

1 Bureau of Real Estate
320 West 4th Street, Suite 350
2 Los Angeles, California 90013-1105

FILED

JAN 15 2014

BUREAU OF REAL ESTATE

By *J. Hasan*

8 BUREAU OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * * *

11
12 In the Matter of the Accusation of)

CAL BRE No: H-38793 LA

13 HOMESMART REALTY and LOUIS WILLIAM)
14 PALAFOX, individually, and as)
15 designated officer of Homesmart)
16 Realty,)

OAH NO: 2013050706

STIPULATION AND
AGREEMENT

Respondents.)

17
18 It is hereby stipulated by and between Respondent
19 LOUIS WILLIAM PALAFOX, represented by GHASSAN O. HASAN, and the
20 Complainant, acting by and through James A. Demus, Counsel for
21 the Bureau of Real Estate, as follows for the purpose of settling
22 and disposing of the Accusation filed on April 2, 2013, in this
23 matter:

24 1. All issues which were to be contested and all
25 evidence which was to be presented by Complainant and Respondent
26 at a formal hearing on the Accusation, which hearing was to be
27 held in accordance with the provisions of the Administrative

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

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

8 3. Respondent timely filed a Notice of Defense
9 pursuant to Section 11506 of the Government Code for the purpose
10 of requesting a hearing on the allegations in the Accusation.
11 Respondent hereby freely and voluntarily withdraws said Notice of
12 Defense. Respondent acknowledges that he understands that by
13 withdrawing said Notice of Defense he thereby waives the right to
14 require the Commissioner to prove the allegations in the
15 Accusation at a contested hearing held in accordance with the
16 provisions of the APA and that he will waive other rights
17 afforded to him in connection with the hearing such as the right
18 to present evidence in his defense of the allegations in the
19 Accusation and the right to cross-examine witnesses.

20 4. This Stipulation is based on the factual
21 allegations contained in the Accusation. In the interest of
22 expedience and economy, Respondent chooses not to contest these
23 allegations, but to remain silent and understands that, as a
24 result thereof, these factual allegations, without being admitted
25 or denied, will serve as a prima facie basis for the disciplinary
26 action stipulated to herein. The Real Estate Commissioner shall
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1 not be required to provide further evidence to prove said factual
2 allegations.

3 5. This Stipulation is made for the purpose of
4 reaching an agreed disposition of this proceeding and is
5 expressly limited to this proceeding and any other proceeding or
6 case in which the Bureau of Real Estate ("Bureau"), the state or
7 federal government, or any agency of this state, another state or
8 federal government is a party.

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

19 7. The Order or any subsequent Order of the Real
20 Estate Commissioner made pursuant to this Stipulation shall not
21 constitute an estoppel, merger or bar to any further
22 administrative or civil proceedings by the Bureau of Real Estate
23 with respect to any matters which were not specifically alleged
24 to be causes for Accusation in this proceeding but do constitute
25 a bar, estoppel and merger as to any allegations actually
26 contained in the Accusation against Respondent herein.
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1 Respondent enters into an agreement satisfactory to the
2 Commissioner to provide for payment.

3 III.

4 All licenses and licensing rights of Respondent LOUIS
5 WILLIAM PALAFOX are indefinitely suspended unless or until
6 Respondent provides proof satisfactory to the Commissioner, of
7 having taken and successfully completed the continuing education
8 course on trust fund accounting and handling specified in
9 paragraph (3) of subdivision (a) of Section 10170.5 of the
10 Business and Professions Code. Proof of satisfaction of this
11 requirement includes evidence that respondent has successfully
12 completed the trust fund account and handling continuing
13 education course within 120 days prior to the effective date of
14 the Decision in this matter.

15 IV.

16 Respondent LOUIS WILLIAM PALAFOX shall within six (6)
17 months from the effective date of the Decision herein, take and
18 pass the Professional Responsibility Examination administered by
19 the Bureau including the payment of the appropriate examination
20 fee. If Respondent LOUIS WILLIAM PALAFOX fails to satisfy this
21 condition, the Commissioner may order suspension of Respondent
22 LOUIS WILLIAM PALAFOX's license until Respondent passes the
23 examination.

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25 DATED: 12/20/13



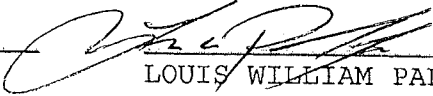
26 JAMES A. DEMUS, Counsel for
27 the Bureau of Real Estate

EXECUTION OF THE STIPULATION

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2 I have read the Stipulation and discussed it with my
3 counsel. Its terms are understood by me and are agreeable and
4 acceptable to me. I understand that I am waiving rights given to
5 me by the California Administrative Procedure Act (including but
6 not limited to Sections 11506, 11508, 11509 and 11513 of the
7 Government Code), and I willingly, intelligently and voluntarily
8 waive those rights, including the right of requiring the
9 Commissioner to prove the allegations in the Accusation at a
10 hearing at which I would have the right to cross-examine
11 witnesses against me and to present evidence in defense and
12 mitigation of the charges.

13 Respondent can signify acceptance and approval of the
14 terms and conditions of this Stipulation by faxing a copy of its
15 signature page, as actually signed by Respondent, to the Bureau
16 at the following telephone/fax number: James A. Demus at (213)
17 576-6917. Respondents agree, acknowledge and understand that by
18 electronically sending to the Bureau a fax copy of Respondent's
19 actual signature as it appears on the Stipulation, that receipt
20 of the faxed copy by the Bureau shall be as binding on Respondent
21 as if the Bureau had received the original signed Stipulation.
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23
24 DATED: 12-20-13


LOUIS WILLIAM PALAFOX, Respondent

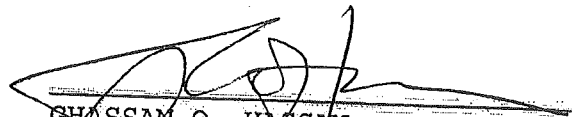
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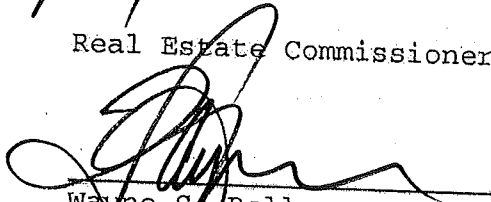
DATED: 12/25/13


GHASSAN O. HASSAN,
Attorney for Respondent

The foregoing Stipulation and Agreement is hereby
adopted as my Decision as to Respondent LOUIS WILLIAM PALAFOX and
shall become effective at 12 o'clock noon on

FEB 05 2014

IT IS SO ORDERED 1/12/2014

Real Estate Commissioner

Wayne S. Bell