

Department of Real Estate
107 South Broadway, Room 8107
Los Angeles, California, 90012

Telephone: (213) 897-3937

SEP-3 1992

DEPT. OF REAL ESTATE
BY *K. Kederhals*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of)	H-24208 LA
CENTURY 21 HOLLYWOOD, INC.; REALTY)	
PEOPLE, INC.; STELLA KUO REALTY &)	<u>STIPULATION AND AGREEMENT</u>
MANAGEMENT INC.; JOSEPH CYRIL LEO,)	
individually and as designated)	
officer for Century 21 Hollywood)	<u>IN SETTLEMENT AND ORDER</u>
Inc., Realty People Inc., and)	
Stella Kuo Realty & Management Inc.,)	
Respondents.)	

It is hereby stipulated by and between REALTY PEOPLE INC. (sometimes referred to as "Respondent"), Joseph P. Varkey, its president and the Complainant, acting by and through George W. Wright, Counsel for the Department of Real Estate, as follows for the purpose of settling and disposing of the Accusation filed on September 12, 1990, 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

1 submitted solely on the basis of the provisions of this
2 Stipulation.

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

7 3. On October 9, 1990, Respondent filed a Notice of
8 Defense pursuant to Section 11505 of the Government Code for the
9 purpose of requesting a hearing on the allegations in the
10 Accusation. Respondent hereby freely and voluntarily withdraws
11 said Notice of Defense. Respondent acknowledges that it
12 understands that by withdrawing said Notice of Defense, it will
13 thereby waive its right to require the Commissioner to prove the
14 allegations in the Accusation at a contested hearing held in
15 accordance with the provisions of the APA and that it will waive
16 other rights afforded to it in connection with the hearing such as
17 the right to present evidence in defense of the allegations in the
18 Accusation and the right to cross-examine witnesses.

19 4. Respondent, pursuant to the limitations set forth
20 below, hereby admits that the factual allegations in Paragraphs
21 one (I), three (II), and five (V) of the Accusation filed in this
22 proceeding are true and correct and the Real Estate Commissioner
23 shall not be required to provide further evidence of such
24 allegations.

25 5. It is understood by the parties that the Real
26 Estate Commissioner may adopt the Stipulation And Agreement In
27 Settlement and Order as his Decision in this matter thereby

1 imposing the penalty and sanctions on Respondents' real estate
2 licenses and/or license rights as set forth in the below "Order".
3 In the event that the Commissioner in his discretion does not
4 adopt the Stipulation And Agreement In Settlement and Order, the
5 Stipulation And Agreement In Settlement and Order shall be void
6 and of no effect, and Respondent shall retain the right to a
7 hearing and proceeding on the Accusation under all the provisions
8 of the APA and shall not be bound by any admission or waiver made
9 herein.

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

16 DETERMINATION OF ISSUES

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

21 The conduct or omissions of Respondent REALTY PEOPLE
22 INC., as set forth in paragraphs thirteen (XIII) through fifteen
23 (XV) of the Accusation constitute cause to suspend or revoke its
24 corporate real estate broker license and/or license rights under
25 the provisions of Business and Professions Code Section 10177(d).

26 /

27 ORDER

JTW
8/5/92

WHEREFORE, THE FOLLOWING ORDER is hereby made:

I

A. The corporate real estate broker license of REALTY PEOPLE INC. is suspended for a period of thirty (30) days from the effective date of this Decision entered herein.

B. The thirty day suspension period shall be permanently stayed if, prior to the effective date of the Decision herein, said Respondent petitions pursuant to Section 10175.2 of the Code and pays to the Real Estate Recovery Account the sum of \$1,000.00. The adoption of this provision in the Decision of the Real Estate Commissioner shall constitute a determination that it would not be against the public interest to permit said Respondent to pay a monetary penalty. Payment of the monetary penalty shall be by certified or cashier's check made payable to the Department of Real Estate.

I have read the Stipulation And Agreement In Settlement, 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.

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DATED:

8/5/92

Joseph P. Varkey, PRESIDENT

REALTY PEOPLE INC., Respondent, by
its president, Joseph P. Varkey

DATED:

8/19/92

George W. Wright

George W. Wright, Counsel for
Complainant

The foregoing Stipulation and Agreement In Settlement
is hereby adopted as my Decision and Order and shall become
effective at 12 o'clock noon on December 1, 1992.

