

FILED

JUL 21 2021

DEPT. OF REAL ESTATE

By

**BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA**

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In the Matter of the Accusation of

H-05129 SD

**JOE ECO REAL ESTATE BROKER
INC., JOSEPH P. ECONOMOU,
individually and as designated officer
of Joe Eco Real Estate Broker Inc.,**

STIPULATION AND AGREEMENT

Respondents.

It is hereby stipulated and agreed by and between Respondents JOE ECO REAL ESTATE BROKER INC. ("JEREBI") and JOSEPH P. ECONOMOU ("ECONOMOU"), individually and as designated officer of JEREBI, ("Respondents") and their attorney of record, J. Geoffrey Barry, Esq., and the Complainant, acting by and through Laurence Haveson, Counsel for the Department of Real Estate ("Department"), as follows for the purpose of settling and disposing of the Accusation filed on August 6, 2020 ("Accusation") in this matter:

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

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

4 3. On September 24, 2020, Respondents JEREBI and ECONOMOU filed a Notice of
5 Defense pursuant to section 11506 of the Government Code for the purpose of requesting a hearing
6 on the allegations in the Accusation. Respondents hereby freely and voluntarily withdraw said
7 Notices of Defense. Respondents acknowledge that Respondents understand that by withdrawing
8 said Notices of Defense, Respondents will thereby waive Respondents' right to require the Real
9 Estate Commissioner ("Commissioner") to prove the allegations in the Accusation at a contested
10 hearing held in accordance with the provisions of the APA and that Respondents will waive other
11 rights afforded to Respondents in connection with the hearing such as the right to present evidence
12 in defense of the allegations in the Accusation and the right to cross-examine witnesses.

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

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

24 6. It is understood by the parties that the Real Estate Commissioner may adopt the
25 Stipulation as his Decision in this matter, thereby imposing the penalty and sanctions on
26 Respondents' real estate licenses and license rights as set forth in the below Order. In the event
27 that the Commissioner in his discretion does not adopt the Stipulation, it shall be void and of no
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1 effect, and Respondents shall retain the right to a hearing and proceeding on the Accusation under
2 all the provisions of the APA and shall not be bound by any admission or waiver made herein.

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

7 8. Respondents understand that by agreeing to this Stipulation, Respondents agree to
8 pay, pursuant to Business and Professions Code Section 10148, the cost of the audit which led to
9 this disciplinary action. The amount of said cost is \$6,604.98.

10 9. Respondents have received, read, and understand the "Notice Concerning Costs of
11 Subsequent Audit." Respondents further understand that by agreeing to this Stipulation, the
12 findings set forth below in the Determination of Issues become final, and the Commissioner may
13 charge Respondents for the cost of any subsequent audit conducted pursuant to Business and
14 Professions Code Section 10148 to determine if the violations have been corrected. The maximum
15 cost of the subsequent audit shall not exceed 125% of cost of the original audit, or \$8,256.22.

16 10. Respondents understand that by agreeing to this Stipulation, Respondents agree to
17 pay, pursuant to Business and Professions Code Section 10106, the cost of the investigation and
18 enforcement of this matter. The amount of the investigation costs is \$457.10 and the amount of the
19 enforcement costs is \$623.00, for a total of \$1,080.10.

20 DETERMINATION OF ISSUES

21 By reason of the foregoing stipulations, admissions, and waivers, and solely for the purpose
22 of settlement of the pending Accusation without a hearing, it is stipulated and agreed that the
23 following Determination of Issues shall be made:

24 I.

25 The conduct, acts, and/or omissions of Respondent JEREBI as described in the Accusation,
26 constitute cause for the suspension or revocation of all real estate licenses and license rights of
27 Respondent JEREBI under California Business and Professions Code ("Code") Sections 10145,
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1 10145(a), 10177(d) and/or 10177(g), and Title 10, Chapter 6, California Code of Regulations
2 ("Regulations") Sections 2832, 2831.2 and 2725.

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4 II.

5 The conduct, acts, and/or omissions of Respondent ECONOMOU, as described in the
6 Accusation, constitute cause for the suspension or revocation of all real estate licenses and license
7 rights of Respondent ECONOMOU under Code Sections 10159.2 and 10177(h), and Regulation
8 2725.

