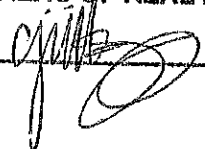


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JUN - 3 2016

BUREAU OF REAL ESTATE

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BUREAU OF REAL ESTATE
320 West 4th Street, Suite 350
Los Angeles, California 90013-1105
Telephone: (213) 576-6982

BEFORE THE BUREAU OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)	CalBRE No. H-39956 LA
)	OAH No. 2015100729
UNIVERSAL EXECUTIVE GROUP, INC.,)	
JESUS HERNANDEZ, individually and as)	<u>STIPULATION AND AGREEMENT</u>
designated officer for Universal Executive)	<u>IN SETTLEMENT AND ORDER</u>
Group, Inc., and DANIEL ARRIAZA,)	
)	
Respondents.)	

It is hereby stipulated by and between Respondents UNIVERSAL EXECUTIVE GROUP, INC. ("UEGI"), JESUS HERNANDEZ ("HERNANDEZ"), and DANIEL ARRIAZA ("ARRIAZA"), (collectively "Respondents"), and their attorneys, and Complainant, acting by and through Lissete Garcia, Counsel for the Bureau of Real Estate ("Bureau"), as follows for the purpose of settling and disposing the Accusation filed on August 31, 2015, with Bureau Case No. H-39956 LA ("Accusation"):

1. All issues which were to be contested and all evidence which was to be presented by Complainant and Respondents at a formal hearing on the Accusation, which

1 hearing was to be held in accordance with the provisions of the Administrative Procedure Act
2 ("APA"), shall instead and in place thereof be submitted on the basis of the provisions of this
3 Stipulation and Agreement in Settlement and Order ("Stipulation").

4 2. Respondents have received, read, and understand the Statement to Respondent,
5 the Discovery Provisions of the APA, and Accusation filed by the Bureau in this proceeding.

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

15 4. This Stipulation is based on the factual allegations contained in the Accusation
16 filed in this proceeding. In the interest of expedience and economy, Respondents choose not to
17 contest these factual allegations, but to remain silent and understand that, as a result thereof,
18 these factual statements, will serve as a prima facie basis for the disciplinary action stipulated to
19 herein. The Real Estate Commissioner shall not be required to provide further evidence to prove
20 such allegations.

21 5. This Stipulation and Respondents' decision not to contest the Accusation are
22 made for the purpose of reaching an agreed disposition of this proceeding and are expressly
23 limited to this proceeding and any other proceeding or case in which the Bureau of Real Estate,
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1 II.

2 The conduct, acts and/or omissions of Respondent HERNANDEZ, as set forth in
3 Paragraphs 10 through 22 of the Accusation, constitute cause for the suspension or revocation of
4 all real estate licenses, MLO license endorsements, and license rights of Respondent
5 HERNANDEZ under the provisions of Code Sections 10177(h), 10177(a), 10177(d),
6 10166.051(a), 10166.051(b), 10166.05(c) and Regulation 2945.1 for violation of Code Sections
7 10159.2, 10145, 10148, and Regulations 2725, 2950 and 2951.

8 III.

9 The conduct, acts and/or omissions of Respondent ARRIAZA, as set forth in
10 Paragraphs 10 through 22 of the Accusation, constitute cause for the suspension or revocation of
11 all real estate licenses, MLO license endorsements, and license rights of Respondent ARRIAZA
12 under the provisions of Code Sections 10177(a), 10166.051(a), 10166.051(b), 10166.05(c) and
13 Regulation 2945.1.

14 ORDER

15 I.

16 All licenses, MLO license endorsements, and license rights of Respondent UEGI
17 under the Real Estate Law are revoked; provided, however, a restricted real estate corporation
18 license and restricted MLO license endorsement shall be issued to Respondent UEGI pursuant to
19 Section 10156.5 of the Business and Professions Code if Respondent makes application therefor
20 and pays to the Bureau of Real Estate the appropriate fee for the restricted license within 90 days
21 from the effective date of this Decision. The restricted license and restricted MLO license
22 endorsement issued to Respondent shall be subject to all of the provisions of Section 10156.7 of
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1 the Business and Professions Code and to the following limitations, conditions and restrictions
2 imposed under authority of Section 10156.6 of that Code:

3 1. The restricted license and MLO license endorsement issued to Respondent
4 may be suspended prior to hearing by Order of the Real Estate Commissioner in the event of
5 Respondent's conviction or plea of nolo contendere to a crime which is substantially related to
6 Respondent's fitness or capacity as a real estate licensee.