IT IS SO ORDERED

August 31, 1992.

CLARK WALLACE

Real Estate Commissioner

BY:

John R. Liberator
John R. Liberator

Chief Deputy Commissioner

Department of Real Estate
107 South Broadway, Room 8107
Los Angeles, California, 90012

Telephone: (213) 897-3937

OCT-8 1992

DEPARTMENT OF REAL ESTATE
BY K. J. [Signature]

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of) H-24208 LA
)
CENTURY 21 HOLLYWOOD, INC.; REALTY) STIPULATION AND AGREEMENT
PEOPLE, INC.; STELLA KUO REALTY &)
MANAGEMENT INC.; JOSEPH CYRIL LEO,)
individually and as designated)
officer for Century 21 Hollywood) IN SETTLEMENT AND ORDER
Inc., Realty People Inc., and)
Stella Kuo Realty & Management Inc.,)
)
Respondents.)

It is hereby stipulated by and between JOSEPH CYRIL LEO
(sometimes referred to as "Respondent") and the Complainant,
acting by and through George W. Wright, Counsel for the Department
of Real Estate, as follows for the purpose of settling and
disposing of the Accusation filed on September 12, 1990, 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

1 submitted solely on the basis of the provisions of this
2 Stipulation.

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

7 3. On October 9, 1990, Respondent filed a Notice of
8 Defense pursuant to Section 11505 of the Government Code for the
9 purpose of requesting a hearing on the allegations in the
10 Accusation. Respondent hereby freely and voluntarily withdraws
11 said Notice of Defense. Respondent acknowledges that he
12 understand that by withdrawing said Notice of Defense, he will
13 thereby waive his right to require the Commissioner to prove the
14 allegations in the Accusation at a contested hearing held in
15 accordance with the provisions of the APA and that he will waive
16 other rights afforded to him in connection with the hearing such
17 as the right to present evidence in defense of the allegations in
18 the Accusation and the right to cross-examine witnesses.

19 4. Respondent, pursuant to the limitations set forth
20 below, hereby admits that the factual allegations in Paragraphs
21 one (I) through five (V) of the Accusation filed in this
22 proceeding are true and correct and the Real Estate Commissioner
23 shall not be required to provide further evidence of such
24 allegations.

25 5. It is understood by the parties that the Real
26 Estate Commissioner may adopt the Stipulation And Agreement In
27 Settlement and Order as his Decision in this matter thereby

1 imposing the penalty and sanctions on Respondent's real estate
2 licenses and/or license rights as set forth in the below "Order".
3 In the event that the Commissioner in his discretion does not
4 adopt the Stipulation And Agreement In Settlement and Order, the
5 Stipulation And Agreement In Settlement and Order shall be void
6 and of no effect, and Respondent shall retain the right to a
7 hearing and proceeding on the Accusation under all the provisions
8 of the APA and shall not be bound by any admission or waiver made
9 herein.

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

16 DETERMINATION OF ISSUES

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

21 The conduct or omissions of Respondent JOSEPH CYRIL LEO,
22 as set forth in paragraphs six (VI) through twenty (XX) of the
23 Accusation constitute cause to suspend or revoke his real estate
24 broker license and/or license rights under the provisions of
25 Business and Professions Code Sections 10177(d) and 10177(h).

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ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

I

A. The licenses and license rights of JOSEPH CYRIL LEO
under Part 1 of Division 4 of the Business and Professions Code
are revoked.

B. However, Respondent shall be entitled to apply for
and be issued a restricted real estate broker license pursuant to
Section 10156.5 of the Code if Respondent makes application
therefor and pays to the Department of Real Estate the appropriate
fee for said license within one hundred twenty (120) days from the
effective date of the Decision.

C. The restricted real estate broker license issued
pursuant to this Order shall be suspended for sixty (60) days from
the effective date of the restricted license.

D. However, if respondent petitions, the sixty (60)-
day suspension of Respondent's restricted broker license shall be
permanently stayed upon condition that Respondent pay to the
Department's Recovery Account \$2,500 prior to the effective date
of this Decision, pursuant to the provisions of Section 10175.2.

