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DEPARTMENT OF REAL ESTATE

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Department of Real Estate  
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BEFORE THE DEPARTMENT OF REAL ESTATE  
STATE OF CALIFORNIA

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In the Matter of the Accusation of	)	DRE No. H-7449 SAC
	)	OAH No. 2025080053
LEA PANNELL REALTY, INC.	)	
	)	<u>STIPULATION AND</u>
and	)	<u>AGREEMENT IN SETTLEMENT</u>
	)	<u>AND ORDER</u>
LAGUAN EUGENE LEA, individually	)	
and as designated officer of Lea Pannell	)	
Realty, Inc.,	)	
	)	
Respondents.	)	

It is hereby stipulated by and between Respondent LEA PANNELL REALTY, INC. ("LPR"), Respondent LAGUAN EUGENE LEA ("LEA") (collectively "Respondents"), acting by and through their attorney, Osby Davis, of the Law Office of Osby Davis, 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 June 2, 2025 ("Accusation"), in this matter:

1. 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

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

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

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

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

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

25 6. It is understood by the parties that the Real Estate Commissioner may adopt  
26 this Stipulation as her Decision in this matter, thereby imposing the penalty and sanctions on  
27 Respondents' real estate licenses and license rights as set forth in the below "Order." In the

1 event that the Commissioner in her discretion does not adopt the Stipulation, the Stipulation shall  
2 be void and of no effect and Respondents shall retain the right to a hearing and proceed on the  
3 Accusation under the provisions of the APA and shall not be bound by any stipulation or waiver  
4 made herein.

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

9 **DETERMINATION OF ISSUES**

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

13 The conduct, acts or omissions of Respondents LEA PANNELL REALTY, INC.  
14 and LAGUAN EUGENE LEA, as set forth in the Accusation, are in violation of California  
15 Business and Professions Code ("Code") Sections 10145, 10159.2 and California Code of  
16 Regulations ("Regulations"), Title 10, Chapter 6, Sections 2831.2, 2832.1 and 2725 and are  
17 grounds for discipline of Respondents' licenses and licensing rights pursuant to Code sections  
18 10177(d), (g) and (h).

19 **ORDER**

20 **WHEREFORE, THE FOLLOWING ORDER is hereby made:**

21 I.

22 **LEA PANNELL REALTY, INC.**

23 All licenses and licensing rights of Respondent LPRI under the Real Estate Law  
24 are revoked; provided, however, a restricted corporate real estate broker license shall be issued to  
25 LPRI, pursuant to Section 10156.5 of the Code, if LPRI makes application therefore and pays to  
26 the Department, the appropriate fee for the restricted license within 90 days from the effective  
27 date of this Decision and Order. The restricted license issued to LPRI shall be subject to all of

1 the provisions of Section 10156.7 of the Code and to the following limitations, conditions, and  
2 restrictions imposed under authority of Section 10156.6 of the Code:

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

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

12 **LAGUAN EUGENE LEA**

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

20 1. The restricted license issued to LEA may be suspended prior to hearing by  
21 Order of the Commissioner on evidence satisfactory to the Commissioner that LEA has violated  
22 provisions of the California Real Estate Law, the Subdivided Lands Law, Regulations of the  
23 Commissioner or conditions attaching to the restricted license.

24 2. LEA shall not be eligible to apply for the issuance of any unrestricted real  
25 estate license nor the removal of any of the conditions, limitations, or restrictions of a restricted  
26 license until two (2) years have elapsed from the effective date of this Decision and Order. LEA  
27

1 shall not be eligible to apply for any unrestricted licenses until all restrictions attaching to the  
2 license have been removed.

3 II.

4 **LEA PANSELL REALTY, INC. AND LAGUAN EUGENE LEA**

5 **(AUDIT COSTS)**

6 1. Pursuant to Code Section 10148, Respondents LPRI and LEA, jointly and  
7 severally, shall pay the Commissioner's reasonable costs for the audit which led to this  
8 disciplinary action in the amount of \$6,005.00. Respondents shall pay such costs within sixty  
9 (60) days of receiving an invoice therefor from the Commissioner. Payment of the audit costs  
10 should not be made until Respondent receives the invoice. If Respondent fails to satisfy this  
11 condition in a timely manner as provided for herein, Respondent's real estate license shall  
12 automatically be suspended until payment is made in full, or until a decision providing otherwise  
13 is adopted following a hearing held pursuant to this condition. Said payment shall be in the form  
14 of a cashier's check made payable to the Department of Real Estate, Flag Section at 651 Bannon  
15 Street, Suite 504, Sacramento, CA 95811. Payment of audit costs should not be made until the  
16 Stipulation has been approved by the Commissioner.

