

1 disposing of the Accusation (the "Accusation") filed on January
2 20, 2011.

3 1. All issues which were to be contested and all
4 evidence which was to be presented by Complainant and
5 Respondents at a formal hearing on the Accusation, which hearing
6 was to be held in accordance with the provisions of the
7 Administrative Procedure Act ("APA"), shall instead and in place
8 thereof be submitted solely on the basis of the provisions of
9 this Stipulation and Agreement.
10

11 2. Respondents have been served with, read and
12 understand the Statement to Respondent, the Discovery Provisions
13 of the APA and the Accusation filed by the Department in this
14 proceeding.
15

16 3. On January 31, 2011, Respondents filed a Notice of
17 Defense pursuant to section 11505 of the Government Code for the
18 purpose of requesting a hearing on the allegations in the
19 Accusation. Respondents hereby freely and voluntarily withdraw
20 said Notice of Defense. Respondents acknowledge that they
21 understand that by withdrawing said Notice of Defense they will
22 thereby waive their right to require the Commissioner to prove
23 the allegations in the Accusation at a contested hearing held in
24 accordance with the provisions of the APA, and that Respondents
25 will waive other rights afforded to them in connection with the
26 hearing, such as the right to present evidence in defense of the
27

1 allegations in the Accusation and the right to cross-examine
2 witnesses.

3 4. This Stipulation and Agreement is based on the
4 factual allegations contained in the Accusation filed in this
5 proceeding. In the interest of expedience and economy
6 Respondents choose not to contest these factual allegations, but
7 to remain silent and understand that, as a result thereof, these
8 factual statements, without being admitted or denied, will serve
9 as a prima facie basis for the disciplinary action stipulated to
10 herein.
11

12 5. This Stipulation and Agreement and Respondents'
13 decision not to contest the Accusation are hereby expressly
14 limited to this proceeding and made for the sole purpose of
15 reaching an agreed disposition of this proceeding. Respondents'
16 decision not to contest the factual allegations is made solely
17 for the purpose of effectuating this Stipulation and Agreement
18 and is intended by Respondents to be non-binding upon them in
19 any action against them by third parties. The Real Estate
20 Commissioner shall not be required to provide further evidence
21 to prove such allegations.
22

23 6. It is understood by the parties that the Real
24 Estate Commissioner may adopt the Stipulation and Agreement as
25 his decision in this matter as set forth in the below "Order".
26 In the event that the Commissioner in his discretion does not
27

1 adopt the Stipulation and Agreement, it shall be void and of no
2 effect, and Respondents shall retain the right to a hearing and
3 proceeding on the Accusation under all the provisions of the
4 APA and shall not be bound by any admission or waiver made
5 herein.
6

7 7. The Order or any subsequent Order of the Real
8 Estate Commissioner made pursuant to this Stipulation and
9 Agreement shall not constitute an estoppel, merger or bar to any
10 further administrative or civil proceedings by the Department
11 with respect to any matters which were not alleged to be causes
12 for accusation or denial in this proceeding.
13

14 DETERMINATION OF ISSUES

15 By reason of the foregoing stipulations, admissions
16 and waivers, and solely for the purpose of settlement of the
17 pending Accusation without a hearing, it is stipulated and
18 agreed that the following determination of issues shall be
19 made:
20

21 1. The conduct, acts and/or omissions of Respondent
22 GENERATION THREE REALTY INC. set forth in the Accusation
23 constitute cause to suspend or revoke the real estate license
24 and license rights of Respondent GENERATION THREE REALTY INC.
25 under the provisions of Business and Professions Code (the
26 "Code") Section 10177(g).
27

1 3. No further cause for disciplinary action against
2 the real estate license of Respondents occurs within two (2)
3 years from the effective date of the Decision in this matter.

4 4. If Respondents fail to pay the monetary penalty in
5 accordance with the terms of the Decision, the Commissioner may,
6 without a hearing, order the immediate execution of all or any
7 part of the stayed suspension, in which event the Respondents
8 shall not be entitled to any repayment or credit, prorated or
9 otherwise, for money paid to the Department under the terms of
10 this Decision.
11

12 5. If Respondents pay the monetary penalty and if no
13 further cause for disciplinary action against the real estate
14 license of either Respondent occurs within two (2) years from
15 the effective date of the Decision, the stay hereby granted
16 shall become permanent.
17

18 B. The remaining sixty (60) days of the ninety (90)
19 day suspension shall be stayed for two (2) years upon the
20 following terms and conditions:
21

22 1. Respondents shall obey all laws, rules and
23 regulations governing the rights, duties and responsibilities of
24 a real estate licensee in the State of California; and

25 2. That no final subsequent determination be made,
26 after hearing or upon stipulation, that cause for disciplinary
27 action occurred within two (2) years of the effective date of

1 this Decision. Should such a determination be made, the
2 Commissioner may, in his discretion, vacate and set aside the
3 stay order and reimpose all or a portion of the stayed
4 suspension. Should no such determination be made, the stay
5 imposed herein shall become permanent.
6