(1) Payment of the aforementioned monetary penalty
shall be in the form of cashiers checks or certified checks, made
payable to the Recovery Account of the Real Estate Fund. Payment
must be made prior to the effective date of this Decision.

(2) The Commissioner, in exercising his discretion
under Code Section 10175.2, agrees by adopting this Order that it

1 would not be against the public interest to permit such
2 petitioning Respondent to pay the aforesaid monetary penalty.

3 E. The restricted license issued to Respondent shall be
4 subject to all of the provisions of Section 10156.7 of the
5 Business and Professions Code and to the following limitations,
6 conditions and restrictions imposed under authority of Section
7 10156.6 of said Code:

8 (1) Said restricted license may be suspended prior
9 to hearing by order of the Real Estate Commissioner in the event
10 of Respondent's conviction or plea of nolo contendere to a crime
11 which bears a significant relation to Respondent's qualifications,
12 duties or functions as a real estate licensee.

13 (2) Said restricted license may be suspended prior
14 to hearing by Order of the Real Estate Commissioner on evidence
15 satisfactory to the Commissioner that Respondent has violated
16 provisions of the California Real Estate law, the Subdivided Lands
17 Law, Regulations of the Real Estate Commissioner, or the
18 conditions attaching to this restricted license.

19 (3) Respondent shall, within nine (9) months from
20 the effective date of the restricted license, present evidence
21 satisfactory to the Real Estate Commissioner that he has, since
22 the most recent issuance of an original or renewal real estate
23 license, taken and successfully completed the continuing education
24 requirements of Article 2.5 of Chapter 3 of the Real Estate Law
25 for renewal of a real estate license. If Respondent fails to
26 satisfy this condition, the Real Estate Commissioner may order the
27 suspension of the restricted license until Respondent presents

1 such evidence. The Real Estate Commissioner shall afford
2 Respondent the opportunity for a hearing pursuant to the APA to
3 present such evidence.

4 (4) Respondent shall, within six (6) months from
5 the effective date of the restricted license, take and pass the
6 Professional Responsibility Examination administered by the
7 Department, including the payment of the appropriate fee. If
8 Respondent fails to satisfy this condition, the Commissioner may
9 order suspension of the restricted license until Respondent passes
10 the examination.

11 (5) Respondent shall report in writing to the
12 Department of Real Estate as the Real Estate Commissioner shall
13 direct by his Decision herein or by separate written order issued
14 while Respondent holds a restricted license, such information
15 concerning Respondent's activities for which a real estate license
16 is required as the Commissioner shall deem to be appropriate to
17 protect the public interest.

18 (6) Respondent shall not be eligible to apply for
19 the issuance of an unrestricted real estate license nor the
20 removal of any of the conditions, limitations or restrictions of a
21 restricted license until one (1) year has elapsed from the date of
22 issuance of the restricted license to Respondent.

23 I have read the Stipulation And Agreement In Settlement,
24 and its terms are understood by me and are agreeable and
25 acceptable to me. I understand that I am waiving rights given to
26 me by the California Administrative Procedure Act (including but
27 not limited to Sections 11506, 11508, 11509 and 11513 of the

1 Government Code), and I willingly, intelligently and voluntarily
2 waive those rights, including the right of requiring the
3 Commissioner to prove the allegations in the Accusation at a
4 hearing at which I would have the right to cross-examine witnesses
5 against me and to present evidence in defense and mitigation of
6 the charges.

7
8 DATED: 9/15/92

Joseph M. Leo
JOSEPH CYRIL LEO, Respondent

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10 DATED: 9/16/92

George W. Wright
George W. Wright, Counsel for
Complainant

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13 The foregoing Stipulation and Agreement In Settlement
14 is hereby adopted as my Decision and Order and shall become
15 effective at 12 o'clock noon on October 28, 1992.
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17 IT IS SO ORDERED 9/30, 1992.

