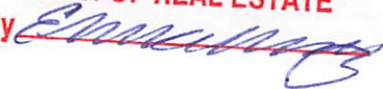


1 DEPARTMENT OF REAL ESTATE
2 320 West 4th Street, Suite 350
3 Los Angeles, California 90013-1105
4 Telephone: (213) 620-2072

FILED

JAN 27 2022

DEPT. OF REAL ESTATE

By 

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * * *

11 In the Matter of the Accusation against:

12 WILLIAM BENJAMIN KNOWLES;
13 BRENDA JOYCE DAVIS-BAILEY;
14 BST REALTY, INC.; and
ALVIN GENE TONEY, individually, and as
designated officer for BST Realty, Inc.,

15 Respondents.

DRE No. H-05184 SD
OAH No. 2021050574

STIPULATION AND AGREEMENT
IN SETTLEMENT AND ORDER AS
TO RESPONDENTS WILLIAM
BENJAMIN KNOWLES AND
BRENDA JOYCE DAVIS-BAILEY,
ONLY

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17 It is hereby stipulated by and between WILLIAM BENJAMIN KNOWLES and
18 BRENDA JOYCE DAVIS-BAILEY (collectively “Respondents”), acting by and through
19 Respondents’ attorney, Robert F. Hahn, Esq. of Gould, Hahn, & Reinhardt, PLC, and
20 Complainant, acting by and through Lissete Garcia, Counsel for the Department of Real Estate
21 (“Department ”), as follows for the purpose of settling and disposing the First Amended
22 Accusation (“Accusation”) filed on March 17, 2021, with Department Case No.
23 H-05184 SD in this matter:

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Stipulation and Agreement
H-05184 SD

1 1. All issues which were to be contested and all evidence which was to be presented by
2 Complainant and Respondents at a formal hearing on the Accusation, which hearing was to be
3 held in accordance with the provisions of the Administrative Procedure Act (“APA”), shall
4 instead and in place thereof be submitted on the basis of the provisions of this Stipulation and
5 Agreement in Settlement and Order (“Stipulation”).

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

8 3. Respondents filed Notices of Defense pursuant to Section 11506 of the Government
9 Code for the purpose of requesting a hearing on the allegations in the Accusation. Respondents
10 hereby freely and voluntarily withdraw said Notices of Defense. Respondents acknowledge and
11 understand that by withdrawing said Notice of Defense, Respondents will thereby waive
12 Respondents’ rights to require the Real Estate Commissioner (“Commissioner”) to prove the
13 allegations in the Accusation at a contested hearing held in accordance with the provisions of the
14 APA and that Respondents will waive other rights afforded to Respondents in connection with
15 the hearing such as the right to present evidence in defense of the allegations in the Accusation
16 and the right to cross-examine witnesses.

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

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

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

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

17 DETERMINATION OF ISSUES

18 By reason of the foregoing stipulation and agreement and solely for the purpose of
19 settlement of the pending Accusation without a hearing, it is stipulated and agreed that the
20 following determination of issues shall be made:

21 I.

22 The conduct, acts and/or omissions of Respondent WILLIAM BENJAMIN KNOWLES
23 as set forth herein above in Paragraph 4, constitute cause for the suspension or revocation of all
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1 real estate licenses and license rights of Respondent WILLIAM BENJAMIN KNOWLES
2 pursuant to the provisions of Code section 10177, subdivision (k), for violation of Business and
3 Professions Code ("Code") sections 10161.8, and Regulations 2725 and 2752 of the Regulations
4 of the Real Estate Commissioner, Title 10, Chapter 6, California Code of Regulations
5 ("Regulations").

6 II.

7 The conduct, acts and/or omissions of Respondent BRENDA JOYCE DAVIS-BAILEY
8 as set forth herein above in Paragraph 4, constitute cause for the suspension or revocation of all
9 real estate licenses and license rights of Respondent BRENDA JOYCE DAVIS-BAILEY
10 pursuant to the provisions of Code section 10177, subdivision (d), for violation of Code sections
11 10137, 10161.8 and Regulation 2752.