7 2. The restricted license and MLO license endorsement issued to Respondent
8 may be suspended prior to hearing by Order of the Real Estate Commissioner on evidence
9 satisfactory to the Commissioner that Respondent has violated provisions of the California Real
10 Estate Law, the Subdivided Lands Law, Regulations of the Real Estate Commissioner or
11 conditions attaching to the restricted license.

12 3. Respondent shall not be eligible to petition for the issuance of any unrestricted
13 real estate license or MLO license endorsement nor for removal of any of the conditions,
14 limitations or restrictions of a restricted license or MLO license endorsement until two (2) years
15 have elapsed from the effective date of this Decision and Order. Respondent shall not be eligible
16 to apply for any unrestricted licenses until all restrictions attaching to the license have been
17 removed.

18 4. All licenses and licensing rights of Respondent UEGI are indefinitely
19 suspended unless or until either Respondent UEGI or Respondent HERNANDEZ provides
20 proof satisfactory to the Commissioner, of having paid the amount of \$2,976.50 as restitution to
21 Salvador Enriquez. Proof of satisfaction of this requirement includes: a certified copy of the
22 satisfaction of judgment; a letter from an attorney or certified public accountant testifying under
23 penalty of perjury to the fact that said judgment has been paid by either Respondent UEGI or
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1 HERNANDEZ; a copy of a cancelled check to Salvador Enriquez, and/or a letter from Salvador
2 Enriquez attesting that repayment of funds has been received. **Proof of payment must be**
3 **delivered to the Bureau of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA**
4 **95813-7013 or by fax at 916-263-8758, prior to the effective date of this Decision and**
5 **Order.**

6 5. All licenses and licensing rights of Respondent UEGI are indefinitely
7 suspended unless or until Respondent UEGI pays, either jointly with Respondents
8 HERNANDEZ and ARRIAZA or severally, the sum of \$7,339.25 for the Commissioner's
9 reasonable cost of the investigation and enforcement which led to this disciplinary action. Said
10 payment shall be in the form of a cashier's check made payable to the Bureau of Real Estate.
11 **The investigative and enforcement costs must be delivered to the Bureau of Real Estate,**
12 **Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of**
13 **this Decision and Order.**

14 II.

15 All licenses, MLO license endorsements, and license rights of Respondent
16 HERNANDEZ under the Real Estate Law are revoked; provided, however, a restricted real
17 estate broker license and restricted MLO license endorsement shall be issued to Respondent
18 HERNANDEZ pursuant to Section 10156.5 of the Business and Professions Code if Respondent
19 makes application therefor and pays to the Bureau of Real Estate the appropriate fee for the
20 restricted license within 90 days from the effective date of this Decision. The restricted license
21 and restricted MLO license endorsement issued to Respondent shall be subject to all of the
22 provisions of Section 10156.7 of the Business and Professions Code and to the following
23 limitations, conditions and restrictions imposed under authority of Section 10156.6 of that Code:
24

1 1. The restricted license and MLO license endorsement issued to Respondent
2 may be suspended prior to hearing by Order of the Real Estate Commissioner in the event of
3 Respondent's conviction or plea of nolo contendere to a crime which is substantially related to
4 Respondent's fitness or capacity as a real estate licensee.

5 2. The restricted license and MLO license endorsement issued to Respondent
6 may be suspended prior to hearing by Order of the Real Estate Commissioner on evidence
7 satisfactory to the Commissioner that Respondent has violated provisions of the California Real
8 Estate Law, the Subdivided Lands Law, Regulations of the Real Estate Commissioner or
9 conditions attaching to the restricted license.

10 3. Respondent shall not be eligible to petition for the issuance of any unrestricted
11 real estate license or MLO license endorsement nor for removal of any of the conditions,
12 limitations or restrictions of a restricted license or MLO license endorsement until two (2) years
13 have elapsed from the effective date of this Decision and Order. Respondent shall not be eligible
14 to apply for any unrestricted licenses until all restrictions attaching to the license have been
15 removed.

