

1 Department of Real Estate
2 320 W. 4th Street, Suite 350
3 Los Angeles, CA 90013-1105
4 Telephone: (213) 576-6982

FILED

FEB 25 2019

DEPT. OF REAL ESTATE

By *[Signature]*

5
6
7
8 **BEFORE THE DEPARTMENT OF REAL ESTATE**

9 **STATE OF CALIFORNIA**

10 * * *

11 In the Matter of the Accusation of

12 SKYWAY INVESTMENT CORPORATION,
13 and YAOTIAN LUO, individually, and as
14 designated officer of SKYWAY INVESTMENT
15 CORPORATION,

16 Respondents.

No. H-41091 LA

STIPULATION AND AGREEMENT

17 It is hereby stipulated by and between Respondents SKYWAY INVESTMENT
18 CORPORATION and YAOTIAN LUO, individually and as designated officer of Skyway
19 Investment Corporation, (sometimes collectively referred to as "Respondents"), acting by and
20 through their attorney, Frank M. Buda, Esq., and the Complainant, acting by and through Judith
21 B. Vasan, Counsel for the Department of Real Estate, as follows for the purpose of settling and
22 disposing of the Accusation ("Accusation") filed on June 29, 2018, in this matter:

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

STIPULATION AND AGREEMENT

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

4 3. Respondents each filed a Notice of Defense pursuant to Section 11506 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 thereby
8 waive their right to require the Commissioner to prove the allegations in the Accusation at a
9 contested hearing held in accordance with the provisions of the APA and that they will waive
10 other rights afforded to them in connection with the hearing such as the right to present evidence
11 in their defense, and the right to cross-examine witnesses.

12 4. This Stipulation is based on the factual allegations contained in the
13 Accusation. In the interest of expedience and economy Respondents choose not to contest these
14 allegations but to remain silent and understand that, as a result thereof, these factual allegations,
15 without being admitted or denied, will serve as a prima facie basis for the disciplinary action
16 stipulated to herein. The Real Estate Commissioner shall not be required to provide evidence to
17 prove said factual allegations.

18 5. This Stipulation is made for the purpose of reaching an agreed disposition of
19 this proceeding and is expressly limited to this proceeding and not any other proceeding or case
20 in which the Department, or another licensing agency of this state, another state, or the federal
21 government is involved, and otherwise shall not be admissible in any criminal or civil
22 proceeding.

23 6. It is understood by the parties that the Real Estate Commissioner may adopt
24 this Stipulation as his Decision in this matter thereby imposing the penalty and sanctions on
25 Respondents' real estate licenses and license rights as set forth in the below "Order". In the
26 event that the Commissioner in his discretion does not adopt the Stipulation, the Stipulation shall
27 be void and of no effect and Respondents shall retain the right to a hearing and proceed on the

STIPULATION AND AGREEMENT

1 Accusation under the provisions of the APA and shall not be bound by any stipulation or waiver
2 made herein.

3 7. The Order or any subsequent Order of the Real Estate Commissioner made
4 pursuant to this Stipulation shall not constitute an estoppel, merger or bar to any further
5 administrative or civil proceedings by the Department with respect to any matters which were
6 not specifically alleged to be causes for accusation in this proceeding.

7 8. Respondents have already paid the costs of the audit which led to this
8 disciplinary action, Audit LA170112. The amount of said audit costs is \$2,863.00. The audit
9 costs were received by the Department on or about September 21, 2018.

10 DETERMINATION OF ISSUES

11 By reason of the foregoing, it is stipulated and agreed that the following
12 determination of issues shall be made:

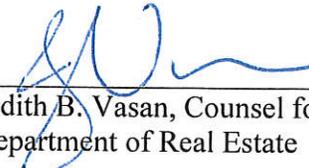
13 The conduct, acts or omissions of Respondent SKYWAY INVESTMENT
14 CORPORATION, as set forth in the Accusation, are in violation of Sections 10141.6
15 (notification of escrow activities), 10145 (trust fund handling), 10159.5 (unlicensed fictitious
16 business name), and 10161.8 (salesperson employment and termination) of the Real Estate Law,
17 Part 1 of Division 4 of the Code ("Code") and Sections 2731 (unlicensed fictitious business
18 name), 2752 (salesperson employment and termination), 2831 (trust fund handling), 2831.1 (trust
19 fund handling), 2832 (trust account designation), 2832.1 (trust fund handling), 2950(d) (trust
20 fund handling), 2950(g) (trust fund handling), and 2951 (trust fund handling) of Title 10, Chapter
21 6 of the California Code of Regulations ("Regulations") and are a basis for discipline of
22 Respondent SKYWAY INVESTMENT CORPORATION's licenses and license rights pursuant
23 to Code sections 10177(d) and 10177(g).

