

FILED

NOV 18 2025

DEPARTMENT OF REAL ESTATE
By J. Taggart

1 TAYLOR HERRLINGER, Counsel (314791)
2 Department of Real Estate
3 651 Bannon Street, Suite 507
4 Sacramento, CA 95811
5 Telephone: (916) 737-4498
6 Email: Taylor.Herrlinger@dre.ca.gov

7 BEFORE THE DEPARTMENT OF REAL ESTATE
8
9 STATE OF CALIFORNIA

10 ***

11 In the Matter of the Accusation of } DRE No. H-7303 SAC
12 KLEE FINANCIAL GROUP, INC., and } OAH No. 2024030010
13 KATY L. LEE, individually and as designated }
14 officer of Klee Financial Group Inc., }
15 Respondents. }
16
17)
18)
19)
20)
21)
22)
23)
24)
25)
26)
27)

It is hereby stipulated by and between Respondent KLEE FINANCIAL GROUP, INC. ("Respondent"), acting by and through its attorney, Ernest Montanari of Collins + Collins, LLP, and the Department of Real Estate ("Department" or "Complainant"), acting by and through Taylor Herrlinger, Counsel for the Department of Real Estate, as follows for the purpose of settling and disposing of the Accusation filed on November 16, 2023 ("Accusation"), in this matter:

1. All issues which were to be contested and all evidence which was to be presented by Complainant and Respondent 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").

STIPULATION AND AGREEMENT IN SETTLEMENT AND ORDER

-Page 1 of 6-

1 2. Respondent has received, read and understands the Statement to Respondent,
2 the Discovery Provisions of the APA and the Accusation filed by the Department in this
3 proceeding.

4 3. Respondent 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 Respondent hereby freely and voluntarily withdraws said Notice of Defense. Respondent
7 acknowledges that it understands that by withdrawing said Notice of Defense it thereby waives
8 its right to require the Commissioner to prove the allegations in the Accusation at a contested
9 hearing held in accordance with the provisions of the APA and that it will waive other rights
10 afforded to it in connection with the hearing such as the right to present evidence in its defense,
11 and the right to cross-examine witnesses.

12 4. This Stipulation is based on the factual allegations contained in the Accusation
13 filed in this proceeding. In the interest of expedience and economy, Respondent chooses not to
14 contest these factual allegations, but to remain silent and understands that, as a result thereof,
15 these factual statements will serve as a *prima facie* basis for the disciplinary action stipulated to
16 herein. The Real Estate Commissioner shall not be required to provide further evidence to prove
17 such 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 her Decision in this matter, thereby imposing the penalty and sanctions on
25 Respondent's real estate license and license rights as set forth in the below "Order." In the event
26 that the Commissioner in her discretion does not adopt the Stipulation, the Stipulation shall be
27 void and of no effect and Respondent shall retain the right to a hearing and proceed on the

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.

DETERMINATION OF ISSUES

8 By reason of the foregoing, and solely for the purpose of settlement of the
9 pending Accusation without a hearing, it is stipulated and agreed that the following
10 Determination of Issues shall be made:

11 The conduct, acts or omissions of Respondent KLEE FINANCIAL GROUP,
12 INC., as set forth in the Accusation, are in violation of California Business and Professions Code
13 ("Code") Sections 10145, 10176(e) and California Code of Regulations ("Regulations"), Title
14 10, Chapter 6, Sections 2831, 2831.1, 2831.2, and 2832.1, and are grounds for discipline of
15 Respondent KLEE FINANCIAL GROUP, INC.'s license and licensing rights pursuant to Code
16 sections 10176(e), 10177(d), and 10177(g).

ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

(AUDIT COSTS)

1

21 Pursuant to Code Section 10148, Respondent KLEE FINANCIAL GROUP, INC.
22 shall pay the Commissioner's reasonable costs for the audit which led to this disciplinary action
23 in the amount of \$4,452.50. Respondent shall pay such costs within six (6) months of receiving
24 an invoice therefor from the Commissioner. Payment of the audit costs should not be made until
25 Respondent receives the invoice. If Respondent fails to satisfy this condition in a timely manner
26 as provided for herein, Respondent's real estate license shall automatically be suspended until

27 111

1 payment is made in full, or until a decision providing otherwise is adopted following a hearing
2 held pursuant to this condition.