12 ORDER

13 I.

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

22 1. The restricted license issued to Respondent WILLIAM BENJAMIN KNOWLES
23 may be suspended prior to hearing by Order of the Commissioner in the event of Respondent's
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1 conviction or plea of nolo contendere to a crime which is substantially related to Respondent's
2 fitness or capacity as a real estate licensee.

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

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

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

18 II.

19 All licenses and licensing rights of Respondent BRENDA JOYCE DAVIS-BAILEY
20 under the Real Estate Law are revoked; provided, however, a restricted real estate salesperson
21 license shall be issued to Respondent pursuant to Section 10156.5 of the Code if Respondent
22 makes application therefor and pays to the Department the appropriate fee for the restricted
23 license within 90 days from the effective date of this Decision and Order. The restricted license

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1 issued to Respondent shall be subject to all of the provisions of Section 10156.7 of the Code and
2 to the following limitations, conditions and restrictions imposed under authority of Section
3 10156.6 of that Code:

4 1. The restricted license issued to Respondent BRENDA JOYCE DAVIS-BAILEY
5 may be suspended prior to hearing by Order of the Commissioner in the event of Respondent's
6 conviction or plea of nolo contendere to a crime which is substantially related to Respondent's
7 fitness or capacity as a real estate licensee.

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

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

18 4. Respondent shall submit with any application for license under an employing
19 broker, or any application for transfer to a new employing broker, a statement signed by the
20 prospective employing real estate broker on a form approved by the Department which shall
21 certify:

22 (a) That the employing broker has read the Decision and Order of the
23 Commissioner which granted the right to a restricted license; and
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(b) That the employing broker will exercise close supervision over the performance by the restricted licensee relating to activities for which a real estate license is required.

5. Respondent BRENDA JOYCE DAVIS-BAILEY shall, **within six (6) months from the effective date of this Decision and Order**, 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, Respondent's real estate license shall automatically be suspended until Respondent passes the examination.

III.

All licenses and licensing rights of Respondents WILLIAM BENJAMIN KNOWLES and BRENDA JOYCE DAVIS-BAILEY are indefinitely suspended unless or until Respondents pay, jointly or separately, the total sum of \$1,718.40 (as Respondents' proportionate share (two-fifths of the total costs) for the Commissioner's reasonable costs of the investigation and enforcement) which led to this disciplinary action. Said payment shall be in the form of a cashier's check made payable to the Department of Real Estate. **The total payment of \$1,718.40 for the investigative and enforcement costs must be delivered to the Department of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this Decision.**

DATED: 11/30/2021



Lisette Garcia, Counsel
Department of Real Estate

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EXECUTION OF THE STIPULATION

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

9 Respondents can signify acceptance and approval of the terms and conditions of this
10 Stipulation and Agreement by electronically e-mailing a copy of the signature pages, as actually
11 signed by Respondents, to the Department. Respondents agree, acknowledge, and understand
12 that by electronically sending to the Department an electronic copy of Respondents' actual
13 signatures, as they appear on the Stipulation, that receipt of the emailed copy by the Department
14 shall be as binding on Respondents as if the Department had received the original signed
15 Stipulation. By signing this Stipulation, Respondents understand and agree that Respondents
16 may not withdraw their agreement or seek to rescind the Stipulation prior to the time the
17 Commissioner considers and acts upon it or prior to the effective date of the Stipulation and
18 Order.

MAILING

19
20 Respondents and their counsel shall, within five (5) business days from signing the
21 Stipulation, mail the original signed signature page(s) of the Stipulation herein to Lissete Garcia,
22 Attention: Legal Section, Department of Real Estate, 320 W. Fourth St., Room 350, Los
23 Angeles, California 90013-1105.

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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: 11-29-2021 William B. Knowles
Respondent WILLIAM BENJAMIN KNOWLES

DATED: 11-29-2021 Brenda Joy Davis-Bailey
Respondent BRENDA JOYCE DAVIS-BAILEY

DATED: 11-29-2021 Robert F. Hahn
Robert F. Hahn, Esq. of Gould, Hahn, & Reinhardt, PLC,
Counsel for Respondents
Approved as to Form

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 3/3/2022, 2021.

IT IS SO ORDERED 1.19.22, 2021.

REAL ESTATE COMMISSIONER

Douglas R. McCauley
Douglas R. McCauley