17 **(SUBSEQUENT AUDIT COSTS)**

18 2. Pursuant to Code Section 10148, Respondents, LPRI and LEA, jointly and  
19 severally, shall pay the Commissioner's reasonable costs, not to exceed \$7,506.25, for a  
20 subsequent audit to determine if Respondents have corrected the violations found in the  
21 Determination of Issues. In calculating the amount of the Commissioner's reasonable costs, the  
22 Commissioner may use the estimated average hourly salary for all persons performing audits of  
23 real estate brokers, and shall include an allocation for travel time to and from the auditor's place  
24 of work. Respondents shall pay such costs within sixty (60) days of receiving an invoice  
25 therefor from the Commissioner. If Respondents fails to satisfy this condition in a timely  
26 manner as provided for herein, Respondent's real estate licenses shall automatically be  
27 suspended until payment is made in full, or until a decision providing otherwise is adopted

1 following a hearing held pursuant to this condition. Said payment shall be in the form of a  
2 cashier's check made payable to the Department of Real Estate, and delivered to the Department  
3 of Real Estate, Flag Section, at 651 Bannon Street, Suite 504, Sacramento, CA 95811. Payment  
4 of audit costs should not be made until the Stipulation has been approved by the Commissioner.

5 **(INVESTIGATION AND ENFORCEMENT COSTS)**

6 3. All licenses and license rights of Respondents LPRI and LEA are indefinitely  
7 suspended, unless or until Respondents, jointly and severally, pay the sum of \$1,143.75 for the  
8 Commissioner's reasonable costs of the investigation and enforcement that led to this  
9 disciplinary action. Said payment shall be in the form of a cashier's check made payable to the  
10 Department of Real Estate, and delivered to the Department of Real Estate, Flag Section, at 651  
11 Bannon Street, Suite 504, Sacramento, CA 95811, **prior to the effective date of this Decision**  
12 **and Order.** Payment of investigation and enforcement costs should not be made until the  
13 Stipulation has been approved by the Commissioner.

14  
15 DATED: January 16, 2026

*Taylor Herrlinger*  
\_\_\_\_\_  
Taylor Herrlinger, Counsel for  
Department of Real Estate

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18 **EXECUTION OF THE STIPULATION**

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

1 Respondents agree, acknowledge, and understand that Respondents cannot  
2 rescind or amend this Stipulation and Agreement. By signing this Stipulation, Respondents  
3 understand and agree that Respondents may not withdraw Respondents' agreement or seek to  
4 rescind the Stipulation prior to the time the Commissioner considers and acts upon it or prior to  
5 the effective date of the Stipulation and Order.

6 Respondents can signify acceptance and approval of the terms and conditions of  
7 this Stipulation and Agreement by electronically e-mailing a copy of the signature page, as  
8 actually signed by Respondents, to the Department. Respondents agree, acknowledge, and  
9 understand that by electronically sending to the Department an electronic copy of Respondents'  
10 actual signature, as it appears on the Stipulation, that receipt of the emailed copy by the  
11 Department shall be as binding on Respondents as if the Department had received the original  
12 signed Stipulation. Alternatively, Respondents can signify acceptance and approval of the terms  
13 and conditions of this Stipulation and Agreement by mailing the original signed Stipulation and  
14 Agreement to: Taylor Herrlinger, Department of Real Estate, 651 Bannon Street, Suite 507,  
15 Sacramento, California 95811.


16  
17 Dated: 1-16-2026

  
LEA PANNELL REALTY, INC., by and through  
Designated Officer Laguan Eugene Lea,  
Respondent

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20 Dated: 1-16-2026

  
LAGUAN EUGENE LEA  
Respondent

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24 Dated: 1/16/26

  
Osby Davis, Esq.  
Counsel for Respondents

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The foregoing Stipulation and Agreement is hereby adopted as my Decision as to Respondents LEA PANNELL REALTY, INC. and LAGUAN EUGENE LEA and shall become effective at 12 o'clock noon on MAR 11 2026.

IT IS SO ORDERED 2/13/2026

CHIKA SUNQUIST  
REAL ESTATE COMMISSIONER



By: Marcus L. McCarther  
Chief Deputy Real Estate Commissioner