9 ORDER

10 I.

11 All licenses and licensing rights of Respondent JEREBI under the Real Estate Law are
12 suspended for a period of ninety (90) days from the effective date of this Decision and Order;
13 provided, however, that:

14 1. Thirty (30) days of said suspension shall be stayed upon the condition that
15 Respondent JEREBI petitions pursuant to Code Section 10175.2 and pays a monetary penalty
16 pursuant to Code Section 10175.2 at a rate of fifty dollars (\$50.00) for each day of the suspension
17 for a total monetary penalty of \$1,500.00 (\$50.00 per day X thirty (30) days = \$1,500), and upon
18 the following terms and conditions:

19 a. Said payment shall be in the form of a cashier's check made payable to the
20 Department of Real Estate. Said check must be delivered to the Department of Real Estate,
21 Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date
22 of this Decision and Order. **Payment of said monetary penalty should not be made until**
23 **the Stipulation has been approved by the Commissioner.**

24 b. No further cause for disciplinary action against the Real Estate license(s) of
25 Respondent JEREBI occurs within two (2) years from the effective date of the Decision and
26 Order in this matter.

27 c. If Respondent JEREBI fails to pay the monetary penalty in accordance with
28 the terms and conditions of this Decision and Order, the suspension shall go into effect
automatically. Respondent JEREBI shall not be entitled to any repayment nor credit,

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

3 d. If Respondent JEREBI pays the monetary penalty under this Stipulation and
4 Agreement and if no further cause for disciplinary action against the Real Estate license(s)
5 of Respondent JEREBI occurs within two (2) years from the effective date of this Decision
6 and Order, the entire stay hereby granted pursuant to this Decision and Order, shall become
7 permanent.

8 2. The remaining sixty (60) days of said suspension shall be stayed for two (2) years
9 upon the following terms and conditions:

10 a. Respondent JEREBI shall obey all laws, rules and regulations governing the
11 rights, duties and responsibilities of a real estate licensee in the State of California; and,

12 b. That no final subsequent determination be made, after hearing or upon
13 stipulation, that cause of disciplinary action occurred within two (2) years from the effective
14 date of this Decision and Order. Should such a determination be made, the Commissioner
15 may, in his discretion, vacate and set aside the stay order and reimpose all or a portion of
16 the stayed suspension. Should no such determination be made, the stay imposed herein
17 shall become permanent.

18 3. Respondent JEREBI shall pay, severally or jointly with Respondent ECONOMOU,
19 the sum of \$1,080.10, amounting to the Commissioner's reasonable cost of the investigation and
20 enforcement which led to this disciplinary action, within one-hundred and eighty (180) days
21 from the effective date of this Decision and Order. Said payment shall be in the form of a
22 cashier's check made payable to the Department of Real Estate. The investigative and
23 enforcement costs must be delivered to the Department of Real Estate, Flag Section at P.O.
24 Box 137013, Sacramento, CA 95813-7013. Payment of investigation and enforcement costs
25 should not be made until the Stipulation has been approved by the Commissioner. If
26 Respondents fail to satisfy this condition in a timely manner as provided for herein, Respondents'
27 real estate licenses shall automatically be suspended until payment is made in full, or until a
28 decision providing otherwise is adopted following a hearing held pursuant to this condition.

1 4. Pursuant to section 10148 of the Code, Respondent JEREBI shall pay, severally or
2 jointly with Respondent ECONOMOU, the sum of \$6,604.98 for the Commissioner's cost of the
3 audit which led to this disciplinary action. Respondents shall pay such cost within one year from
4 the effective date of this Decision and Order. Payment of audit costs should not be made until
5 Respondents receive the invoice. If Respondents fail to satisfy this condition in a timely manner
6 as provided for herein, Respondents' real estate licenses shall automatically be suspended until
7 payment is made in full, or until a decision providing otherwise is adopted following a hearing held
8 pursuant to this condition.

9 5. Respondents understand that by agreeing to this Stipulation, the findings set forth
10 below in the Determination of Issues become final, and the Commissioner may charge Respondents
11 for the cost of any subsequent audit, if a subsequent audit is conducted, pursuant to Code section
12 10148 to determine if the violations have been corrected and that Respondents are in compliance
13 with trust fund handling requirements of the Real Estate Law. The maximum cost of the follow-up
14 audit will not exceed one-hundred twenty-five percent (125%) of the cost of the original audit; in
15 the instant case, the cost of the original audit is \$6,604.98 and the maximum cost of the follow-up
16 audit will not exceed \$8,256.22. Therefore, Respondents may be charged a maximum of \$8,256.22
17 in the event of a subsequent audit.