16 4. All licenses and licensing rights of Respondent HERNANDEZ are
17 indefinitely suspended unless or until either Respondent HERNANDEZ or Respondent UEGI
18 provides proof satisfactory to the Commissioner, of having paid the amount of \$2,976.50 as
19 restitution to Salvador Enriquez. Proof of satisfaction of this requirement includes: a certified
20 copy of the satisfaction of judgment; a letter from an attorney or certified public accountant
21 testifying under penalty of perjury to the fact that said judgment has been paid by either
22 Respondent; a copy of a cancelled check to Salvador Enriquez, and/or a letter from Salvador
23 Enriquez attesting that repayment of funds has been received. **Proof of payment must be**
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1 delivered to the Bureau of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA
2 95813-7013 or by fax at 916-263-8758, prior to the effective date of this Decision and
3 Order.

4 5. All licenses and licensing rights of Respondent HERNANDEZ are
5 indefinitely suspended unless or until Respondent HERNANDEZ pays, either jointly with
6 Respondents UEGI and ARRIAZA or severally, the sum of \$7,339.25 for the Commissioner's
7 reasonable cost of the investigation and enforcement which led to this disciplinary action. Said
8 payment shall be in the form of a cashier's check made payable to the Bureau of Real Estate.
9 **The investigative and enforcement costs must be delivered to the Bureau of Real Estate,**
10 **Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of**
11 **this Decision and Order.**

12 6. Respondent HERNANDEZ shall, within six (6) months from the effective
13 **date of this Decision,** take and pass the Professional Responsibility Examination administered
14 by the Bureau including the payment of the appropriate examination fee. If Respondent
15 HERNANDEZ fails to satisfy this condition, Respondent's real estate license shall automatically
16 be suspended until Respondent passes the examination.

17 7. Respondent HERNANDEZ shall, within nine (9) months from the effective
18 **date of this Order,** present evidence satisfactory to the Commissioner that Respondent has,
19 since the most recent issuance of an original or renewal real estate license, taken and successfully
20 completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate
21 Law for renewal of a real estate license. If Respondent fails to satisfy this condition,
22 Respondent's real estate license shall automatically be suspended until Respondent presents
23 evidence satisfactory to the Commissioner of having taken and successfully completed the
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1 continuing education requirements. **Proof of completion of the continuing education courses**
2 **must be delivered to the Bureau of Real Estate, Flag Section at P.O. Box 137013,**
3 **Sacramento, CA 95813-7013.**

4 III.

5 All licenses, MLO license endorsements, and license rights of Respondent
6 ARRIAZA under the Real Estate Law are revoked; provided, however, a restricted real estate
7 salesperson license and restricted MLO license endorsement shall be issued to Respondent
8 ARRIAZA pursuant to Section 10156.5 of the Business and Professions Code if Respondent
9 makes application therefor and pays to the Bureau of Real Estate the appropriate fee for the
10 restricted license within 90 days from the effective date of this Decision. The restricted license
11 or restricted MLO license endorsement issued to Respondent shall be subject to all of the
12 provisions of Section 10156.7 of the Business and Professions Code and to the following
13 limitations, conditions and restrictions imposed under authority of Section 10156.6 of that Code:

14 1. The restricted license and MLO license endorsement issued to Respondent
15 may be suspended prior to hearing by Order of the Real Estate Commissioner in the event of
16 Respondent's conviction or plea of nolo contendere to a crime which is substantially related to
17 Respondent's fitness or capacity as a real estate licensee.

18 2. The restricted license and MLO license endorsement issued to Respondent
19 may be suspended prior to hearing by Order of the Real Estate Commissioner on evidence
20 satisfactory to the Commissioner that Respondent has violated provisions of the California Real
21 Estate Law, the Subdivided Lands Law, Regulations of the Real Estate Commissioner or
22 conditions attaching to the restricted license.

1 3. Respondent shall not be eligible to petition for the issuance of any unrestricted
2 real estate license or MLO license endorsement nor for removal of any of the conditions,
3 limitations or restrictions of a restricted license or MLO license endorsement until two (2) years
4 have elapsed from the effective date of this Decision and Order. Respondent shall not be eligible
5 to apply for any unrestricted licenses until all restrictions attaching to the license have been
6 removed.

7 4. Respondent shall submit with any application for license under an employing
8 broker, or any application for transfer to a new employing broker, a statement signed by the
9 prospective employing real estate broker on a form approved by the Bureau which shall certify:

10 (a) That the employing broker has read the Decision and Order of the
11 Commissioner which granted the right to a restricted license; and

12 (b) That the employing broker will exercise close supervision over the
13 performance by the restricted licensee relating to activities for which a real
14 estate license is required.