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19 CLARK WALLACE
Real Estate Commissioner

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21 Clark Wallace
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Department of Real Estate
107 South Broadway, Room 8107
Los Angeles, California, 90012

Telephone: (213) 897-3937

SEP-3 1992

DEPARTMENT OF REAL ESTATE
BY K. Wadsworth

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of)	H-24208 LA
CENTURY 21 HOLLYWOOD, INC.; REALTY)	
PEOPLE, INC.; STELLA KUO REALTY &)	<u>STIPULATION AND AGREEMENT</u>
MANAGEMENT INC.; JOSEPH CYRIL LEO,)	
individually and as designated)	
officer for Century 21 Hollywood)	<u>IN SETTLEMENT AND ORDER</u>
Inc., Realty People Inc., and)	
Stella Kuo Realty & Management Inc.,)	
Respondents.)	

It is hereby stipulated by and between STELLA KUO REALTY & MANAGEMENT INC. (sometimes referred to as "Respondent"), its attorney, Daniel Wu, and the Complainant, acting by and through George W. Wright, Counsel for the Department of Real Estate, as follows for the purpose of settling and disposing of the Accusation filed on September 12, 1990, 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

1 submitted solely on the basis of the provisions of this
2 Stipulation.

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

7 3. On October 9, 1990, Respondent filed a Notice of
8 Defense pursuant to Section 11505 of the Government Code for the
9 purpose of requesting a hearing on the allegations in the
10 Accusation. Respondent hereby freely and voluntarily withdraws
11 said Notice of Defense. Respondent acknowledges that it
12 understands that by withdrawing said Notice of Defense, it will
13 thereby waive its right to require the Commissioner to prove the
14 allegations in the Accusation at a contested hearing held in
15 accordance with the provisions of the APA and that it will waive
16 other rights afforded to it in connection with the hearing such as
17 the right to present evidence in defense of the allegations in the
18 Accusation and the right to cross-examine witnesses.

19 4. Respondent, pursuant to the limitations set forth
20 below, hereby admits that the factual allegations in Paragraphs
21 one (I) , four (IV), and five (V) of the Accusation filed in this
22 proceeding are true and correct and the Real Estate Commissioner
23 shall not be required to provide further evidence of such
24 allegations.

25 5. It is understood by the parties that the Real
26 Estate Commissioner may adopt the Stipulation And Agreement In
27 Settlement and Order as his Decision in this matter thereby

1 imposing the penalty and sanctions on Respondents' real estate
2 licenses and/or license rights as set forth in the below "Order".
3 In the event that the Commissioner in his discretion does not
4 adopt the Stipulation And Agreement In Settlement and Order, the
5 Stipulation And Agreement In Settlement and Order shall be void
6 and of no effect, and Respondent shall retain the right to a
7 hearing and proceeding on the Accusation under all the provisions
8 of the APA and shall not be bound by any admission or waiver made
9 herein.

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

16 DETERMINATION OF ISSUES

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

21 The conduct or omissions of Respondent STELLA KUO REALTY
22 & MANAGEMENT INC., as set forth in paragraphs sixteen (XVI)
23 through eighteen (XVIII) of the Accusation constitute cause to
24 suspend or revoke its corporate real estate broker license and/or
25 license rights under the provisions of Business and Professions
26 Code Section 10177(d).

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1 against me and to present evidence in defense and mitigation of
2 the charges.

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4 DATED: 7/29/92

Stella Kuo
STELLA KUO REALTY & MANAGEMENT INC.
Respondent

6 DATED: 7/29/92

Daniel Wu
Daniel Wu, Counsel for Respondent

8 DATED: 8/19/92

George W. Wright
George W. Wright, Counsel for
Complainant

11 The foregoing Stipulation and Agreement In Settlement
12 is hereby adopted as my Decision and Order and shall become
13 effective at 12 o'clock noon on September 23, 1992.

15 IT IS SO ORDERED August 31, 1992.

17 CLARK WALLACE
18 Real Estate Commissioner

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20 John R. Liberator
21 BY: John R. Liberator
22 Chief Deputy Commissioner
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Department of Real Estate
107 South Broadway, Room 8107
Los Angeles, California, 90012
Telephone: (213) 897-3937

SEP-3 1992

DEPARTMENT OF REAL ESTATE
BY K. R. [Signature]

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of) H-24208 LA
)
CENTURY 21 HOLLYWOOD, INC.; REALTY) STIPULATION AND AGREEMENT
PEOPLE, INC.; STELLA KUO REALTY &)
MANAGEMENT INC.; JOSEPH CYRIL LEO,)
individually and as designated)
officer for Century 21 Hollywood) IN SETTLEMENT AND ORDER
Inc., Realty People Inc., and)
Stella Kuo Realty & Management Inc.,)
)
Respondents.)