18 6. Pursuant to Section 10148 of the Code, Respondents shall pay the Commissioner's
19 reasonable cost, not to exceed \$8,256.22, for any subsequent audit, if one is performed, to
20 determine if Respondents have corrected the violations found in the Determination of Issues and
21 that Respondents are in compliance with trust fund handling requirements of the Real Estate Law.
22 In calculating the amount of the Commissioner's reasonable cost, the Commissioner may use the
23 estimated average hourly salary for all persons performing audits of real estate brokers, and shall
24 include an allocation for travel time to and from the auditor's place of work. Respondents shall pay
25 such cost within sixty (60) days of receiving an invoice therefore from the Commissioner.
26 Payment of the audit costs should not be made until Respondents receive the invoice. If
27 Respondents fail to satisfy this condition in a timely manner as provided for herein, Respondents'

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1 real estate licenses shall automatically be suspended until payment is made in full, or until a
2 decision providing otherwise is adopted following a hearing held pursuant to this condition.

3 II.

4 All licenses and licensing rights of Respondent ECONOMOU under the Real Estate Law
5 are suspended for a period of ninety (90) days from the effective date of this Decision and Order;
6 provided, however, that:

7 1. Thirty (30) days of said suspension shall be stayed upon the condition that
8 Respondent ECONOMOU petitions pursuant to Code Section 10175.2 at a rate of fifty dollars
9 (\$50.00) for each day of the suspension for a total monetary penalty of 1,500.00 (\$50.00 per day X
10 thirty (30) days = \$1,500.00), and upon the following terms and conditions:

11 a. Said payment shall be in the form of a cashier's check made payable to the
12 Department of Real Estate. Said check must be delivered to the Department of Real Estate,
13 Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date
14 of this Decision and Order. **Payment of said monetary penalty should not be made until**
15 **the Stipulation has been approved by the Commissioner.**

16 b. No further cause for disciplinary action against the Real Estate license(s) of
17 Respondent ECONOMOU occurs within two (2) years from the effective date of the
18 Decision and Order in this matter.

19 c. If Respondent ECONOMOU fails to pay the monetary penalty in accordance
20 with the terms and conditions of this Decision and Order, the suspension shall go into effect
21 automatically. Respondent ECONOMOU shall not be entitled to any repayment nor credit,
22 prorated or otherwise, for money paid to the Department under the terms of this Decision
23 and Order.

24 d. If Respondent ECONOMOU pays the monetary penalty under this
25 Stipulation and Agreement and if no further cause for disciplinary action against the Real
26 Estate license(s) of Respondent ECONOMOU occurs within two (2) years from the
27 effective date of this Decision and Order, the entire stay hereby granted pursuant to this
28 Decision and Order, shall become permanent.

1 2. The remaining sixty (60) days of said suspension shall be stayed for two (2) years
2 upon the following terms and conditions:

3 a. Respondent ECONOMOU shall obey all laws, rules and regulations
4 governing the rights, duties and responsibilities of a real estate licensee in the State of
5 California; and,

6 b. That no final subsequent determination be made, after hearing or upon
7 stipulation, that cause of disciplinary action occurred within two (2) years from the effective
8 date of this Decision and Order. Should such a determination be made, the Commissioner
9 may, in his discretion, vacate and set aside the stay order and reimpose all or a portion of
10 the stayed suspension. Should no such determination be made, the stay imposed herein
11 shall become permanent.

12 3. All license and licensing rights of Respondent ECONOMOU are indefinitely
13 suspended unless or until Respondent ECONOMOU provides evidence satisfactory to the
14 Commissioner of having taken and successfully completed the continuing education course on trust
15 fund accounting and handling specified in paragraph (3) of subdivision (a) of Section 10170.5 of
16 the Business and Professions Code. Proof of satisfaction of these requirements includes evidence
17 that Respondent has successfully completed the trust fund account and handling continuing
18 education courses, no earlier than one hundred and twenty (120) days prior to the effective date of
19 this Decision and Order. Proof of completion of the trust fund accounting and handling course
20 must be delivered to the Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento,
21 CA 95813-7013, no earlier than one hundred and twenty (120) days prior to the effective date of
22 this Decision and Order.

23 4. Respondent ECONOMOU shall pay, severally or jointly with Respondent JEREBI,
24 the sum of \$1,080.10, amounting to the Commissioner's reasonable cost of the investigation and
25 enforcement which led to this disciplinary action, **within one-hundred and eighty (180) days**
26 **from the effective date of this Decision and Order.** Said payment shall be in the form of a
27 cashier's check made payable to the Department of Real Estate. **The investigative and**
28 **enforcement costs must be delivered to the Department of Real Estate, Flag Section at P.O.**

1 **Box 137013, Sacramento, CA 95813-7013. Payment of investigation and enforcement costs**
2 **should not be made until the Stipulation has been approved by the Commissioner.** If

3 Respondents fail to satisfy this condition in a timely manner as provided for herein, Respondents'
4 real estate licenses shall automatically be suspended until payment is made in full, or until a
5 decision providing otherwise is adopted following a hearing held pursuant to this condition.