7 II. Respondent shall, within six months from the
8 effective date of this Decision, take and pass the Professional
9 Responsibility Examination administered by the Department
10 including the payment of the appropriate examination fee. If
11 Respondent fails to satisfy this condition, the Commissioner may
12 order suspension of Respondent's license until Respondent passes
13 the examination.
14

15
16 DATED: Jan. 24, 2012


17 CHERYL KEILY, Counsel
18 DEPARTMENT OF REAL ESTATE

19 * * *

20 I have read the Stipulation and Agreement, and its
21 terms are understood by me and are agreeable and acceptable to
22 me. I understand that I am waiving rights given to me by the
23 California Administrative Procedure Act (including but not
24 limited to Sections 11506, 11508, 11509 and 11513 of the
25 Government Code), and I willingly, intelligently and
26 voluntarily waive those rights, including the right of
27 requiring the Commissioner to prove the findings in the

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

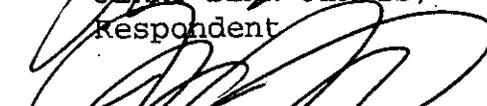
4 Respondents can signify acceptance and approval of
5 the terms and conditions of this Stipulation and Agreement by
6 faxing a copy of the signature page, as actually signed by
7 Respondents, to the Department at the following telephone/fax
8 number (213) 576-6917. Respondents agree, acknowledge, and
9 understand that by electronically sending to the Department a
10 fax copy of the actual signature as it appears on the
11 Stipulation and Agreement, that receipt of the faxed copy by
12 the Department shall be as binding as if the Department had
13 received the original signed Stipulation and Agreement.
14
15

16 DATED: 1-12-12



JERRY DEAN JERVIS,
Respondent

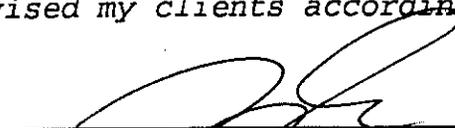
18 DATED: 1/12-12



JERRY DEAN JERVIS, as
designated broker-officer,
on behalf of Respondent
GENERATION THREE REALTY INC.

19
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21
22
23 I have reviewed the Stipulation and Agreement as to
24 form and content and have advised my clients accordingly.

25 DATED: 1/18/12



Mary E. Work, Esq.
Attorney for Respondents
GENERATION THREE REALTY INC.
JERRY DEAN JERVIS

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ORDER PURSUANT TO STIPULATION AND AGREEMENT

The foregoing Stipulation and Agreement is hereby
adopted by me as my Decision in this matter as to Respondents
GENERATION THREE REALTY INC. and JERRY DEAN JERVIS, and shall
become effective on FEB 28 2012.

IS IT SO ORDERED 1/31/12

BARBARA J. BIGBY
Acting Real Estate Commissioner



1 CHERYL D. KEILY SBN# 94008
2 Department of Real Estate
3 320 West 4th Street, Suite 350
4 Los Angeles, California 90013-1105
5 Telephone: (213) 576-6982
6 (Direct) (213) 576-6905

FILED

JAN 20 2011

DEPARTMENT OF REAL ESTATE
BY: 

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

11 In the Matter of the Accusation of) No. H-37022 LA
12)
13 GENERATION THREE REALTY INC.,) A C C U S A T I O N
14 dba CENTURY 21 Jervis &)
15 Associates; JERRY DEAN JERVIS,)
16 individually, and as designated)
17 officer for Generation Three)
18 Realty Inc.,)
19 Respondents.)
20)
21)
22)
23)
24)
25)
26)
27)

18 The Complainant, Robin Trujillo, a Deputy Real Estate
19 Commissioner of the State of California, for cause of Accusation
20 against GENERATION THREE REALTY INC. ("GENERATION"), doing
21 business as CENTURY 21 Jervis & Associates, and JERRY DEAN
22 JERVIS ("JERVIS"), individually, and as designated officer for
23 GENERATION, is informed and alleges as follows:
24

25 ///
26 ///
27 ///

1.

1 The Complainant, Robin Trujillo, a Deputy Real Estate
2 Commissioner of the State of California, makes this Accusation
3 in her official capacity.
4

2.

5 Respondent GENERATION is presently licensed and/or has
6 license rights under the Real Estate Law (Part 1 of Division 4
7 of the Business and Professions Code, hereinafter the "Code"),
8 as a real estate corporation acting by and through Respondent
9 JERVIS as its designated broker-officer.
10

3.

11 Respondent JERVIS is presently licensed and/or has
12 license rights under the Code as a real estate broker.
13

4.

14 At all times herein mentioned, Respondents, on behalf
15 of others and in expectation of compensation, engaged in the
16 business, acted in the capacity of, advertised or assumed to act
17 as a real estate broker in the State of California within the
18 meaning of Section 10131 subparts (a) of the Code, including
19 soliciting prospective sellers or purchasers of real property,
20 and negotiating for the purchase, sale or exchange of real
21 property.
22
23

5.

24 At all times relevant herein, Respondent JERVIS, as
25 the officer designated by Respondent GENERATION pursuant to
26 Section 10211 of the Code, was responsible for the supervision
27

1 and control of the activities conducted on behalf of Respondent
2 GENERATION by its officers and employees as necessary to secure
3 full compliance with the Real Estate Law as set forth in Section
4 10159.2 of the Code.