It is hereby stipulated by and between CENTURY 21
HOLLYWOOD INC. (sometimes referred to as "Respondent"), its
attorney, Kenneth A. Feingold, and the Complainant, acting by and
through George W. Wright, Counsel for the Department of Real
Estate, as follows for the purpose of settling and disposing of
the Accusation filed on September 12, 1990, 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

1 submitted solely on the basis of the provisions of this
2 Stipulation.

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

7 3. On October 9, 1990, Respondent filed a Notice of
8 Defense pursuant to Section 11505 of the Government Code for the
9 purpose of requesting a hearing on the allegations in the
10 Accusation. Respondent hereby freely and voluntarily withdraws
11 said Notice of Defense. Respondent acknowledges that it
12 understands that by withdrawing said Notice of Defense, it will
13 thereby waive its right to require the Commissioner to prove the
14 allegations in the Accusation at a contested hearing held in
15 accordance with the provisions of the APA and that it will waive
16 other rights afforded to it in connection with the hearing such as
17 the right to present evidence in defense of the allegations in the
18 Accusation and the right to cross-examine witnesses.

19 4. Respondent, pursuant to the limitations set forth
20 below, hereby admits that the factual allegations in Paragraphs
21 one (I), two (II), and five (V) of the Accusation filed in this
22 proceeding are true and correct and the Real Estate Commissioner
23 shall not be required to provide further evidence of such
24 allegations.

25 5. It is understood by the parties that the Real
26 Estate Commissioner may adopt the Stipulation And Agreement In
27 Settlement and Order as his Decision in this matter thereby

1 imposing the penalty and sanctions on Respondents' real estate
2 licenses and/or license rights as set forth in the below "Order".
3 In the event that the Commissioner in his discretion does not
4 adopt the Stipulation And Agreement In Settlement and Order, the
5 Stipulation And Agreement In Settlement and Order shall be void
6 and of no effect, and Respondent shall retain the right to a
7 hearing and proceeding on the Accusation under all the provisions
8 of the APA and shall not be bound by any admission or waiver made
9 herein.

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

16 DETERMINATION OF ISSUES

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

21 The conduct or omissions of Respondent CENTURY 21
22 HOLLYWOOD INC., as set forth in paragraphs eight (VIII) through
23 eleven (XI) and nineteen (XIX) of the Accusation constitute cause
24 to suspend or revoke its corporate real estate broker license
25 and/or license rights under the provisions of Business and
26 Professions Code Section 10177(d).

27 /

ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

I

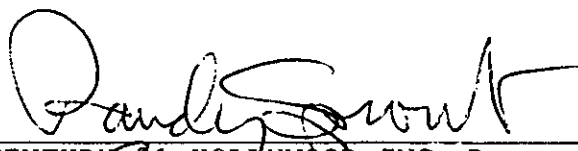
A. The corporate real estate broker license of CENTURY 21 HOLLYWOOD, INC. is suspended for a period of thirty (30) days from the effective date of this Decision entered herein.

B. The thirty day suspension period shall be permanently stayed if, prior to the effective date of the Decision herein, said Respondent petitions pursuant to Section 10175.2 of the Code and pays to the Real Estate Recovery Account the sum of \$1,000.00. The adoption of this provision in the Decision of the Real Estate Commissioner shall constitute a determination that it would not be against the public interest to permit said Respondent to pay a monetary penalty. Payment of the monetary penalty shall be by certified or cashier's check made payable to the Department of Real Estate.

I have read the Stipulation And Agreement In Settlement, 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.