3 **(SUBSEQUENT AUDIT COSTS)**

4 **II.**

5 Pursuant to Code Section 10148, Respondent KLEE FINANCIAL GROUP, INC.
6 shall pay the Commissioner's reasonable costs, not to exceed \$5,565.63, for a subsequent audit
7 to determine if Respondent KLEE FINANCIAL GROUP, INC. has corrected the violations
8 found in the Determination of Issues. In calculating the amount of the Commissioner's
9 reasonable costs, the Commissioner may use the estimated average hourly salary for all persons
10 performing audits of real estate brokers, and shall include an allocation for travel time to and
11 from the auditor's place of work. Respondent KLEE FINANCIAL GROUP, INC. shall pay such
12 costs within six (6) months of receiving an invoice therefor from the Commissioner. If
13 Respondent KLEE FINANCIAL GROUP, INC. fails to satisfy this condition in a timely manner
14 as provided for herein, Respondent's real estate license shall automatically be suspended until
15 payment is made in full, or until a decision providing otherwise is adopted following a hearing
16 held pursuant to this condition.

17 **(INVESTIGATION AND ENFORCEMENT COSTS)**

18 **III.**

19 All licenses and license rights of Respondent KLEE FINANCIAL GROUP, INC.
20 are indefinitely suspended, unless or until Respondent pays the sum of \$3,147.00 for the
21 Commissioner's reasonable costs of the investigation and enforcement that led to this
22 disciplinary action. Said payment shall be in the form of a cashier's check made payable to the
23 Department of Real Estate. The investigative and enforcement costs must be delivered to the
24 Department of Real Estate, Flag Section at 651 Bannon Street, Suite 504, Sacramento, CA
25 95811, within six (6) months from the effective date of this Decision and Order.

26 //

27 ///

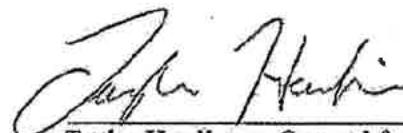
1 Payment of investigation and enforcement costs should not be made until the Stipulation has
2 been approved by the Commissioner.

3

4

5 DATED: September 2, 2025

6



Taylor Herrlinger, Counsel for
Department of Real Estate

7

8

9

10 **EXECUTION OF THE STIPULATION**

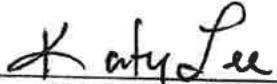
11 Respondent has read the Stipulation, discussed it with their counsel, and its terms
12 are understood by Respondent and are agreeable and acceptable to Respondent. Respondent
13 understands that Respondent is waiving rights given to it by the California Administrative
14 Procedure Act (including but not limited to Sections 11506, 11508, 11509 and 11513 of the
15 Government Code), and Respondent willingly, intelligently and voluntarily waives those rights,
16 including the right of requiring the Commissioner to prove the allegations in the Accusation at a
17 hearing at which Respondent would have the right to cross-examine witnesses against it and to
18 present evidence in defense and mitigation of the charges.

19 Respondent agrees, acknowledges, and understands that Respondent cannot
20 rescind or amend this Stipulation and Agreement. By signing this Stipulation, Respondent
21 understands and agrees that Respondent may not withdraw Respondent's agreement or seek to
22 rescind the Stipulation prior to the time the Commissioner considers and acts upon it or prior to
23 the effective date of the Stipulation and Order.

24 Respondent can signify acceptance and approval of the terms and conditions of
25 this Stipulation and Agreement by electronically e-mailing a copy of the signature page, as
26 actually signed by Respondent, to the Department. Respondent agrees, acknowledges, and
27 understands that by electronically sending to the Department an electronic copy of Respondent's

1 actual signature, as it appears on the Stipulation, that receipt of the emailed copy by the
2 Department shall be as binding on Respondent as if the Department had received the original
3 signed Stipulation. Alternatively, Respondent can signify acceptance and approval of the terms
4 and conditions of this Stipulation and Agreement by mailing the original signed Stipulation and
5 Agreement to: Taylor Herrlinger, Department of Real Estate, 651 Bannon Street, Suite 507,
6 Sacramento, California 95811.

7
8 Dated: 9/5/2025


KATY LEE
KLEE FINANCIAL GROUP, INC., by and through
Designated Officer Katy L. Lee,
Respondent

9
10
11 Dated: 9/5/2025


ERNEST MONTANARI
Ernest Montanari, Esq.
Counsel for Respondent

12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

The foregoing Stipulation and Agreement is hereby adopted as my Decision as to
Respondent KLEE FINANCIAL GROUP, INC., and shall become effective at 12 o'clock noon
on DEC 08 2025.

IT IS SO ORDERED

11/7/2025

CHIKA SUNQUIST
REAL ESTATE COMMISSIONER


By: Marcus L. McCarther
Chief Deputy Real Estate Commissioner