6 5. Pursuant to section 10148 of the Code, Respondent ECONOMOU shall pay,
7 severally or jointly with Respondent JEREBI, the sum of \$6,604.98 for the Commissioner's cost of
8 the audit which led to this disciplinary action. Respondents shall pay such cost within one year
9 from the effective date of this Decision and Order. Payment of audit costs **should not be**
10 **made until Respondents receive the invoice.** If Respondents fail to satisfy this condition in a
11 timely manner as provided for herein, Respondents' real estate licenses shall automatically be
12 suspended until payment is made in full, or until a decision providing otherwise is adopted
13 following a hearing held pursuant to this condition

14 6. Respondents understand that by agreeing to this Stipulation, the findings set forth
15 below in the Determination of Issues become final, and the Commissioner may charge Respondents
16 for the cost of any subsequent audit, if a subsequent audit is conducted, pursuant to Code section
17 10148 to determine if the violations have been corrected and that Respondents are in compliance
18 with trust fund handling requirements of the Real Estate Law. The maximum cost of the follow-up
19 audit will not exceed one-hundred twenty-five percent (125%) of the cost of the original audit; in
20 the instant case, the cost of the original audit is \$6,604.98 and the maximum cost of the follow-up
21 audit will not exceed \$8,256.22. Therefore, Respondents may be charged a maximum of \$8,256.22
22 in the event of a subsequent audit.

23 7. Pursuant to Section 10148 of the Code, Respondents shall pay the Commissioner's
24 reasonable cost, not to exceed \$8,256.22, for any subsequent audit, if one is performed, to
25 determine if Respondents have corrected the violations found in the Determination of Issues and
26 that Respondents are in compliance with trust fund handling requirements of the Real Estate Law.
27 In calculating the amount of the Commissioner's reasonable cost, the Commissioner may use the
28 estimated average hourly salary for all persons performing audits of real estate brokers, and shall

1 include an allocation for travel time to and from the auditor's place of work. Respondents shall pay
2 such cost within sixty (60) days of receiving an invoice therefore from the Commissioner.

3 **Payment of the audit costs should not be made until Respondents receive the invoice.** If

4 Respondents fail to satisfy this condition in a timely manner as provided for herein, Respondents'
5 real estate licenses shall automatically be suspended until payment is made in full, or until a
6 decision providing otherwise is adopted following a hearing held pursuant to this condition.

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8 DATED: 5/12/2021


Laurence D. Haveson
Counsel for Complainant

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12 **EXECUTION OF THE STIPULATION**

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

20 Respondents can signify acceptance and approval of the terms and conditions of this
21 Stipulation and Agreement by electronically e-mailing a copy of the signature pages, as actually
22 signed by Respondents, to the Department. Respondents agree, acknowledge, and understand that
23 by electronically sending to the Department an electronic copy of Respondents' actual signatures,
24 as they appear on the Stipulation, that receipt of the emailed copy by the Department shall be as
25 binding on Respondents as if the Department had received the original signed Stipulation. By
26 signing this Stipulation, Respondents understand and agree that Respondents may not withdraw
27 their agreement or seek to rescind the Stipulation prior to the time the Commissioner considers and
28 acts upon it or prior to the effective date of the Stipulation and Order.

MAILING

Respondents and their counsel shall, within five (5) business days from signing the Stipulation, mail the original signed signature page(s) of the Stipulation herein to Laurence Haveson, Attention: Legal Section, Department of Real Estate, 320 W. Fourth St., Room 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 this Stipulation Respondents are bound by its terms as of the date of such signature and that this agreement is not subject to rescission or amendment at a later date except by a separate Decision and Order of the Real Estate Commissioner.

DATED: May 12, 2021


Respondent JOE ECO REAL ESTATE BROKER INC.

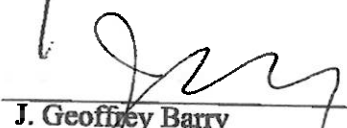
By (Printed Name): JOSEPH P. ECONOMOU

Title: President

DATED: May 12, 2021


Respondent JOSEPH P. ECONOMOU

DATED: May 12, 2021


J. Geoffrey Barry
Attorney for Respondents JOE ECO REAL ESTATE
BROKER INC. and JOSEPH P. ECONOMOU
Approved as to Form

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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 08/20/2021, 2021.

IT IS SO ORDERED 7.15.21, 2021.

DOUGLAS R. McCAULEY
REAL ESTATE COMMISSIONER

Douglas R. McCauley