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2 DATED:

8/4/92


CENTURY 21 HOLLYWOOD INC. Respondent

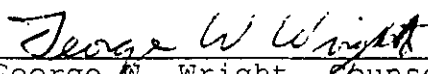
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4 DATED:

8/17/92


Kenneth A. Feingold, Counsel for
Respondent

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6 DATED:

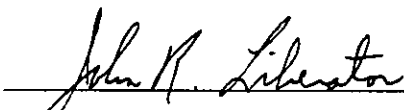
9/3/92


George W. Wright, Counsel for
Complainant

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10 The foregoing Stipulation and Agreement In Settlement
11 is hereby adopted as my Decision and Order and shall become
12 effective at 12 o'clock noon on September 23, 1992

13 IT IS SO ORDERED August 31, 1992.

14
15 CLARK WALLACE
16 Real Estate Commissioner

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19 BY: John R. Liberator
20 Chief Deputy Commissioner
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Sacto

FILED

MAY 19 1992

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE
BY *K. Mederhoff*

In the Matter of the Accusation of

CENTURY 21 HOLLYWOOD INC., et al.,

Case No. H-24208 LA

OAH No. L-52015

Respondent

NOTICE OF HEARING ON ACCUSATION

To the above named respondent:

You are hereby notified that a hearing will be held before the Department of Real Estate at

Office of Administrative Hearings, 314 West First Street,

Los Angeles, CA

on August 6 & 7, 1992

, at the hour of 9:00 a.m.,
or as soon thereafter as the matter can be heard, upon the Accusation served upon you.

You may be present at the hearing. You have the right to be represented by an attorney at your own expense. You are not entitled to the appointment of an attorney to represent you at public expense. You are entitled to represent yourself without legal counsel. If you are not present in person nor represented by counsel at the hearing, the Department may take disciplinary action against you based upon any express admission or other evidence including affidavits, without any notice to you.

You may present any relevant evidence and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the production of books, documents or other things by applying to the Department of Real Estate.

The hearing shall be conducted in the English language. If you want to offer the testimony of any witness who does not proficiently speak the English language, you must provide your own interpreter. The interpreter must be approved by the Administrative Law Judge conducting the hearing as someone who is proficient in both English and the language in which the witness will testify. You are required to pay the costs of the interpreter unless the Administrative Law Judge directs otherwise.

DEPARTMENT OF REAL ESTATE

Dated: May 19, 1992

By *George W. Wright*
Counsel

cc: Century 21 Hollywood Inc.
Realty People, Inc.
Stella Kuo Realty & Mgmt Inc.
Joseph Cyril Leo
RE 501 (1/92) Kenneth A. Feingold, Esq.
Daniel Wu, Esq.
kw Sacto OAH

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1 GEORGE W. WRIGHT, Counsel
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FILED

SEP 12 1990

DEPARTMENT OF REAL ESTATE
BY *K. M. Schubert*

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * *

11 In the Matter of the Accusation of) No. H-24208 LA
12 CENTURY 21 HOLLYWOOD INC;)
13 REALTY PEOPLE INC.; STELLA) A C C U S A T I O N
14 KUO REALTY & MANAGEMENT INC.;)
15 and JOSEPH CYRIL LEO, individually)
16 and as designated officer for)
17 Century 21 Hollywood Inc., Realty)
People Inc., and Stella Kuo)
Realty & Management Inc.,)
Respondents.)

18 The Complainant, Steven J. Ellis, a Deputy Real Estate
19 Commissioner of the State of California, for cause of accusation
20 against CENTURY 21 HOLLYWOOD INC; REALTY PEOPLE INC.; STELLA KUO
21 REALTY & MANAGEMENT INC.; and JOSEPH CYRIL LEO, individually and
22 as designated officer for Century 21 Hollywood Inc., Realty People
23 Inc., and Stella Kuo Realty & Management Inc., alleges as follows:

I

25 The Complainant, Steven J. Ellis, a Deputy Real Estate
26 Commissioner of the State of California, makes this accusation in
27 his official capacity.

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II

At all times herein mentioned, CENTURY 21 HOLLYWOOD INC. dba Century 21 Hollywood (hereinafter referred to as "Century") was and is presently licensed and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) as a corporate real estate broker by the Department of Real Estate of the State of California (hereinafter referred to as the "Department").

III

At all times herein mentioned, REALTY PEOPLE INC. dba Realty Experts (hereinafter referred to as "REALTY") was and is presently licensed and/or has license rights under the Real Estate Law as a corporate real estate broker by the Department.

IV

At all times herein mentioned, STELLA KUO REALTY & MANAGEMENT INC. (hereinafter referred to as "STELLA") was and is presently licensed and/or has license rights under the Real Estate Law as a corporate real estate broker by the Department.

