

FILED

OCT 10 2012

Department of Real Estate
320 West Fourth Street, #350
Los Angeles, California 90013

DEPARTMENT OF REAL ESTATE

BY: James B. Demus

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of

No. H-2664 FR
2012010911

CENTRAL COAST LENDING, INC., a
California Corporation,
JASON WILLIAM GROTE, and
RENE MARTINEZ

STIPULATION AND
AGREEMENT

Respondents.

It is hereby stipulated by and between RENE MARTINEZ,
and his attorney of record, Steven C. Vondran, and the
Complainant, acting by and through James A. Demus, Counsel for
the Department of Real Estate, as follows for the purpose of
settling and disposing of the Accusation in this matter, filed on
August 26, 2011:

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

1 Procedure Act (APA), shall instead and in place thereof be
2 submitted solely on the basis of the provisions of this
3 Stipulation and Agreement (Stipulation).

4 2. Respondent has received, read and understands the
5 Statement to Respondent, the Discovery Provisions of the APA and
6 the Accusation filed by the Department of Real Estate in this
7 proceeding.

8 3. Respondent filed a Notice of Defense pursuant to
9 Section 11506 of the Government Code for the purpose of
10 requesting a hearing on the allegations in the Accusation.
11 Respondent hereby freely and voluntarily withdraws said Notice of
12 Defense. Respondent acknowledges that he understands that by
13 withdrawing said Notice of Defense, he thereby waives his right
14 to require the Commissioner to prove the allegations in the
15 Accusation at a contested hearing held in accordance with the
16 provisions of the APA and that he will waive other rights
17 afforded to him in connection with the hearing such as the right
18 to present evidence in his defense and the right to cross-examine
19 witnesses.

20 4. This Stipulation is based on the factual
21 allegations contained in the Accusation. In the interest of
22 expedience and economy, Respondent chooses not to contest these
23 allegations, but to remain silent and understands that, as a
24 result thereof, these factual allegations, without being admitted
25 or denied, will serve as a prima facie basis for the disciplinary
26 action stipulated to herein. The Real Estate Commissioner shall
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1 not be required to provide further evidence to prove said factual
2 allegations.

3 5. This Stipulation is based on Respondent's decision
4 not to contest the allegations set forth in the Accusation as a
5 result of the agreement negotiated between the parties. This
6 Stipulation is expressly limited to this proceeding and any
7 further proceeding initiated by or brought before the Department
8 of Real Estate based upon the factual allegations in the
9 Accusation and is made for the sole purpose of reaching an agreed
10 disposition of this proceeding. The decision of Respondent not
11 to contest the allegations contained in the "Order" herein below,
12 is made solely for the purpose of effectuating this Stipulation.
13 It is the intent and understanding of the parties that this
14 Stipulation shall not be binding or admissible against
15 Respondents in any action against Respondent by third parties.

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

26 7. The Order or any subsequent Order of the Real
27 Estate Commissioner made pursuant to this Stipulation shall not

1 constitute an estoppel, merger or bar to any further
2 administrative or civil proceedings by the Department of Real
3 Estate with respect to any matters which were not specifically
4 alleged to be causes for accusation in this proceeding.

5 DETERMINATION OF ISSUES

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

10 I

11 The conduct of RENE MARTINEZ, as described in Paragraph
12 4, above, is in violation of Code Sections 10085 and 10085.5 and
13 provides a basis for discipline of RENE MARTINEZ's license and
14 license rights pursuant to Section 10177(d) of the Code.

15 ORDER

16 WHEREFORE THE FOLLOWING ORDER IS MADE PURSUANT TO THE
17 WRITTEN STIPULATION OF THE PARTIES:

18 I.

19 All licenses and licensing rights of Respondent RENE
20 MARTINEZ under the Real Estate Law are suspended for a period
21 of ninety (90) days from the effective date of this Decision;
22 provided, however, that sixty (60) days of said suspension,
23 shall be stayed for two (2) years upon the following terms and
24 conditions:

25 1. Respondent shall obey all laws, rules and
26 regulations governing the rights, duties and responsibilities of
27 a real estate licensee in the State of California; and

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

II.

If Respondent RENE MARTINEZ petitions, an additional 30 days shall be stayed upon condition that:

1. Respondent pays a monetary penalty pursuant to
Section 10175.2 of the Code at the rate of \$50 for each day of
the suspension for a total monetary penalty of \$1,500.

2. Said payment shall be in the form of a cashier's
check or certified check made payable to the Recovery Account of
the Real Estate Fund. Said check must be received by the
Department prior to the effective date of the Decision in this
matter.

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

4. If Respondent fails to pay the monetary penalty in accordance with the terms and conditions of the Decision, the Commissioner may, without a hearing, order the immediate execution of all or any part of the stayed suspension in which event the Respondent shall not be entitled to any repayment nor

1 credit, prorated or otherwise, for money paid to the Department
2 under the terms of this Decision.

3 5. If Respondent pays the monetary penalty and if no
4 further cause for disciplinary action against the real estate
5 license of Respondent occurs within two years from the effective
6 date of the Decision, the stay hereby granted shall become
7 permanent.

8 III.

9 Respondent RENE MARTINEZ shall within six (6) months
10 from the effective date of the Decision herein, take and pass the
11 Professional Responsibility Examination administered by the
12 Department including the payment of the appropriate examination
13 fee. If Respondent fails to satisfy this condition,
14 the Commissioner may order suspension of Respondent RENE
15 MARTINEZ's license until Respondent passes the examination.

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18 DATED: 8/28/12

James A. Demus
19 JAMES A. DEMUS, Counsel for
the Department of Real Estate

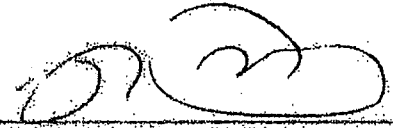
20 EXECUTION OF THE STIPULATION

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

6 Respondent can signify acceptance and approval of the
7 terms and conditions of this Stipulation by faxing a copy of the
8 signature page, as actually signed by Respondents, to the
9 Department at the following telephone/fax number: James A. Demus
10 at (213) 576-6917. Respondent agrees, acknowledges and
11 understands that by electronically sending to the Department a
12 fax copy of Respondent's actual signature as it appears on the
13 Stipulation, that receipt of the faxed copy by the Department
14 shall be as binding on Respondent as if the Department had
15 received the original signed Stipulation.

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17 DATED: 7/26/12


RENE MARTINEZ,
Respondent

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20 DATED: 7/31/12

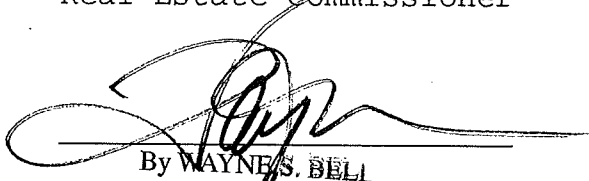

STEVEN C. VONDRAN,
Attorney for Respondent

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1 The foregoing Stipulation and Agreement is hereby
2 adopted as my Decision as to Respondent RENE MARTINEZ and shall
3 become effective at 12 o'clock noon on OCT 30 2012 ,
4 2012.

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6 IT IS SO ORDERED 9/10 , 2012

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8 Real Estate Commissioner

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11 By WAYNE S. BELL
12 Chief Counsel
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