

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

**FILED**

**OCT 07 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	)	DRE No. H-05318 SD
	)	OAH No. 2022080190
12	)	
13 KRISTI HELENE COWAN,	)	<u>STIPULATION AND AGREEMENT</u>
	)	<u>IN SETTLEMENT AND ORDER</u>
14 Respondent.	)	
15	)	

16 It is hereby stipulated by and between KRISTI HELENE COWAN (sometimes referred  
17 to as "Respondent"), in pro per, and the Complainant, acting by and through Kathy Yi, Counsel  
18 for the Department of Real Estate, as follows for the purpose of settling and disposing of the  
19 First Amended Accusation ("Accusation"), filed on July 28, 2022, in this matter:

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

25 2. Respondent received, read and understands the Statement to Respondent, the  
26 Discovery Provisions of the APA and the Accusation filed by the Department of Real Estate  
27 ("Department") in this proceeding.

1           3. Respondent filed a Notice of Defense pursuant to Section 11506 of the Government  
2 Code for the purpose of requesting a hearing on the allegations in the Accusation. Respondent  
3 hereby freely and voluntarily withdraws said Notice of Defense. Respondent acknowledges that  
4 Respondent understands that by withdrawing said Notice of Defense Respondent thereby waives  
5 Respondent's right to require the Commissioner to prove the allegations in the Accusation at a  
6 contested hearing held in accordance with the provisions of the APA and that Respondent will  
7 waive other rights afforded to Respondent in connection with the hearing such as the right to  
8 present evidence in his defense, and the right to cross-examine witnesses.

9           4. This Stipulation is based on the factual allegations contained in the Accusation filed in  
10 this proceeding. In the interest of expedience and economy, Respondent chooses not to contest  
11 these factual allegations, but to remain silent and understands that, as a result thereof, these  
12 factual statements, will serve as a prima facie basis for the disciplinary action stipulated to  
13 herein. The Real Estate Commissioner shall not be required to provide further evidence to prove  
14 such allegations.

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

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

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1 DETERMINATION OF ISSUES

2 By reason of the foregoing stipulations, admissions and waivers and solely for the  
3 purpose of settlement of the pending Accusation without a hearing, it is stipulated and agreed  
4 that the following determination of issues shall be made:

5 The conduct, acts or omissions of Respondent KRISTI HELENE COWAN, as set forth in  
6 the Accusation, are a basis for discipline of Respondent's real estate license, mortgage loan  
7 originator ("MLO") license endorsement, and license rights pursuant to the Real Estate Law, Part  
8 1 of Division 4 of the California Business and Professions Code ("Code") sections 10166.05(c),  
9 10166.051(a), 10166.051(b), 10177(d), 10177(g) and/or 10177(j).

10 ORDER

11 WHEREFORE, THE FOLLOWING ORDER is hereby made:

12 I. SUSPENSION OF MLO LICENSE ENDORSEMENT

13 1. All MLO license endorsements and endorsement rights of Respondent under the Real  
14 Estate Law are suspended for a period of one hundred and eighty (180) days from the Effective  
15 Date of this Decision and Order.

16 2. If the suspension of the MLO license endorsement expires after December 31, 2022,  
17 Respondent may submit a renewal application for an MLO license endorsement through the  
18 NMLS during the renewal and/or reinstatement periods occurring between November 1, 2022,  
19 and February 28, 2023, with the understanding that the Department reserves the rights to fully  
20 investigate such renewal application for MLO license endorsement and may either approve or  
21 deny such application pursuant to the normal process for endorsement investigations.

22 3. Respondent understands that if Respondent fails to submit a renewal application  
23 before March 1, 2023, Respondent must submit a new application through NMLS, and may be  
24 subject to payment of filing fees, background and credit checks, fingerprinting, and other NMLS  
25 requirements.

26 4. Respondent further agrees that Respondent must satisfy the Education and  
27 Administrative Penalty provisions prior to reinstatement of their MLO license endorsement or

1 issuance of another MLO license endorsement.

