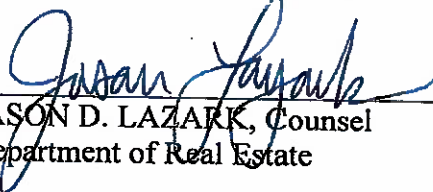
21 2. Respondents, jointly and severally, shall pay the Commissioner's costs, not  
22 to exceed \$4,555.56, of any audit conducted pursuant to Section 10148 of the Code to  
23 determine if Respondents have corrected the violations described in the Determination of  
24 Issues, above, and any other violations found in the audit which led to this disciplinary action.  
25 In calculating the amount of the Commissioner's reasonable cost, the Commissioner may use  
26 the estimated average hourly salary for all persons performing audits of real estate brokers, and  
27 shall include an allocation for travel time to and from the auditor's place of work. Respondents  
shall pay such cost within sixty (60) days of receiving an invoice therefore from the

1 Commissioner detailing the activities performed during the audit and the amount of time spent  
2 performing those activities. If Respondents fail to pay such cost within the sixty (60) days, the  
3 Commissioner shall indefinitely suspend all licenses and licensing rights of Respondents under  
4 the Real Estate Law until payment is made in full or until Respondents enter into an agreement  
5 satisfactory to the Commissioner to provide for payment. Upon full payment, the indefinite  
6 suspension provided for in this paragraph shall be stayed.

7 3. All licenses and licensing rights of Respondents, are indefinitely suspended  
8 unless or until Respondents, jointly and severally, pay the sum of \$2,552.90 for the  
9 Commissioner's reasonable cost of the investigation and enforcement which led to this  
10 disciplinary action. Said payment shall be in the form of a cashier's check or certified check  
11 made payable to the Real Estate Fund. The investigative and enforcement costs must be  
12 delivered to the Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA  
13 95813-7013, prior to the effective date of this Order.

14 4/29/21

15 DATED

16   
17 JASON D. LAZARK, Counsel  
18 Department of Real Estate

19 \* \* \*

20 I have read the Stipulation and Agreement in Settlement and Order and its terms  
21 are understood by me and are agreeable and acceptable to me. I understand that I am waiving  
22 rights given to me by the California Administrative Procedure Act (including but not limited to  
23 Sections 11506, 11508, 11509 and 11513 of the Government Code), and I willingly,  
24 intelligently, and voluntarily waive those rights, including the right of requiring the  
25 Commissioner to prove the allegations in the Accusation at a hearing at which I would have the  
26 right to cross-examine witnesses against me and to present evidence in defense and mitigation  
27 of the charges.

I further agree to send the original signed Stipulation and Agreement by mail to  
the following address no later than one (1) week from the date the Stipulation and Agreement



1 is signed by me and my attorney: Department of Real Estate, Legal Section, P.O. Box 137007,  
2 Sacramento, California 95813-7007. I understand and agree that if they fail to return the  
3 original signed Stipulation and Agreement by the due date, Complainant retains the right to set  
4 this matter for hearing.

5 4/27/21

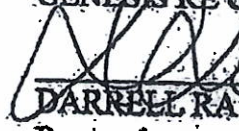
6 DATED



DARRELL RAY ISAACS,  
Designated Officer for Respondent,  
GENESIS RE OF SAN JOAQUIN, INC.

8 4/27/21

9 DATED



DARRELL RAY ISAACS,  
Respondent

11 I have reviewed the Stipulation and Agreement as to form and content and  
12 have advised my client accordingly.

13 4/28/21

14 DATED



Michael Fluetsch,  
Attorney for Respondents,  
GENESIS RE OF SAN JOAQUIN, INC.  
And DARRELL RAY ISAACS

17 \*\*\*

18 The foregoing Stipulation and Agreement is hereby adopted as my Decision in  
19 this matter and shall become effective at 12 o'clock noon on JUL 08 2021

20 IT IS SO ORDERED CC-7-21, 2021.

22 REAL ESTATE COMMISSIONER

23  
24  
25   
26 DOUGLAS R. MCCAULEY  
27