V

At all times herein mentioned, JOSEPH CYRIL LEO (hereinafter referred to as "LEO") was presently licensed by the Department as a real estate broker and/or has license rights under the Real Estate Law. At all times herein mentioned, LEO was and is now designated officer for CENTURY and REALTY. LEO served as the designated officer for STELLA until July 24, 1989, when this status was cancelled. LEO's license as a real estate broker expired on June 8, 1989, with the right to renew said license

1 to expire on June 8, 1991. As the designated officer, LEO was
2 responsible for the supervision and control of the activities of
3 the officers and employees of each named corporate broker, to
4 secure full compliance with the Real Estate Law under Section
5 10159.2 of the Business and Professions Code (hereinafter referred
6 to as the "Code").

7 VI

8 At all times material herein, CENTURY, REALTY and
9 STELLA engaged in the business of, acted in the capacity of,
10 advertised, and assumed to act as real estate brokers as defined
11 in Section 10131 of the Code including the sale or offer to sell,
12 the solicitation of prospective sellers or purchasers of, or the
13 negotiation of the purchase or sale of real property as well as
14 the leasing and collecting of rents from tenants residing on real
15 properties, all for or in expectation of compensation.

16 VII

17 All further references in this Accusation to an act or
18 omission of CENTURY, REALTY, or STELLA (hereinafter sometimes
19 referred to as the "Respondents") shall be deemed to include the
20 officers, directors, employees, agents, and real estate licensees
21 employed by or associated with the respondents, including but not
22 limited to, LEO, who committed such act or omission while engaged
23 in the furtherance of the business or operation of Respondents
24 and while acting within the course and scope of their corporate
25 authority and employment.

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VIII

On or about July 11, 1989, the Department completed an audit of CENTURY's real estate activities concerning its trust fund handling and record-keeping. The period reviewed was from July 1, 1988, up to and including June 30, 1989.

IX

During the above-referenced period of time, CENTURY collected trust funds in the form of earnest money deposits in connection with its real estate sales activities. CENTURY accepted these trust funds from prospective purchasers of real property and thereafter forwarded said funds to neutral escrow companies. CENTURY failed to maintain an adequate columnar record for all trust funds received indicating from whom the funds were received, the date, the amount received as well as the identity of the escrow company receiving the funds and the date the funds were forwarded as required by Section 2831 of Chapter 6, Title 10, California Code of Regulations (hereinafter referred to as the "Regulations").

X

During the last three years, CENTURY employed thirteen (13) real estate salespersons and terminated ten (10) salespersons without immediately notifying the Department in writing of the employment and termination of said salespersons. This is a violation of Sections 10161.8 of the Code and Section 2752 of the Regulations.

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XI

At all times material herein, CENTURY failed to provide the Real Estate Transfer Disclosure Statement required for three real estate sales transactions examined during the audit described in Paragraph VIII hereinabove. Said conduct constitutes a violation of Section 10176.5 of the Code and is cause to suspend or revoke the real estate license and/or license rights of CENTURY under said Code Section.

XII

On or about July 7, 1989, the Department completed an audit of REALTY's real estate activities concerning its trust fund handling and record-keeping. The period reviewed was from June 1, 1988, up to and including June 30, 1980.

XIII

At all times material herein, REALTY accepted trust funds in the form of earnest money deposits from prospective buyers for the purchase of real estate. Said trust funds were then deposited into Account Number 037350-16627 entitled "Realty People Inc. Trust Account" at the Hollywood main office of Bank of America. REALTY failed to maintain a complete columnar record of trust funds received and paid out including the date of disbursements as well as a daily balance of said account in violation of Section 2831 of the Regulations.

XIV

At all times material herein, REALTY failed to keep separate records for beneficiary of transactions for trust funds received. Said conduct violated Section 2831.1 of the Regulations.

XIV

At all times material herein, REALTY failed to deposit trust funds received into the trust account described in Paragraph XIII hereinabove, no later than the next business day following receipt of said funds. REALTY violated Section 2832 of the Regulations by failing to timely deposit all trust funds received.

XV

During the last three years, REALTY employed three (3) salespersons and terminated employment with one (1) salesperson, but failed to immediately notify the Department in writing of the employment and termination of said salesperson. This is in violation of Section 10161.8 of the Code and 2752 of the Regulations.