2 **II. MORTGAGE LOAN ORIGINATION EDUCATION**

3 1. Respondent shall, within ninety (90) days from the Effective Date of this Decision and  
4 Order, take and complete the following mortgage loan originator education requirements:

- 5 a) Twenty (20) hours of NMLS approved pre-licensure education (“PE”), which  
6 shall consist of fourteen (14) hours of federal law curriculum, three (3) hours of  
7 ethics curriculum, and three (3) hours of non-traditional mortgage lending  
8 curriculum. None of these twenty (20) hours of PE may be state-specific  
9 curriculum;
- 10 b) Eight (8) hours of continuing education (“CE”), which shall consist of four (4)  
11 hours of federal law curriculum, two (2) hours of ethics curriculum, and two (2)  
12 hours of non-traditional mortgage lending curriculum. None of these eight (8)  
13 hours of CE may be state-specific curriculum.

14 2. Respondent may not take any of the PE or CE provided for in Paragraph 1 of this  
15 Section in an online self-study format (“OSS”).

16 3. For a period of three (3) years from the Effective Date of this Order, Respondent shall  
17 be required to complete any additional required PE and/or CE in a format other than OSS. If  
18 Respondent fails to comply with this condition, the renewal application or new application of  
19 Respondent will be deemed incomplete by the Department.

20 4. If Respondent fails to timely satisfy the education provided for in Paragraph 1 of this  
21 section, Respondent’s MLO license endorsement shall remain suspended until Respondent  
22 presents evidence satisfactory to the Commissioner of having taken and successfully completed  
23 the education requirements.

24 5. Respondent agrees that the CE provided for in Paragraph 1 of this section is in  
25 addition to any NMLS education required for licensure under the SAFE Act. The CE provided  
26 for in Paragraph 1 will not count toward satisfying 2023 or 2024 standard SAFE Act CE  
27 requirements.



1 payment shall be in the form of a cashier's check made payable to the Department of Real Estate.  
2 The payment of the investigative and enforcement costs must be delivered to the Department of  
3 Real Estate, Flag Section, at P.O. Box 137013, Sacramento, CA 95813-7013, **prior to the**  
4 **Effective Date of this Decision and Order.**

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6 DATED: 09/07/2022



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8 KATHY YI, Counsel for  
9 Department of Real Estate

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EXECUTION OF THE STIPULATION

I have read the Stipulation and its terms are understood by me and are agreeable and acceptable to me. I understand that I am waiving rights given to me by the California Administrative Procedure Act (including but not limited to Sections 11506, 11508, 11509 and 11513 of the Government Code), and I willingly, intelligently and voluntarily waive those rights, including the right of requiring the Commissioner to prove the allegations in the Accusation at a hearing at which I would have the right to cross-examine witnesses against me and to present evidence in defense and mitigation of the charges.

Respondent can signify acceptance and approval of the terms and conditions of this Stipulation and Agreement by emailing a scanned copy of the signature page, as actually signed by Respondent, to the Department counsel assigned to this case. Respondent agrees, acknowledges, and understands that by electronically sending the Department a scan of Respondent's actual signature as it appears on the Stipulation and Agreement that receipt of the scan by the Department shall be binding on Respondent as if the Department had received the original signed Stipulation and Agreement.

Respondent can, alternatively, mail the original signed signature page of the stipulation herein to Kathy Yi, Attention: Legal Section, Department of Real Estate, 320 W. Fourth St., Suite 350, Los Angeles, California 90013-1105.

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Respondent's signature below constitutes acceptance and approval of the terms and conditions of this Stipulation. Respondent agrees, acknowledges and understands that by signing this Stipulation, Respondent is bound by its terms as of the date of such signatures 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: 9/6/2022

Kristi Helene Cowan  
KRISTI HELENE COWAN  
Respondent

The foregoing Stipulation and Agreement is hereby adopted as my Decision as to Respondent KRISTI HELENE COWAN and shall become effective at 12 o'clock noon on NOV 08 2022.

IT IS SO ORDERED 10.4.22

DOUGLAS R. McCAULEY  
REAL ESTATE COMMISSIONER

Douglas R. McCauley