15 5. All licenses and licensing rights of Respondent ARRIAZA are indefinitely
16 suspended unless or until Respondent ARRIAZA pays, either jointly with Respondents UEGI
17 and HERNANDEZ or severally, the sum of \$7,339.25 for the Commissioner's reasonable cost
18 of the investigation and enforcement which led to this disciplinary action. Said payment shall
19 be in the form of a cashier's check made payable to the Bureau of Real Estate. **The**
20 **investigative and enforcement costs must be delivered to the Bureau of Real Estate, Flag**
21 **Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this**
22 **Decision and Order.**


23 ///

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1 6. Respondent ARRIAZA shall, within six (6) months from the effective date
2 **of this Decision**, take and pass the Professional Responsibility Examination administered by the
3 Bureau including the payment of the appropriate examination fee. If Respondent fails to satisfy
4 this condition, Respondent's real estate license shall automatically be suspended until
5 Respondent passes the examination.

6 7. Respondent ARRIAZA shall, within nine (9) months from the effective date
7 **of this Order**, present evidence satisfactory to the Commissioner that Respondent has, since the
8 most recent issuance of an original or renewal real estate license, taken and successfully
9 completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate
10 Law for renewal of a real estate license. If Respondent fails to satisfy this condition,
11 Respondent's real estate license shall automatically be suspended until Respondent presents
12 evidence satisfactory to the Commissioner of having taken and successfully completed the
13 continuing education requirements. **Proof of completion of the continuing education courses**
14 **must be delivered to the Bureau of Real Estate, Flag Section at P.O. Box 137013,**
15 **Sacramento, CA 95813-7013.**

16
17
18 May 4, 2016
19 DATED


20 _____
21 Lissete Garcia, Counsel
22 Bureau of Real Estate

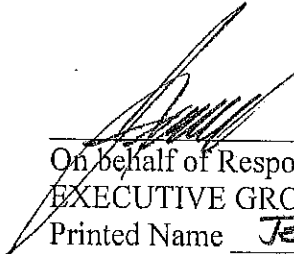
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24 Respondents can signify acceptance and approval of the terms and conditions of
this Stipulation and Agreement by faxing or electronically e-mailing a copy of the signature
page, as actually signed by Respondents, to the Bureau at fax number (213) 576-6917.

1 Respondents agree, acknowledge, and understand that by electronically sending to the Bureau a
2 fax or other electronic copy of Respondents' actual signatures as they appear on the Stipulation,
3 that receipt of the faxed or e-mailed copy by the Bureau shall be as binding on Respondents as if
4 the Bureau had received the original signed Stipulation. By signing this Stipulation,
5 Respondents understand and agree that Respondent may not withdraw their agreement or seek to
6 rescind the Stipulation prior to the time the Commissioner considers and acts upon it or prior to
7 the effective date of the Stipulation and Order.

8 We have read this Stipulation and its terms are understood by us and are agreeable
9 and acceptable to us. We understand that we are waiving rights given to us by the California
10 APA (including but not limited to Sections 11506, 11508, 11509, and 11513 of the Government
11 Code), and we willingly, intelligently, and voluntarily waive those rights, including the right of
12 requiring the Commissioner to prove the allegations in the Accusation at a hearing at which we
13 would have the right to cross-examine witnesses against us and to present evidence in defense
14 and mitigation of the charges.

15 DATED: 5/3/14


On behalf of Respondent UNIVERSAL
EXECUTIVE GROUP, INC.
Printed Name Jesus Hernandez

18 DATED: 5/3/16

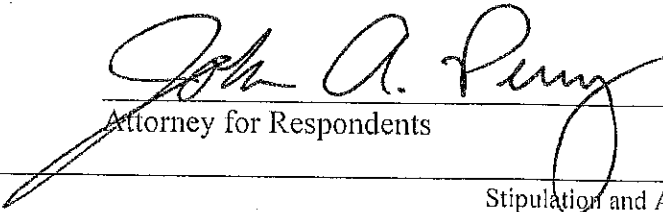

Respondent JESUS HERNANDEZ

20 DATED: 5/03/16


Respondent DANIEL ARRIAZA

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

23 DATED: 5-3-16


Attorney for Respondents

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* * *

The foregoing Stipulation and Agreement in Settlement and Order is hereby
adopted by me as my Decision in this matter and shall become effective at 12 o'clock noon on
JUN 23 2016, 2016.

IT IS SO ORDERED MAY 25, 2016.

WAYNE S. BELL
REAL ESTATE COMMISSIONER



By: JEFFREY MASON
Chief Deputy Commissioner