

**FILED**

OCT 10 2012

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

DEPARTMENT OF REAL ESTATE  
BY: Jana B. Vran

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of

) DRE No: H-2664 FR  
) OAH No: 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 CENTRAL COAST LENDING, INC. and JASON WILLIAM GROTE, and their 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 Respondents 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. Respondents hve received, read and understand 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. Respondents filed a Notices 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 Respondents hereby freely and voluntarily withdraw said Notices  
12 of Defense. Respondents acknowledge that they understand that by  
13 withdrawing said Notice of Defense, they thereby waive their  
14 right 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 they will waive other rights  
17 afforded to them in connection with the hearing such as the right  
18 to present evidence in their defense and the right to cross-  
19 examine witnesses.

20           4. This Stipulation is based on the factual  
21 allegations contained in the Accusation. In the interest of  
22 expedience and economy, Respondents choose 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  
27

1 not be required to provide further evidence to prove said factual  
2 allegations.

3           5. This Stipulation is based on Respondents' 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 Respondents 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 Respondents' real estate licenses 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 Respondents shall retain the right to  
23 a hearing and proceeding on the Accusation under the provisions  
24 of 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 CENTRAL COAST LENDING, INC. and JASON  
12 WILLIAM GROTE, as described in Paragraph 4, above, is in  
13 violation of Code Sections 10085 and 10085.5 and provides a basis  
14 for discipline of CENTRAL COAST LENDING, INC.'s and JASON WILLIAM  
15 GROTE's license and license rights pursuant to Section 10177(d)  
16 of the Code.

17 ORDER

18 WHEREFORE THE FOLLOWING ORDER IS MADE PURSUANT TO THE  
19 WRITTEN STIPULATION OF THE PARTIES:

20 I.

21 All licenses and licensing rights of Respondent  
22 CENTRAL COAST LENDING, INC. under the Real Estate Law are  
23 suspended for a period of ninety (90) days from the effective  
24 date of this Decision; provided, however, that sixty (60) days  
25 of said suspension, shall be stayed for two (2) years upon the  
26 following terms and conditions:  
27

1. Respondent shall obey all laws, rules and regulations governing the rights, duties and responsibilities of 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 CENTRAL COAST LENDING, INC. 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

1 Commissioner may, without a hearing, order the immediate  
2 execution of all or any part of the stayed suspension in which  
3 event the Respondent shall not be entitled to any repayment nor  
4 credit, prorated or otherwise, for money paid to the Department  
5 under the terms of this Decision.

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

11 III.

12 All licenses and licensing rights of Respondent JASON  
13 WILLIAM GROTE under the Real Estate Law are suspended for a  
14 period of ninety (90) days from the effective date of this  
15 Decision; provided, however, that sixty (60) days of said  
16 suspension, shall be stayed for two (2) years upon the  
17 following terms and conditions:

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

21 2. That no final subsequent determination be made,  
22 after hearing or upon stipulation that cause for disciplinary  
23 action occurred within two (2) years of the effective date of  
24 this Decision. Should such a determination be made, the  
25 Commissioner may, in his discretion, vacate and set aside the  
26 stay order and reimpose all or a portion of the stayed  
27 suspension. Should no such determination be made, the stay

1 imposed herein shall become permanent.

2 IV.

3 If Respondent JASON WILLIAM GROTE petitions, an  
4 additional 30 days shall be stayed upon condition that:

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

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

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

16 4. If Respondent fails to pay the monetary penalty in  
17 accordance with the terms and conditions of the Decision, the  
18 Commissioner may, without a hearing, order the immediate  
19 execution of all or any part of the stayed suspension in which  
20 event the Respondent shall not be entitled to any repayment nor  
21 credit, prorated or otherwise, for money paid to the Department  
22 under the terms of this Decision.

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

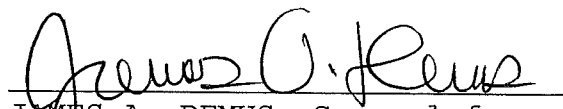
V.

Respondent JASON WILLIAM GROTE shall within six (6)  
months from the effective date of the Decision herein, take and  
pass the Professional Responsibility Examination administered by  
the Department including the payment of the appropriate  
examination fee. If Respondent fails to satisfy this condition,  
the Commissioner may order suspension of Respondent JASON WILLIAM  
GROTE's license until Respondent passes the examination.

VI.

All licenses and licensing rights of Respondent JASON  
WILLIAM GROTE are indefinitely suspended unless or until  
Respondent provides proof satisfactory to the Commissioner, of  
having taken and successfully completed the continuing education  
course on trust fund accounting and handling specified in  
paragraph (3) of subdivision (a) of Section 10170.5 of the  
Business and Professions Code. Proof of satisfaction of this  
requirement includes evidence that respondent has successfully  
completed the trust fund account and handling continuing  
education course within 120 days prior to the effective date of  
the Decision in this matter.

DATED: 8/28/12

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

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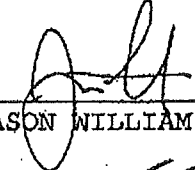
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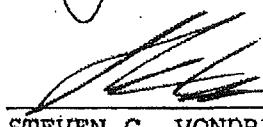




1 DATED: 20 AUG 2012

  
2 JASON WILLIAM GROTE, Respondent

3  
4 DATED: 8/27/12

  
5 STEVEN C. VONDRAN,  
6 Attorney for Respondent

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8 The foregoing Stipulation and Agreement is hereby  
9 adopted as my Decision as to Respondents CENTRAL COAST LENDING,  
10 INC. and JASON WILLIAM GROTE and shall become effective at 12  
11 o'clock noon on \_\_\_\_\_, 2012.

12 IT IS SO ORDERED \_\_\_\_\_, 2012

13 Real Estate Commissioner  
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1 DATED: \_\_\_\_\_

JASON WILLIAM GROTE, Respondent

4 DATED: \_\_\_\_\_


STEVEN C. VONDRAN,  
Attorney for Respondent

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7       The foregoing Stipulation and Agreement is hereby  
8 adopted as my Decision as to Respondents CENTRAL COAST LENDING,  
9 INC. and JASON WILLIAM GROTE and shall become effective at 12  
10 o'clock noon on NOV - 9 2012, 2012.

11 IT IS SO ORDERED 9/10, 2012

13 Real Estate Commissioner

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