XVI

On or about July 6, 1989, the Department completed an audit of STELLA's real estate activities concerning its trust fund handling and record-keeping. The period reviewed was from December 17, 1987, up to and including June 15, 1989, and unless otherwise specified, the relevant period of time referenced herein shall be the same.

XVII

At all times material herein, STELLA accepted trust funds in the form of rental payments from tenants and earnest money deposits from prospective purchasers of real estate. Said trust funds were not placed in a trust account but were then disbursed to the owners of the respective properties. STELLA failed to maintain an adequate columnar record of all trust funds received and not placed in a trust account. STELLA did not record the date

1 of receipt, from whom the funds were received, the amount received,
2 and its final disposition which constitutes a violation of Section
3 2831 of the Regulations.

4 XVIII

5 At all times material herein, STELLA employed real
6 estate salespersons who prepared instruments which had a material
7 effect upon the rights and obligations of principals represented
8 by STELLA in real estate sales transactions. LEO, as the designa-
9 ted officer of STELLA, violated Section 2725 of the Regulations by
10 failing to review, initial and date all of such instruments.

11 XIX

12 At all times material herein, five (5) real estate
13 salespersons were licensed under the broker license of LEO.
14 During the audit of CENTURY described in Paragraph VIII herein-
15 above, it was discovered that the five (5) salesperson were employed
16 by CENTURY and not LEO. Said conduct constitutes a violation of
17 Section 10161.8 of the Code by failing to immediately notify the
18 Commissioner in writing of the termination or employment of said
19 salespersons.

20 XX

21 The acts and omissions of LEO, in allowing CENTURY,
22 REALTY and STELLA to violate the Real Estate Law, as described in
23 Paragraphs XIX through XVIII, and his own direct violation, as
24 described in Paragraph XIX, hereinabove, constitutes a failure
25 on the part of LEO as the designated officer of CENTURY, REALTY
26 and STELLA, to exercise reasonable supervision over the activities
27 of said respondents for which a real estate license is required

1 under Section 10159.2 of the Code, and is cause to suspend or
2 revoke LEO's real estate license and/or license rights under
3 Section 10177(h) of the Code.

4 XXI

5 The acts and omissions of CENTURY, as described in
6 Paragraphs IX and XI, hereinabove, are bases for the suspension or
7 revocation of CENTURY's license and/or license rights under
8 Sections 10176.5 and 10177(d) of the Code.

9 XXII

10 The acts and omissions of REALTY, as described in
11 Paragraphs XIII through XV, hereinabove, are bases for the suspen-
12 sion or revocation of REALTY's license and/or license rights under
13 Section 10177(d) of the Code.

14 XXIII

15 The acts and omissions of STELLA, as described in
16 Paragraphs XVII through XVIII, hereinabove, are bases for the
17 suspension and/or revocation of STELLA's license and/or license
18 rights under Section 10177(d) of the Code.

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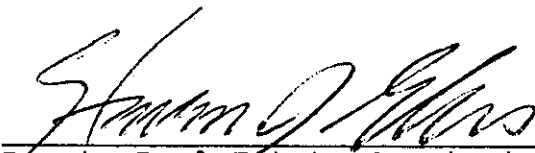
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1 WHEREFORE, complainant prays that a hearing be
2 conducted on the allegations of this Accusation and that upon proof
3 thereof, a decision be rendered imposing disciplinary action
4 against all licenses and license rights of respondents CENTURY 21
5 HOLLYWOOD INC.; REALTY PEOPLE INC.; STELLA KUO REALTY & MANAGEMENT
6 INC.; and JOSEPH CYRIL LEO, individually and as designated officer
7 for Century 21 Hollywood Inc., Realty People Inc., and Stella Kuo
8 Realty & Management Inc., under the Real Estate Law (Part 1 of
9 Division 4 of the Business and Professions Code) and for such
10 other and further relief as may be proper under other application
11 provisions of law.

12 Dated at Los Angeles, California
13 this 12th day of September, 1990.

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16 Deputy Real Estate Commissioner
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24 cc: Century 21 Hollywood Inc.
25 Realty People Inc.
26 Stella Kuo Realty & Management Inc.
27 Joseph Cyril Leo
Sacto.
RG (PFH)