5 6.

6 All further references to respondents herein include
7 Respondents GENERATION and JERVIS, and also include officers,
8 directors, employees, agents and real estate licensees employed
9 by or associated with GENERATION and JERVIS, and who at all
10 times herein mentioned were engaged in the furtherance of the
11 business or operations of Respondents GENERATION and JERVIS and
12 who were acting within the course and scope of their authority
13 and employment.

14 FIRST CAUSE OF ACCUSATION

15 (Misrepresentation, Fraud and/or Dishonest Dealing)

16 7.

17
18 On or about July 10, 2008, Atanacio C. de Souza ("de
19 Souza") entered into a contract to purchase the real property
20 located at 14602 Dumont Avenue, Norwalk, California 90650
21 ("Property"). Respondents were the listing agent for the
22 Property which was being sold on behalf of a lender who acquired
23 title to the Property as a result of the foreclosure of the
24 lender's trust deed.

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8.

1 On or about July 11, 2008, the City of Norwalk
2 ("City") took the following action with respect to the condition
3 of the Property:
4

5 a. City recorded a declaration of substandard property
6 in the office of the County Recorder for the County of Los
7 Angeles; and

8 b. City gave notice of the recording of the
9 declaration in a document entitled "Notice of Substandard
10 Building & Property Notice and Order to Abate; Notice to Vacate"
11 which stated that the Property must remain vacant and the
12 declaration of substandard property in effect until the nuisance
13 created by the Property's condition is abated.
14

9.

15 The City's recordation of the declaration of
16 substandard property and order to abate the nuisance materially
17 affected the desirability and value of the Property.
18

10.

19 On or about July 15, 2008, Respondents learned of the
20 action taken by the City as is alleged in Paragraph 8, above,
21 and despite such knowledge Respondents failed to disclose the
22 City's actions to de Souza, or to his broker.
23

11.

24 On or about August 26, 2008, the escrow for the
25 purchase and sale of the Property closed without de Souza or his
26 broker having become aware of the actions taken by the City.
27

12.

1
2 If Respondents had disclosed to de Souza the actions
3 taken by the City which are alleged in Paragraph 8, above, de
4 Souza would not have permitted the escrow for the purchase of
5 the Property to close, and, in fact, upon learning of the City's
6 actions with respect to the Property de Souza attempted to
7 rescind the purchase and sale transaction.

8 13.

9 As a result of Respondents' nondisclosure de Souza was
10 burdened with the ownership of real property which could not be
11 occupied without the expenditure of time and substantial sums of
12 money to remedy its substandard condition.

13 14.

14 The conduct, acts and/or omissions of Respondents as
15 described herein above, constitute making a substantial
16 misrepresentation, the making of false promise(s)
17 of a character likely to influence, persuade or induce, and/or
18 fraud or dishonest dealing and/or negligence or incompetence,
19 and is cause for the suspension or revocation of all real estate
20 licenses and license rights of Respondents under the provisions
21 of Code Sections 10176(a), 10176(b), 10176(i), 10177(g) and/or
22 10177(j).

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27 ///

SECOND CAUSE OF ACCUSATION

(Failure to Supervise)

15.

Complainant incorporates herein by this reference the allegations contained at Paragraphs 1 through 14, above.

16.

Respondent JERVIS ordered, caused, authorized or participated in the conduct of Respondent GENERATION, as is alleged in this Accusation.

17.

The conduct, acts and/or omissions, of Respondent JERVIS, in allowing Respondent GENERATION to violate the Real Estate Law, as set forth above, constitutes a failure by JERVIS, as the officer designated by a corporate broker licensee to exercise the supervision and control over the activities of GENERATION, as is required by Code Section 10159.2, and is cause to suspend or revoke the real estate licenses and license rights of Respondent JERVIS under Code Sections 10177(d), 10177(g) and/or 10177(h).

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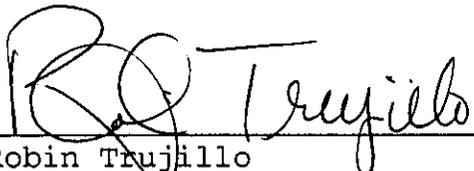
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1 WHEREFORE, Complainant prays that a hearing be
2 conducted on the allegations of this Accusation and that upon
3 proof thereof, a decision be rendered imposing disciplinary
4 action against all the licenses and license rights of Respondent
5 GENERATION THREE REALTY INC., and Respondent JERRY DEAN JERVIS,
6 individually, and as designated officer for Respondent
7 Generation Three Realty Inc., under the Real Estate Law, and for
8 such other and further relief as may be proper under other
9 applicable provisions of law.

10 Dated at Los Angeles, California
11 this 18 day of January, 2011.
12

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14 
15 _____
16 Robin Trujillo
17 Deputy Real Estate Commissioner
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25

26 cc: GENERATION THREE REALTY INC.
27 JERRY DEAN JERVIS
Robin Trujillo
Sacto.