24 The conduct, acts or omissions of Respondent YAOTIAN LUO as set forth in the
25 Accusation, are in violation of Code section 10159.2 (failure to supervise) and are a basis for
26 discipline of Respondent YAOTIAN LUO's licenses and license rights pursuant to Code sections
27 10177(d), 10177(g), and 10177(h).

1 II.

2 All licenses and license rights of Respondents are indefinitely suspended unless
3 or until Respondents, jointly and severally, pay the sum of \$1,251.10 for the Commissioner's
4 reasonable costs of the investigation and enforcement, which led to this disciplinary action. Said
5 payment shall be in the form of a cashier's check made payable to the Department of Real
6 Estate. The investigative and enforcement costs must be delivered to the Department of Real
7 Estate, Flag Section, at P.O. Box 137013, Sacramento, CA 95813-7013, **prior to the effective**
8 **date of this Decision and Order.**

9
10
11 DATED: 2-4-2019

12 
13 Judith B. Vasan, Counsel for
14 Department of Real Estate

15 * * *

16 EXECUTION OF THE STIPULATION

17 We have read the Stipulation, have discussed it with our counsel, and its terms are
18 understood by us and are agreeable and acceptable to us. We understand that we are waiving
19 rights given to us by the California Administrative Procedure Act (including but not limited to
20 Sections 11506, 11508, 11509 and 11513 of the Government Code), and we willingly,
21 intelligently and voluntarily waive those rights, including the right of requiring the
22 Commissioner to prove the allegations in the Accusation at a hearing at which we would have
23 the right to cross-examine witnesses against us and to present evidence in defense and mitigation
24 of the charges.

25 Respondents shall mail the original signed signature page of the stipulation herein
26 to Judith B. Vasan, Attention: Legal Section, Department of Real Estate, 320 W. Fourth St.,
27 Suite 350, Los Angeles, California 90013-1105.

Respondents' signatures below constitute acceptance and approval of the terms and
conditions of this Stipulation. Respondents agree, acknowledge and understand that by signing

STIPULATION AND AGREEMENT

1 this Stipulation, Respondents are bound by its terms as of the date of such signatures and that this
2 agreement is not subject to rescission or amendment at a later date except by a separate Decision
3 and Order of the Real Estate Commissioner.

4
5 DATED: 2-1-2019 [Signature]
6 SKYWAY INVESTMENT CORPORATION
7 Respondent

By: [Signature]

8
9 DATED: 2-1-2019 [Signature]
10 YAOTIAN LUO
11 Respondent

12 DATED: 2-4-2019 [Signature]
13 Frank M. Buda, Esq.
14 Counsel for Respondents
15 Approved as to Form

16 * * *

17 The foregoing Stipulation and Agreement is hereby adopted as my Decision as to
18 Respondents SKYWAY INVESTMENT CORPORATION and YAOTIAN LUO, individually
19 and as designated officer of Skyway Investment Corporation, and shall become effective at 12
20 o'clock noon on _____.

21 IT IS SO ORDERED _____.

22 DANIEL J. SANDRI
23 ACTING REAL ESTATE COMMISSIONER

24 _____

1 this Stipulation, Respondents are bound by its terms as of the date of such signatures and that this
2 agreement is not subject to rescission or amendment at a later date except by a separate Decision
3 and Order of the Real Estate Commissioner.

4
5 DATED: 2-1-2019

[Signature]
6 SKYWAY INVESTMENT CORPORATION
Respondent

7 By: [Signature]

8
9 DATED: 2-1-2019

[Signature]
10 YAOTIAN LUO
Respondent

11
12 DATED: 2-1-2019

[Signature]
13 Frank M. Buda, Esq.
14 Counsel for Respondents
Approved as to Form

15 * * *

16 The foregoing Stipulation and Agreement is hereby adopted as my Decision as to
17 Respondents SKYWAY INVESTMENT CORPORATION and YAOTIAN LUO, individually
18 and as designated officer of Skyway Investment Corporation, and shall become effective at 12
19 o'clock noon on **MAR 18 2019**

20 IT IS SO ORDERED February 14, 2019

21
22 DANIEL J. SANDRI
23 ACTING REAL ESTATE COMMISSIONER

24
25 [Signature]
26
27